

ANNUAL REPORT

2021-2022



COVER CAPTION: PETER THE *T. REX* ©
AUCKLAND WAR MEMORIAL MUSEUM TĀMAKI PAENGA HIRA

AM
Tāmaki
Paenga Hira
Auckland
War Memorial
Museum



PETER THE T. REX © AUCKLAND WAR MEMORIAL MUSEUM TĀMAKI PAENGA HIRA

OUR YEAR IN REVIEW

The year 2021-22 was the most disrupted in the Museum's long history. In total, 32 weeks were lost to lockdowns and restricted operating conditions.

With one year of COVID-19 behind us, we started the year with ambitious goals and were well on our way to achieving them. *Sea Monsters: Predators of the Deep* opened to the public on 7 July 2021, and nearly 34,000 people visited in the July school holidays alone. Optimising the recently refurbished Museum spaces and amenities and buoyed by positive visitor feedback, we were cautiously optimistic about overcoming the challenges that the pandemic had presented during the previous year.

Then on 17 August, the nation went back into lockdown. Systems were powered down, a karakia was held to close the Museum's doors, and our people returned to being a remote workforce once more. And remote we remained with the rest of Tāmaki Makaurau Auckland until mid-November.

Within 24 hours, we moved swiftly to become an online museum. Auckland Museum at Home once again became our virtual front door, providing new

content, stories, and resources to continue to share our collections with our virtual manuhiri. Our visitor hosts and volunteers turned their collective energy to enriching Online Cenotaph, contributing more than 11,000 new records. The Museum's education programmes were taken online, and our educators taught thousands of students free of charge. Pacific Language Weeks engaged over 500,000 viewers as we worked with Rotuman, Samoan, Kiribati, Cook Islands, Tongan, Tuvaluan, Fijian, Niuean, and Tokelauan communities to bring together stories of language and culture, made available digitally. Our online reach and engagement grew both nationally and globally, and we are now recognised as the leading online museum in Australasia.

After 89 days in lockdown, the Museum reopened on 15 November, under Level 3.2. Strict reductions in visitor numbers and social distancing limitations applied, requiring postponement or cancellation of planned school visits, public programmes and events. COVID-19 impacted international touring exhibitions across the globe, creating delays and logistical challenges to which we were not immune. Our scheduled touring exhibition *Secrets of Stonehenge* fell prey to global shipping delays and was unable to open as our summer blockbuster.

The new COVID-19 Protection Framework came into force on 23 January, and the Museum adapted its operations to the parameters of the Red setting. However, the arrival of the Omicron variant adversely impacted visitor behaviour, creating hesitancy to venture far from home.

It was not until April, in the last quarter of the year, when the move to the Orange setting brought back some sense of normality. We welcomed our public back with Peter, the first fossil T. rex shown in Aotearoa New Zealand. The highly anticipated exhibition *Ancient Greeks: Athletes, Warriors and Heroes* from the British Museum finally opened on 10 June after a two-year delay. With a full schedule of exhibitions in place, the Museum is now generating some of the highest visitation in our history. This trend is all the more notable given the slow return of international visitors to our shores.

Tāmaki Paenga Hira could not operate without the support of a wide range

of individuals, communities, and organisations whose generosity ensures that the Museum can meet the demands and expectations of visitors today and into the future. We are immensely grateful to the ratepayers of Auckland and Auckland Council for their ongoing support as the Museum's primary public funder.

We would like to make special mention of the long standing service of Taumata-ā-Iwi member Matua Danny Tumahai, who has been appointed as honorary kaumātua of Tāmaki Paenga Hira.

Despite all the challenges this past year, there have been significant achievements. We particularly want to acknowledge and thank the people of Tāmaki Paenga Hira, our staff and volunteers for their continued resilience in the face of challenges outside our control.

We share a snapshot of the achievements in our year in review.

Ngā mihi nui

Professor Richard Bedford
CNZM, QSO, FRSNZ
Chair,
Auckland Museum
Trust Board

Precious Clark
Chair,
Taumata-ā-Iwi

Dr David Gaimster
Chief Executive,
Tāmaki Paenga Hira
Auckland War
Memorial Museum



HALACROCORAX PUNCTATUS, KAWAU TIKITIKI (SPOTTED SHAG). ŌTATA FIELD TRIP, DECEMBER 2021. © AUCKLAND WAR MEMORIAL MUSEUM TĀMAKI PAENGA HIRA

SHARING OUR HIGHLIGHTS

488,553

VISITS TO THE MUSEUM, DESPITE
LOCKDOWNS AND CHANGING ALERT
LEVELS

15,000

VISITORS TO *SEA MONSTERS* IN EACH
WEEK OF THE JULY 2021 SCHOOL
HOLIDAYS

107,317

VISITS IN APRIL 2022 ALONE

55%

OF TOTAL VISITATION (266,996
VISITS) FOR THE YEAR ACHIEVED IN
Q4 UNDER THE ORANGE SETTING

OVER

11,500

VISITORS ENGAGED WITH
AUCKLAND'S COOK ISLANDS MAUKE
COMMUNITY WITH THE OPENING OF
*TE MEKAMEKA O TOKU IPUKAREA:
THE TREASURES OF MY HOMELAND*

