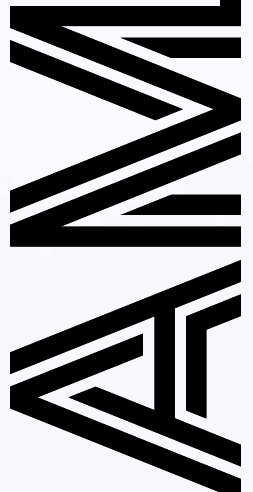


**CURIOSITY
LIVES HERE**

**Annual Plan
2018/2019**



**Tāmaki
Paenga Hira
Auckland
War Memorial
Museum**





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Foreword

Auckland is growing and diversifying at an unprecedented rate. The city is now one of the most multicultural in the world, with half of Aucklanders born outside New Zealand.

Auckland Council wishes to ensure Auckland is a world-class city, able to compete on a global stage. It also believes all Aucklanders should have the opportunity to experience the benefits of the city's growth.

World-class cities require a thriving cultural sector. Tāmaki Paenga Hira Auckland War Memorial Museum provides vital support for Council's vision and can help ensure it is realised. We do this through our contribution to the quality of life in Auckland, and by supporting community participation and cohesion. We help both Aucklanders and more recent arrivals learn about and become part of their changing city.

As we respond to the region's growing and changing demographics, we are undertaking a significant programme of capital works that will drive visitation, improve the visitor's experience, and ensure the collections for which we are a kaitiaki are increasingly accessible. We will reflect the city and people who call Auckland home.

This *Annual Plan* gives life to the first year of the Museum's inaugural *Five-Year Strategic Plan*, which sets out a bold vision and direction from now through to 2022. Over the next five years, we will reach more people, transform our building and improve our financial sustainability. This plan outlines the steps we will be taking over the next 12 months to achieve this.

Investment in Auckland Museum is a legacy investment in our children, and in the taonga and their stories that we share with future generations.

As always, we are grateful for the support of Aucklanders and the backing of Auckland Council and Regional Facilities Auckland. Thanks to our supporters and the contribution of our people and our many volunteers, the city is assured of a Museum here, today and in the future.

Dr William Randall MNZM
Chair, Auckland Museum Trust Board

Precious Clark
Chair, Taumata-ā-Iwi

Dr David Gaimster
Director, Auckland Museum



Our Statutory Responsibilities

Auckland Museum is one of New Zealand's largest, oldest and most important museums. The collections are of national and international significance. It is the responsibility of the Museum to care for these collections and to share them and their stories with the world.

The significance of the Museum and its importance to New Zealand is recognised in the Auckland War Memorial Museum Act 1996, which established the Trust Board and requires it to act on behalf of present and future Aucklanders.

The Act places responsibility on the Museum's Trust Board to:

- present the history and environment of Auckland, New Zealand, and the South Pacific
- be Auckland's war memorial
- encourage the spirit of goodwill and partnership envisaged by the Treaty of Waitangi
- celebrate the rich cultural diversity of Auckland and its people
- conserve the heritage of the Museum
- educate, enrich lives and promote well-being
- advance and promote cultural and scientific scholarship and research
- lead through professionalism, innovation and partnership
- supplement ratepayer funding through compatible revenue-producing activity and fundraising

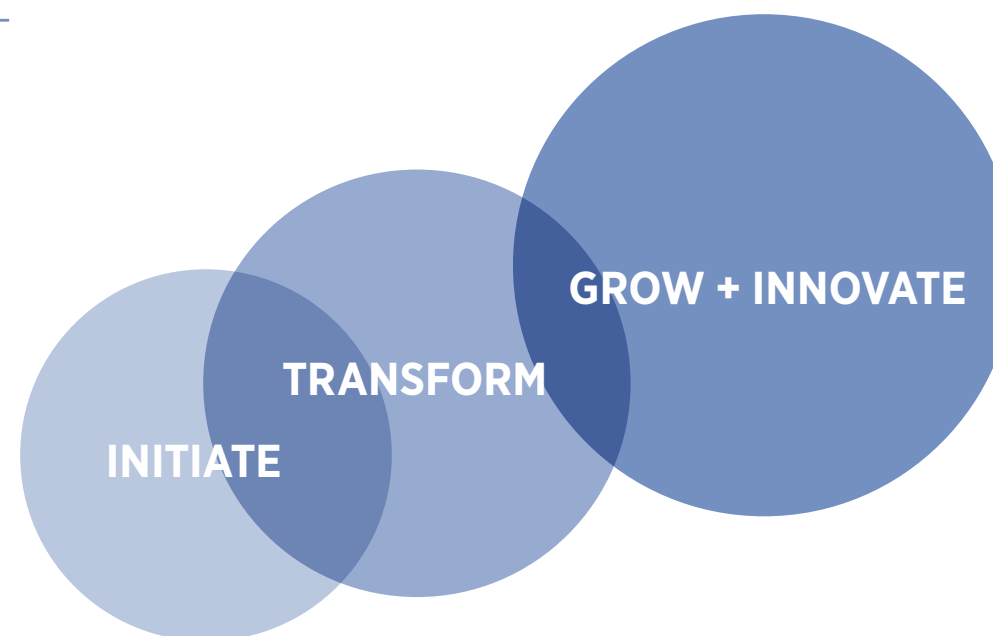
The Trust Board has a statutory obligation to make the case for sufficient funding for the Museum, to enable it to respond to the demand for its services, to care for the collections and to continue to deliver high-quality programmes for the growing and increasingly diverse population of Auckland. It is required to recognise and provide for greater financial self-sufficiency and to maximise community benefit from the resources available.