99%

VISITOR SATISFACTION

51.3 MILLION
VIEWS

OF THE MUSEUM'S COLLECTIONS
ACROSS ALL PARTNERSHIPS AND
PORTALS

35.5 MILLION
VIEWS

OF OUR COLLECTIONS VIA WIKIPEDIA

AN INCREASE OF

10 MILLION

FROM THE PREVIOUS YEAR

6.6 MILLION

PEOPLE VISITED OUR WEBSITE

66%

OF THOSE FOR
THE FIRST TIME

OVER 66,000

VISITORS ENGAGED WITH THE
MUSEUM'S ONLINE CONTENT
CELEBRATING *TE WIKI O TE REO MĀORI*

OVER

14.4K

COLLECTION ITEMS WERE
PHOTOGRAPHED, AND THEIR DIGITAL
IMAGES WERE ADDED TO COLLECTIONS
ONLINE

18.4K

DIGITAL RECORDS WERE CREATED FOR
COLLECTION OBJECTS

25TH

ANNIVERSARY OF CENOTAPH
ONLINE, OUR NATION'S DATABASE
OF COMMEMORATION

92.1K

POPPIES WERE LAID ON THE
ONLINE CENOTAPH BY THE PUBLIC

17,173

NEW IMAGES UPLOADED TO OUR
ONLINE CENOTAPH RECORDS BY
MEMBERS OF THE PUBLIC

11,000

NEW RECORDS WERE CREATED IN
ONLINE CENOTAPH DUE TO OUR
ONGOING TRANSCRIPTION PROJECT

4,900

NAVY RECORDS WERE
TRANSCRIBED BY VOLUNTEERS AND
MUSEUM STAFF DURING LOCKDOWN

3

NEW ZEALAND
ARCHITECTURE
AWARDS

1 AWARD

FOR TUITUI MUSEUM BISTRO & CAFÉ
IN THE HOSPITALITY CATEGORY

2 AWARDS

FOR THE REDEVELOPMENT OF THE
SOUTH ATRIUM TE AO MARAMA
IN THE HERITAGE AND PUBLIC
ARCHITECTURE CATEGORIES

FIRST IN THE
WORLD,

CYLIX TUPAREOMANAIA

A NEW SPECIES IS THE FIRST
ANIMAL TO HAVE THE NAMING
AUTHORITY INCLUDE AN
INDIGENOUS TRIBAL NAME, IN
PARTNERSHIP WITH NGĀTIWAI

ALL FIGURES ARE UNAUDITED



STATUE OF NIKE, ANCIENT GREEKS:
ATHLETES, WARRIORS AND HEROES.

REACH OUT TO MORE PEOPLE

Museums have always been about more than bricks and mortar, and never has this been more evident than during a global pandemic. Auckland Museum's storytelling extends far beyond its stone walls through online content and offsite outreach to connect with audiences locally, nationally, and globally.

The Museum welcomed 488,553 visitors over the year, despite eight months curtailed by lockdowns and changing alert levels. Our international special exhibition, *Sea Monsters*, opened to great interest, with 49,144 visits in only seven weeks of its 17-week run, including 33,988 over the July school holidays alone. As we closed our doors on 17 August, we were hopeful its stellar run would continue, but an extended lockdown prohibited its reopening.

Global shipping delays likewise meant our summer special exhibition *Secrets of Stonehenge* couldn't open in December as planned. But after two years of

delays, the spectacular *Ancient Greeks: Athletes, Warriors and Heroes* from the British Museum finally opened to the public on 10 June and is enjoying excellent visitation. An exciting schedule of shows from around the globe is now planned through to the end of 2024.

While many onsite and offsite museum programmes were postponed or cancelled during the year, Auckland Museum went from strength to strength online. Within 24 hours of being advised of a nationwide lockdown, we moved swiftly to become an online museum, and Auckland Museum at Home became our virtual front door. Packed with content from online jigsaw puzzles to blogs by staff and stunning photographs of our collection objects, our new stories and resources engaged our public. We also worked with Pacific communities to celebrate their languages.

Onsite, Auckland's Cook Islands Mauke community was warmly welcomed to our Te Taunga Community Hub, sharing their taonga and stories of Mauke in *Te Mekameka O Toku Ipukarea: The Treasures of my Homeland*. Te Taunga

continued to provide a space for the stories of the diverse communities of Tāmaki Makaurau with the opening of the Sudanese community's exhibition *Sudan: A Confluence of Cultures* on 5 December. This was followed by the community-curated gallery sharing the story of *Tā'ere Mā'ohi i Aotearoa - Mā'ohi Culture in New Zealand*, focusing on Mā'ohi Nui (Tahiti and neighbouring archipelagos). In May, *A Place to Stand: Contemporary Indian Art in Aotearoa*, presented by Kshetra, a collective of New Zealand Indian artists, opened to the public.

The rich cultural diversity of Tāmaki Makaurau provides us with the opportunity to share the stories of our communities with Auckland's public well into the future.

Two exhibitions showcased the Museum's rich collections. *Love & Loss* explored expressions of love, loss, hope, and longing shared between lovers, friends, and families from the First World War to the present day. *Nature Boy: The Photography of Olaf Petersen* opened in May 2022, the first-ever retrospective dedicated to Aotearoa New Zealand's pre-eminent nature

photographer of the 20th century. In recognition of its global significance for documentary heritage, his work was recently inscribed on the UNESCO New Zealand Memory of the World Register.

On Friday, 15 April, Tāmaki Paenga Hira became the first Museum in the world to display *Peter the T. rex*. One of only a small number of almost complete fossil Tyrannosaurus rex skeletons in the world and the first T. rex fossil ever to be exhibited in Aotearoa New Zealand, Aucklanders responded in their droves.

Irrespective of whether the audience is local, national, or global, there is a way for everyone to engage with Auckland Museum, be it onsite, offsite or online, with the global reach of the Museum's collections evident in over 51 million views of the Museum's collections through partner websites and portals over the year.



PETER THE T. REX © AUCKLAND WAR MEMORIAL MUSEUM TĀMAKI PAENGA HIRA



UNDER THE TANOA, TE AO MĀRAMA.
© AUCKLAND WAR MEMORIAL MUSEUM TĀMAKI PAENGA HIRA

TRANSFORM OUR BUILDING AND COLLECTIONS

It is our responsibility to practise kaitiakitanga, caring for the city's much-loved heritage building so that it will continue to stand for Aucklanders today and for future generations.

Through our professional stewardship, we continue to care for our collections.

The significant visitor transformation of the Museum, which concluded in FY 2020/21, was acknowledged on a national stage during the year at the New Zealand Architecture Awards. Te Ao Mārama, our South Atrium cultural and hospitality precinct, is more than just a Museum entry and exit. Created in partnership with Ngāti Whātua, Ngāti Pāoa and Pasifika artists, it combines mana whenua welcome, cultural orientation and generous hospitality, delivering a step change in cultural orientation to the Museum and public engagement. The Museum won two New Zealand Architecture Awards for Heritage and Public Architecture. A third award in the hospitality category was awarded to TuiTui Museum Bistro and Café. Te Ao Mārama has now been nationally acknowledged as a

cultural asset for the city, cementing the Museum's role as a cultural and social anchor in Tāmaki Makaurau.

FY 2021/22 was the first year of enacting our Three-Year Sustainability Action Plan, supporting the sustainability ambitions of the city, as outlined in the Auckland Plan 2050 and Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. We recognise the unique role the Museum has to play, both in reducing our own environmental footprint and in public education, sharing information and highlighting the need for action to achieve environmental sustainability. With over 170 years of collecting, our extensive holdings of natural and human history provide a unique baseline for measuring change over time. Our scientific fieldwork provides a rich source for measuring environmental change and biodiversity loss.

Throughout the year, concept development for Toitū te Taiao, our Human Impact on the Natural Environment galleries, deploying a mātauranga Māori framework, was advanced. These new spaces will interrogate human impact on the natural environment in Tāmaki Makaurau and Aotearoa.

The Museum's responsibility to practise kaitiakitanga in caring for its iconic heritage building and collections contributes to the delivery of UN Sustainability Development Goals, including protecting and safeguarding cultural and natural heritage in the wider world. With free general admission for Aucklanders, the Museum enables cultural participation for all with the aim of supporting social cohesion.

And as the year drew to a close, we participated in a historic repatriation process when we returned Kōimi T'chakat Moriori (Moriori skeletal remains) and karāpuna (ancestors) from Tāmaki Paenga Hira, together with the sacred carving Hātitimātangi. They made their way to Wellington to take part in a national hokomaurahiri (repatriation ceremony), alongside other museums from around the country, before making their way home to Rēkohu Chatham Islands.

Auckland Museum seeks to reconnect living descendants with their taonga and koiwi tangata/koimi/karāpuna (ancestral human remains). This historic repatriation and return of these ancestors are the largest return to a single iwi in our country's history.

STRETCH THINKING

As New Zealand's oldest research institution, research is at our heart. Our research strategy is built on a 170-year foundational legacy of collections, research, scholarship and innovation.