The Annual Plan for 2018/2019 proposes a 2.5% increase in the levy.

AUCKLAND COUNCIL PLAN ALIGNMENT



REACH AND IMPACT



2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |

This year Auckland Museum developed a Five-Year Strategic Plan that describes how we will deliver on and advance our legislative and Treaty responsibilities. Our Strategic Plan also aligns with the refreshed Auckland Plan and Toi Whītiki – the Arts and Culture Strategic Action Plan for Auckland. This alignment is recorded for each of the six strategic priorities described in the Annual Plan.

Our six strategic priorities are:

1. Reach out to more people
2. Transform our building and collections
3. Stretch thinking
4. Lead a digital museum revolution
5. Engage every schoolchild
6. Grow our income and enhance value for Aucklanders

We will adopt a staged approach to the implementation of these five-year priorities, in order to ensure the Museum has sufficient resources to do so.

As shown above, we are currently in the 'initiate' stage, and focused on laying the foundations, including delivery of a number of essential building and collection readiness projects.

In the second stage, 2019 and 2020, we will reveal further developments and improvements, alongside growing visitation and membership numbers and increased revenue.

From the third phase, beginning in 2021, we will be positioned to accelerate growth. We will expand our reach and revenue and further invest in innovative and commercial partnerships that will help shape our future beyond 2022.

STRATEGIC AND PLANNING FRAMEWORK

The Auckland Plan's objectives are at the heart of what we believe and do. Our vision at Auckland Museum is 'He Oranga Tangata Ka Ao – Enriching lives: Inspiring discoveries'.

Our Paerewa describe who we are and what we stand for.

We are guided by a robust strategic framework which forms the basis of how we operate and engage with communities.

MISSION

Tui tui hono tangata, whenua me te moana
Connecting through sharing stories
of people, lands and seas

VISION

He oranga tangata ka ao –
Enriching lives: Inspiring discoveries

PAEREWA FUTURE MUSEUM TOUCHSTONES

Auckland's war memorial
Home of Auckland's collective
remembering and commemoration

**A kaitiaki for current and future
generations** of this iconic building,
collections, people and taonga

**A bicultural heart connected
to our communities**

**A place of innovation, curiosity,
learning and research**

A compelling experience
onsite, offsite, online

Active leader and collaborator
in Auckland, nationally and
internationally in all the sectors
in which we operate

FIVE-YEAR PRIORITIES

Reach out to more people

Transform our building and
collections

Stretch thinking

Lead a digital museum revolution

Engage every schoolchild

Grow our income and enhance
value for Aucklanders

ANNUAL PLAN 2018/2019

Gives life to
the first year
of the Museum's
*Five-Year Strategic
Plan 2017–2022*.

GUIDING PRINCIPLES

Manaakitanga, Kaitiakitanga,
Mana whenua

VALUES

Relevant, Connected, Innovative,
Respectful, Inspired

PRIORITIES, ACTIONS AND MEASURES

1 Reach out to more people

The five-year goal is to attract 1.2 million visitors each year to Auckland Museum and have a membership base of 5,000.

To achieve this outcome, in the first year, FY 2018/2019, we will use the following actions and measures.

Actions

- Provide a compelling Museum experience onsite
- Maintain onsite visitation during the period of capital works by offering a robust schedule of temporary exhibitions, a compelling public programme and special events
- Engage our audiences through the delivery of three exhibitions
- Present a dynamic series of public programmes that seek to create thought and debate
- Improve our galleries and visitor experiences, including the refreshing of Origins Gallery
- Continue to serve as Auckland's war memorial, by delivering three commemorative programmes in partnership with Auckland Council and the Returned Services Association, with a focus on the conclusion of the WWI 100 commemoration
- Maintain and increase engagements with our Online Cenotaph database
- Continue to deliver compelling programmes offsite that create engagement and promote inclusion and diversity
- Ensure the Museum has an ongoing presence at city festivals, including Pasifika, ASB Polyfest, Lantern Festival, Auckland Anniversary Weekend, Auckland Arts Festival, Auckland Pride, Auckland Writers Festival and Diwali
- Continue to build the Museum's presence in South Auckland, through our partnership with Manukau Institute of Technology
- Promote Māori identity onsite by creating a destination which fosters inclusion with manaakitanga: visibility of te reo and increased access to taonga
- Deliver one Māori language programme targeted at schoolchildren and two Matariki and Māori Language Week programming events
- Initiate planning and modelling of an extended Museum Membership programme, which involves Auckland Museum Institute, for launching in late 2019
- Be a workplace of choice, by continuing to develop a diverse and inclusive workforce with all staff equipped with the appropriate skills
- Provide a strong volunteering programme that deepens civic engagement

Measures

- Onsite visitation of 905,000 achieved
- Maintained visitor satisfaction at 98%, as measured by our annual Visitor Profile Survey
- Delivered a compelling exhibitions programme, which for FY 2018/2019, will include 'Are we there yet? Women and Equality in Aotearoa'
- Successful public programming which included the four panel discussions for the LATE series
- At least 12,000 public contributions to the Online Cenotaph database achieved
- A 5% growth in our outreach audiences, from the previous year
- Completed design of the Museum Membership programme
- Implemented organisational development initiatives such as training programmes and a staff engagement survey

Alignment with:

AUCKLAND WAR MEMORIAL MUSEUM ACT

Section 11(a) The recording and presentation of the history and environment of the Auckland region, New Zealand and the South Pacific

Section 11(d) Celebration of the rich cultural diversity of the Auckland region and its people

Section 11(g) Achievement of customer satisfaction by leading consultation, responsiveness and continuous improvement

Section 11(j) Providing maximum community benefit from the resources available

AUCKLAND PLAN

A culturally rich and creative Auckland

A fair, safe and healthy Auckland

A Māori identity that is Auckland's point of difference in the world

A well-connected and accessible Auckland

Dramatically accelerate the prospects of Auckland's young people

TOI WHĪKITIKI

Participation: All Aucklanders can access and participate in arts and culture

Investment: Auckland values and invests in arts and culture

Placemaking: Arts and culture are intrinsic to Auckland's placemaking

Identity: Auckland celebrates a unique cultural identity

2

Transform our building and collections

The five-year goal is to create a world-class museum experience within our iconic building, including refreshing 50% of our gallery space, creating more public and special exhibition space, and investing in the hospitality and amenities we offer.

To achieve this outcome, in the first year, FY 2018/2019, we will use the following actions and measures.

Actions

- Continue to serve as kaitiaki for the iconic heritage-listed Domain building and our collections
- Increase accessibility to and within the Museum for all Aucklanders and visitors to the city by building an outside pathway to the southern entrance of the Museum building, and a walkway within it that connects north to south on the ground floor
- Construct and fit-out a new 'Learning Base' and upgraded classrooms on level 1 of the Domain building that will support a reinvigorated onsite learning programme
- Refresh at least one permanent gallery on the ground floor (Pacific Lifeways and/or Māori Court east), to improve the visitor experience
- Develop a new, expanded space for special exhibitions that enables the Museum to showcase an exciting programme of home-grown exhibitions and international collection exchanges, for delivery in FY 2019/2020
- Continue to add to the Museum's sustainability while meeting the needs of visitors, particularly those who enter and exit via the northern entrance, during a period of capital works; for example, by creating an espresso bar
- Optimise the use of Manu Tāiko, our offsite collections centre, which will, in turn, enable the provision of additional public and community space at the Domain building
- Reconfigure onsite permanent storage to provide physically and culturally appropriate collection storage for our Taonga Māori, Pacific and Archaeology collections, including workspace and space for community, in line with He Korahi Māori and Teu le Vā
- Implement open-plan activity-based workspace systems in development of temporary offsite executive offices and Portacomms
- Optimise the use of collections in our permanent galleries and exhibitions

Measures

- Achieved substantial completion of capital projects identified, including the construction of a new Learning Base on level one and construction of a new Special Exhibitions Hall
- Completed the annual schedule in accordance with Asset Management and Collection Care plans
- Appropriate Manu Tāiko storage occupancy achieved, with enough collections decanted from the Domain building to create adequate space

Alignment:

AUCKLAND WAR MEMORIAL MUSEUM ACT

Section 11(b) Conservation of the heritage of the Museum, and of global resources

Section 11(g) Achievement of customer satisfaction by consultation, responsiveness and continuous improvement

Section 11(i) Greater financial self-sufficiency

Section 11(j) Providing maximum community benefit from the resources available

AUCKLAND PLAN

Access and Connectivity
Environment and Cultural Heritage

Belonging and Participation

Homes and Places

Opportunities and Prosperity

Māori Identity and Well-being

TOI WHĪKITIKI

Participation: All Aucklanders can access and participate in arts and culture

Investment: Auckland values and invests in arts and culture

Placemaking: Arts and culture are intrinsic to Auckland's placemaking

Identity: Auckland celebrates a unique cultural identity

3

Stretch thinking

This five-year goal is to utilise collections to generate new knowledge and new ideas, and be a catalyst for debate.

To achieve this outcome, in the first year, FY 2018/2019, we will use the following actions and measures.

Actions

- Continue to lead research thinking about the Auckland region and actively contribute to knowledge generation
- Maintain an active and relevant research programme involving our communities and achieving international reach and impact
- Consult with tertiary and research partners to implement a revised five-year Museum Research Strategy (2018–2023), identifying priority research themes including Mātauranga Māori, conservation science and potential cross-disciplinary ventures that activate our collections
- Co-develop a new elective module in Collections Research for Auckland University in Museum and Cultural Heritage, for launching in the 2019 academic year
- Actively manage research partnerships to co-ordinate, facilitate and reinforce the impact of Museum research
- Maintain and increase the programme of publishing for popular and academic audiences based on Museum collections and expertise
- Promote Māori and Pacific well-being and gain a deeper understanding of Mātauranga Māori and our taonga through continuing the collection access programme with the Māori and Pacific community and sharing the learning
- Optimise our research outputs based on a Create Once, Publish Everywhere (COPE) strategy to inform gallery narratives and interventions and circulate through print and digital publications, conferences, symposia and workshops
- Continue to ensure our talent pipeline is recognised within the cultural sector

Measures

- Co-delivery of joint research and teaching ventures
- Completed the Pacific Collection Access Project (Phase One, 13 Pacific island nations)
- Delivered Year Two of the Te Awe project, focused on weaving and carving
- Implemented FY 2018/2019 annual collecting plans with a focus on community co-development of collections
- Increased the number of publications the Museum contributed to, compared to the previous year
- Led, with Ngāti Kuri, the decadal biodiversity and cultural fieldwork expedition to Manawatahi (Three Kings Islands), in November 2018
- Secured external partnership funding for 25% of the Museum’s research activity

Alignment:

AUCKLAND WAR MEMORIAL MUSEUM ACT

- Section 11(a) The recording and presentation of the history and environment of the Auckland region, New Zealand and the South Pacific
- Section 11(b) Conservation of the heritage of the Museum
- Section 11(d) Celebration of the rich cultural diversity of the Auckland region and its people
- Section 11(e) Education which involves and entertains people to enrich their lives
- Section 11(f) The advancement and promotion of cultural and scientific scholarship and research
- Section 11(i) Greater financial self-sufficiency

AUCKLAND PLAN

- Homes and Places
- Access and Connectivity
- Belonging and Participation
- Māori Identity and Well-being

TOI WHĪKITIKI

- Participation: All Aucklanders can access and participate in arts and culture
- Placemaking: Arts and culture are intrinsic to Auckland’s placemaking
- Identity: Auckland celebrates a unique cultural identity
- Creative economy: Auckland has a robust and flourishing creative economy
- Investment: Auckland values and invests in arts and culture

4

Lead a digital museum revolution

The five-year goal is to be recognised as a leading digital museum, by making technology an important part of what we do. Onsite, we will augment the experience of Museum visitors through personalisation, interactivity and richness of content. Online, we will continue to extend our reach and impact with audiences around the globe.

To achieve this outcome, in the first year, FY 2018/2019, we will use the following actions and measures.

Actions

- Continue to digitise collections by increasing the number of collection assets uploaded to Collections Online by 5%
- Promote greater visibility and access to those Online Collections, evidenced by the number of unique users
- Integrate digital technology into our gallery improvement programme, in order to enrich the visitor's experience through personalisation, interactivity and richness of content
- Maintain collaborative partnerships with key museums nationally and internationally, and other relevant organisations, to enhance collection access and engagement; for example, join the Biodiversity Heritage Library led by the Smithsonian Institution
- Provide training programmes to help Museum staff embrace digital integration
- Maintain a stable and safe technology platform and progress the technology road map, including outsourcing and upgrading of infrastructure, with associated cost and operational efficiencies
- Participate in the linked open data movement to ensure access to New Zealand's cultural and natural history through online collaborative data sharing initiatives, for example, Digital NZ, BHL, GBIF and the Encyclopaedia of Life, and NZ War Graves Trust
- Continue to be a collaborative online portal for Auckland collections across gallery, library archive and museum collections

Measures

- Reliable access to the Museum's online systems and collection data held securely
- Increased number of unique users to Collections Online
- Museum-wide digital strategy established and new digital experiences being implemented in the new Learning Base

Alignment:

AUCKLAND WAR MEMORIAL MUSEUM ACT

Section 11(a) The recording and presentation of the history and environment of the Auckland region, New Zealand and the South Pacific

Section 11(e) Education which involves and entertains people to enrich their lives

Section 11(f) The advancement and promotion of cultural and scientific scholarship and research

AUCKLAND PLAN

Access and Connectivity

Opportunities and Prosperity

Belonging and Participation

Environmental and Cultural Heritage

TOI WHĪKITIKI

Participation: All Aucklanders can access and participate in arts and culture

Identity: Auckland celebrates a unique cultural identity

Creative economy: Auckland has a robust and flourishing creative economy

Investment: Auckland values and invests in arts and culture

Infrastructure: A network of vibrant arts and culture organisations and facilities

5

Engage every schoolchild

The five-year goal is to engage and inspire over 100,000 schoolchildren and students annually – and be recognised as an expert in immersive, experiential, self-directed and hands-on learning.

To achieve this outcome, in the first year FY 2018/2019, we will use the following actions and measures.

Actions

- Continue to attract and engage Auckland schoolchildren by maintaining and increasing onsite visitation and offsite programming
- Develop our new Learning Base, ready for launch, and pivot our primary engagement from the classrooms to galleries
- Integrate Māori language and culture in our learning environments, including in the Learning Base
- Develop a series of Museum in a Box experiences to reach schools beyond our walls
- Improve our reach by partnering with tertiary institutions and government agencies for our offsite programmes and resources
- Plan a teacher in-service training programme and develop a membership programme for teachers, to be launched in FY 2019/2020
- Pilot digital curriculum content and enriched digital resources for secondary-school students for the 2019 academic year
- Ensure curriculum links are embedded in our learning environments, including within galleries and exhibitions

Measures

- Maintained onsite visitation by schoolchildren at the same level as FY 2017/2018
- Growth in offsite engagement, up 15% on the prior year
- Increased access to online learning resources

Alignment:

AUCKLAND WAR MEMORIAL MUSEUM ACT

Section 11(e) Education which involves and entertains people to enrich their lives

Section 11(f) The advancement and promotion of cultural and scientific scholarship and research

Section 11(g) Achievement of customer satisfaction by consultation, responsiveness and continuous improvement

Section 11(j) Providing maximum community benefit from the resources available

AUCKLAND PLAN

Opportunities and Prosperity

Homes and Places

Belonging and Participation

Māori Identity and Well-being

Access and Connectivity

TOI WHĪKITIKI

Participation: All Aucklanders can access and participate in arts and culture

Identity: Auckland celebrates a unique cultural identity

Investment: Auckland values and invests in arts and culture

6

Grow our income and enhance value for Aucklanders

The five-year goal is to increase our annual self-generated revenue by 30% to \$12 million by 2022, and achieve \$12 million in commercial and charitable sponsorship.

To achieve this outcome, in the first year, FY 2018/2019, we will leverage co-ordination of effort with relevant organisations, and focus on revenue-producing and fundraising activities which supplement public funding.

Actions

- Continue to operate effectively and efficiently
- Maintain focus on retaining revenue and mitigating any loss during the period of onsite capital works
- Set and implement a commercial strategy that enables increased revenue-generation opportunities in the areas of sponsorship, ticketing, retail, catering and corporate hospitality
- Establish appropriate developmental infrastructure and management model for accelerating charitable and philanthropic donations
- Prioritise fundraising for the planned 'Tāmaki stories' and 'environment' gallery developments, finding the right fit between our donors' agendas and our own, and offering a range of sponsorship inspirations
- Collaborate with Auckland Council and our counterpart civic cultural heritage entities to deliver better outcomes for Aucklanders through new joint ventures in marketing, public programming, digital access and workforce capacity building

Measures

- Achieved self-generated funding of \$8.5 million
- Raised \$2 million of development funding
- Auckland Museum Foundation fundraising platform established and fully activated
- Launched the Museums of Auckland consortium, delivering joint marketing initiatives, increased cross-city visitation, co-ordinated public programmes, a joint digital collection search portal and a sector workforce development scheme

Alignment:

AUCKLAND WAR MEMORIAL MUSEUM ACT

Section 11(g) Achievement of customer satisfaction by leading consultation, responsiveness and continuous improvement

Section 11(h) Leadership through professionalism, innovation and co-ordination of effort with relevant organisations

Section 11(i) Greater financial self-sufficiency through fundraising and compatible revenue-producing activities which supplement public funding

Section 11(j) Providing maximum community benefit from the resources available

AUCKLAND PLAN

Homes and Places

Opportunity and Prosperity

Belonging and Participation

Access and Connectivity

Environment and Cultural Heritage

TOI WHĪKITIKI

Participation: All Aucklanders can access and participate in arts and culture

Identity: Auckland celebrates a unique cultural identity

Investment: Auckland values and invests in arts and culture

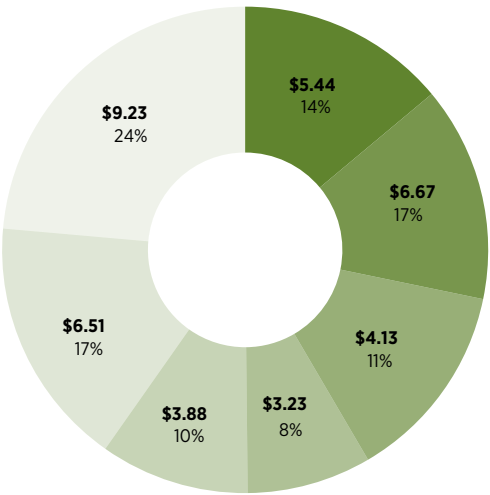
FINANCIAL SUMMARY
AND COMMENTARY

Financial Projections
2018/2019

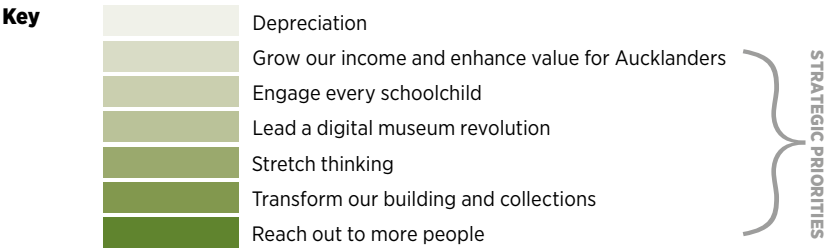
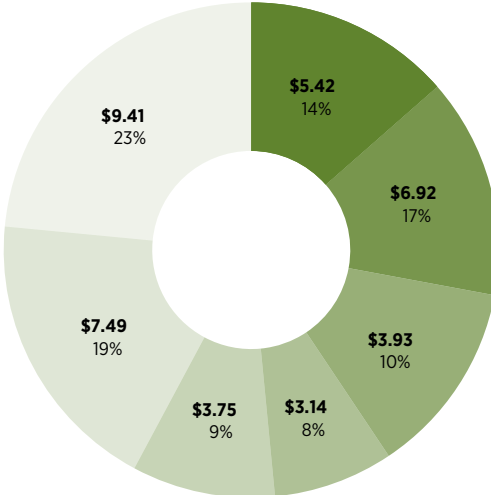
Operating Expenditure

OPERATING EXPENDITURE (\$M's)	FY 2016/17 Actual	FY 2017/18 Budget	FY 2018/19 Plan	FY 2019/20 Indicative	FY 2020/21 Indicative
Reach out to more people	5.60	5.44	5.42	5.56	5.89
Transform our building and collections	6.58	6.67	6.92	7.10	7.52
Stretch thinking	3.58	4.13	3.93	4.03	4.27
Lead a digital museum revolution	3.08	3.23	3.14	3.22	3.41
Engage every schoolchild	4.21	3.88	3.75	3.85	4.08
Grow our income and enhance value for Aucklanders	6.85	6.51	7.49	7.68	8.14
Depreciation	8.94	9.23	9.41	9.60	9.79
	38.84	39.09	40.07	41.03	43.10

FY 2017/2018 Plan (\$M's)



FY 2018/2019 Plan (\$M's)



Financial Projections
2018/2019 (continued)

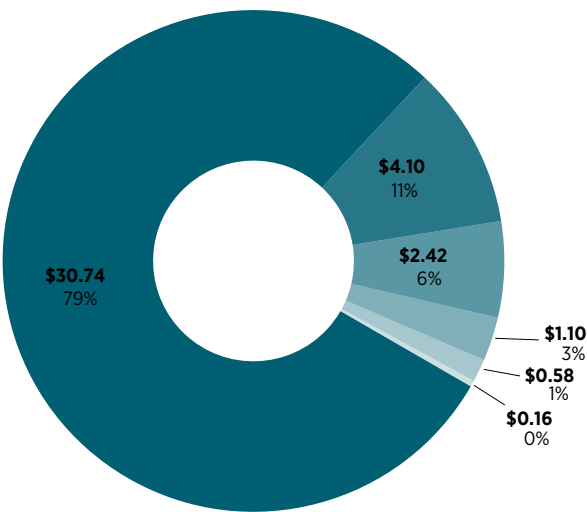
Operating Revenue

REVENUE (\$M's)	FY 2016/17 Actual	FY 2017/18 Budget	FY 2018/19 Plan	FY 2019/20 Indicative	FY 2020/21 Indicative
Auckland Council Levy	29.84	30.74	31.50	32.29	33.10
Commercial Operations	4.38	4.10	3.87	3.87	4.65
Admission Fees	2.58	2.42	2.86	2.96	3.26
Donations, Sponsorship and Grants	1.29	1.10	1.20	1.22	1.40
Interest Revenue	0.49	0.58	0.52	0.56	0.56
Other Income	0.26	0.16	0.12	0.13	0.14
	38.84	39.09	40.07	41.03	43.10

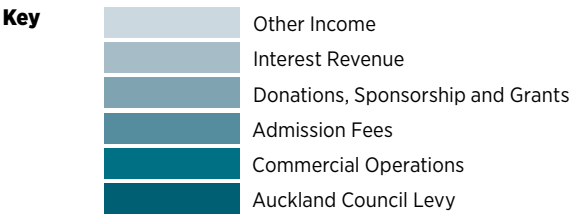
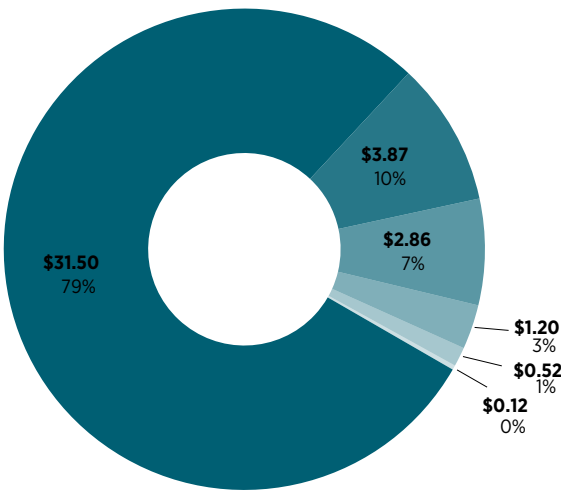
Capital Expenditure

CAPITAL EXPENDITURE (\$M's)	FY 2016/17 Actual	FY 2017/18 Forecast	FY 2018/19 Plan	FY 2019/20 Indicative	FY 2020/21 Indicative
Reach out to more people	6.78	4.89	16.56	18.94	6.13
Transform our building and collections	3.25	9.02	3.62	4.45	2.06
Stretch thinking	12.62	10.21	9.35	5.16	2.13
Lead a digital museum revolution	1.55	1.71	1.45	0.81	0.77
Engage every schoolchild	0.41	0.38	6.66	0.00	0.00
Grow our income and enhance value for Aucklanders	0.38	0.85	1.30	2.50	0.10
	24.99	27.05	38.93	31.85	11.19

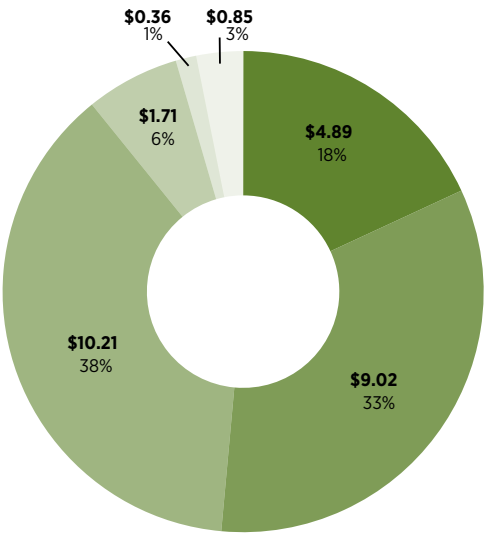
FY 2017/2018 Plan (\$M's)



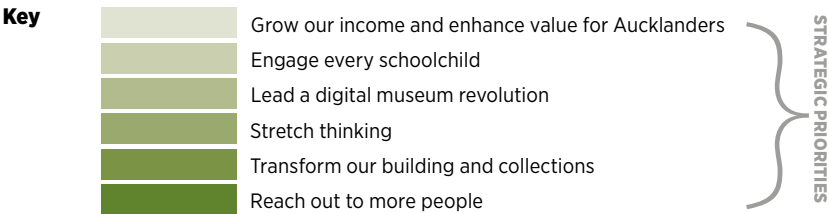
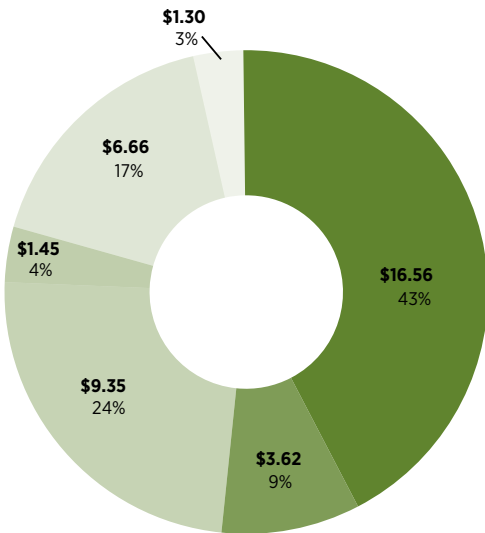
FY 2018/2019 Plan (\$M's)



FY 2017/2018 Forecast (\$M's)



FY 2018/2019 Plan (\$M's)



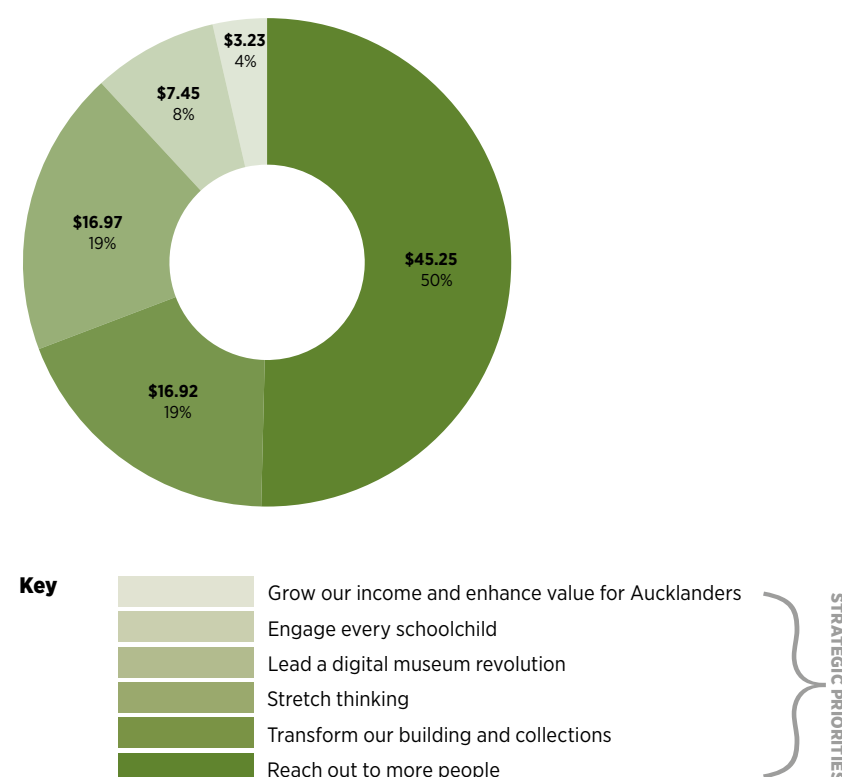
The intensive period of capital works during FY 2018/2019 will inevitably impact revenue streams. As a result the Museum has planned for a modest decline in self-generated revenue during that time. From December 2020, all revenue generating activity will be focused on delivery \$12 million annually in self-generated revenue by the end of FY 2022/2023 – a 30% increase on the record levels of FY 2016/2017.

Financial Projections (continued) Future Museum 2016–2021

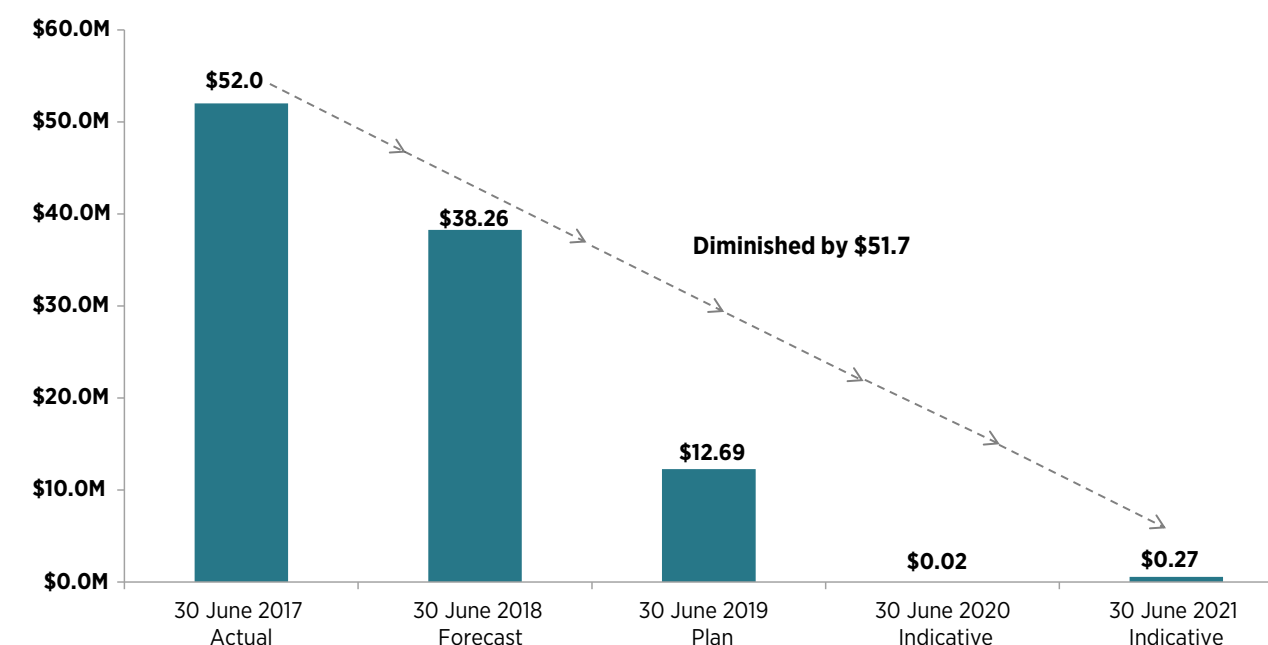
Capital Expenditure (\$M's)

CAPITAL EXPENDITURE – FUTURE MUSEUM (\$M's)	FY 2016/17 Actual	FY 2017/18 Forecast	FY 2018/19 Plan	FY 2019/20 Indicative	FY 2020/21 Indicative	2016–2021 Total
Reach out to more people	1.22	2.91	16.25	18.84	6.03	45.25
Transform our building and collections	1.75	7.82	1.99	3.65	1.69	16.92
Stretch thinking	3.04	3.24	6.21	3.28	1.20	16.97
Lead a digital museum revolution	0.00	0.00	0.00	0.00	0.00	0.00
Engage every schoolchild	0.41	0.38	6.66	0.00	0.00	7.45
Grow our income and enhance value for Aucklanders	0.04	0.10	0.69	2.39	0.00	3.23
	6.46	14.45	31.81	28.16	8.92	89.80

Capital Expenditure *Future Museum* 2016–2021 (\$M's)



Asset Replacement Reserve Balance (\$M's)



Financial Commentary

Revenue targets have been increased for FY 2018/2019 by \$215,000 over and above those planned for FY 2017/2018. Increased revenue is expected from most activities, except commercial events and the Museum's retail store due to the considerable visitor disruption expected as our programme of building works under *Future Museum* progresses. The Museum has a stated goal of delivering a strong, sustainable foundation through the creation of self-generated revenue. This type of revenue at Auckland Museum has been on a deliberate strategy of growth since FY 2012/2013 and has increased by 65% over the past five years (2013–2017).

The intensive period of capital works scheduled over a 20-month period will inevitably impact existing revenue streams. As a result the Museum has planned for a decline in revenue for the FY 2018/2019 and FY 2019/2020.

Significant work is being undertaken in the South Atrium to create an enhanced hospitality and retail hub. This work will impact both the number of and access

to commercial venues for hire. It will also reduce access to the Museum store and the franchised café rental.

The Museum will remain open during construction with plans in place to mitigate the impact of the building works. A temporary café will operate during this time. The redevelopment of the Atrium is designed to provide greater visitor amenity and enhanced revenue opportunities moving forward. The retail store will be relocated to a larger footprint in the Atrium, enabling higher visibility and foot traffic and the refreshed café operation will recommence operations from December 2019. The renewed Atrium space will also provide a new and larger venue for commercial hire after opening hours.

Following the completion of the capital works programme our revenue is planned to rise significantly. By FY 2022/2023 we expect an increase to almost \$12 million annually; this growth is over and above the revenue reported for FY 2016/2017 of 30%.

This trend reflects actions that Auckland Museum is taking to become more self-sufficient and, at the same time, providing our visitors with world-class experiences. As a result of becoming more self-sufficient, we plan to reduce our levy increases from FY 2021/2022, from 2.5% to 2.0% per annum.

The Museum's total cost of activities will increase in FY 2018/2019 by \$0.984 million, being partly funded by levy and the balance through increased self-generated revenue.

As can be seen in the Operating Expenditure table above, the Museum's costs are separated into the Museum's strategic priorities. 'Reach out to more people' includes our visitor experience, programming, exhibitions, our war memorial responsibilities, Māori, Pacific community engagement, and marketing. 'Transform our building and collections' costs are maintenance and security of the Museum building, and care of collections. 'Stretch thinking' contains our funding of research and curatorial activities. 'Lead a digital museum revolution' comprises our investment in information technology, such as our digital pathway and experience, and delivering our information online. 'Engage every schoolchild' covers our cost to undertake learning and engagement and public programming, including delivering experiences and education to schools, onsite and offsite. 'Grow our income and enhance value for Aucklanders' is our commercial activities and management costs.

Our planned operating full-time equivalent employee total is 211. Planned staff remuneration is 55% of total operating costs, excluding depreciation.

The intended capital expenditure in FY 2018/2019 will be used primarily to invest in the Museum's *Future Museum* programme of works to improve the building and enhance the visitor experience. The planned expenditure in FY 2017/2018 to FY 2019/2020 is fully committed and will see the Asset Replacement Reserve fully spent by 2020.

The maximum remuneration payable to any member of the Trust Board is \$19,011 per annum (p.a.) with an additional allowance of \$19,011, \$4,753 and \$2,852 p.a. payable to the Chair, Deputy Chair and each Chair of subcommittees respectively. The maximum remuneration payable to any member of the Taumata-ā-Iwi is \$10,795 p.a., with an additional allowance of \$10,795 p.a. to the Chair. The remuneration payable to any member of the Trust Board or Taumata-ā-Iwi is inclusive of all local travel and personal expenses.

The Museum strives to provide maximum community benefit from the limited resources available and preserve the role of the Museum as a war memorial. Resources and funds have been carefully allocated with these goals in mind.

The proposed levy for the Annual Plan 2018/2019 is \$31.504 million, an increase of \$0.769 million which is up 2.5% on the prior year. This increase will enable the Museum to meet its statutory requirements and at the same time contribute strongly to the aspirations of the Auckland Plan, Toi Whāiti – the Arts and Cultural Strategy and its social initiatives.

The Museum expresses its gratitude to the Auckland Council for its continued backing, and we thank the people of Auckland for their support as we continue to create a world-class museum for the city and for New Zealand.

Acknowledgements

Funders

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