During the year, the Museum has continued to collaborate and seek partnerships and funding to advance its research, which helps us to further our understanding of the world around us. Central to our research are our collections and our internationally recognised curatorial expertise. And as society seeks to understand and respond to challenges facing our world, we communicate our scientific research widely, inspiring interest in the world around us and informing decision-makers, thus making important contributions to society and the environment.

Fossils were found in a five-metre-thick shell bed layer in the geological Kaawa Formation in Mangere some 35 metres below the Earth's surface as Watercare excavated to build the central interceptor main shaft. A partnership between Watercare and the Museum was formed, and palaeontological

investigations have yielded more than 200 species of molluscs and other fossils, some of which were previously unknown to science. The Museum is working to collect, identify and accession the Māngere Kaawa Formation fossils into the collection. The research will shed further light on the story of Auckland's geological history and enhance knowledge of the fauna that inhabited the region's seas and forests 3.5 million years ago.

In 2020, a partnership with Ngāti Kuri successfully established a joint research programme focused on Rangitāhua/Kermadec Islands. *Te Mana o Rangitāhua: A holistic approach to transform ecosystem wellbeing* received \$13.3M in research funding from the Ministry of Business, Innovation & Employment's Endeavour Fund over a five-year period. Over the course of the year, several iwi-led scientific field trips were undertaken to further this research within a collaborative framework whereby iwi, as mana whenua and kaitiaki, work in partnership with researchers.

We continued to take a leadership role in strengthening the relationship between the Museum and universities around Aotearoa through our growing programme of summer studentships, postgraduate scholarships, internships

and fellowships. *Our Sheldon Werner Summer Studentships* programme saw undergraduate students from various disciplines awarded the opportunity to gain career-relevant experience and work with Museum professionals to gain an insight into the culture and heritage sector. The Auckland Museum Institute Postgraduate Scholarship Programme was launched for the first time supporting postgraduate students to undertake research aligned with the Museum's Research Strategy.

Archaeological collections in Auckland Museum will be used in the research project *Accurately Dating the Māori Past Using Marine Shells* after receiving a highly contested, prestigious Marsden Fund grant from the Royal Society Te Apārangi. Awarded to a cross-institution collaboration led by the University of Waikato with associates from Auckland Museum, Otago Museum and the University of Kiel, Germany, the three-year research programme aims to document variation in the marine radiocarbon signal (also known as 14C) using marine shells from Māori archaeological sites. It will provide greater precision in the timing of major events and phases in Māori history, including arrival in Aotearoa, changes in economy and changes in material culture.

It was fitting to close the year out on 28 June with the prestigious Museum Medals, presented at a ceremony to acknowledge the contributions of outstanding individuals to excellence and innovation in the study of our cultural and natural heritage. The three 2021 awards recognise the creation of new knowledge and service to the Museum.

HEMIPHAGA NOVAESEELANDIAE, KERURŪ.
ŌTATA FIELD TRIP, DECEMBER 2021.
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TĀMAKI PAENGA HIRA





DINOSAUR HUNT AUGMENTED REALITY
EXPERIENCE IN TE AO MĀRAMA

LEAD A DIGITAL MUSEUM REVOLUTION

In a year impacted by a global pandemic, online accessibility has never been more important. Within 24 hours of being advised of a nationwide lockdown, we moved swiftly to become an online museum. Auckland Museum at Home became our virtual front door, providing new content, stories and resources to engage our many public audiences.

We have continued to deliver to our aspiration of being an innovative and leading digital museum, growing online audiences significantly. Recognised as leading in online reach in Australasia's museum sector, the scale of Auckland Museum's virtual presence and the number of people globally accessing the Museum's collections continues to expand through a range of digital platforms. Our ability to connect with local, national and global audiences is reflected in over 51 million views of the Museum's collections through partner websites and portals over the year.

The stories of our collections, research and content, are shared with our growing audiences through optimising our social channels. A wide range of content drives the Museum's growing social media engagement levels. Last year, we had over 6.3 million views of our website and over half a million engagements through likes, comments, shares, saves, clicks, retweets and replies. And we have recently branched out into new channels, such as TikTok, to reach new audiences.

Auckland Museum's work in the arena of collections access is internationally recognised, and tens of thousands of new collection images and records are added to our online platforms every year. We continue to enhance public access to and engagement in our world-class collections using strategic partnerships and platforms such as Wikipedia and Google Arts & Culture.

December 2021 marked 25 years of Online Cenotaph, a quarter of a century sharing the stories of Aotearoa New Zealand's military veterans. The original Cenotaph Database was established in 1996 as a database to commemorate

those Aucklanders who died during the First World War. Over the past quarter century, Online Cenotaph has grown to a resource of more than 250,000 records spanning 40 conflicts. It has become New Zealand's most trusted resource for sharing the stories of our nation's service personnel. During the extended period of closure, our visitor hosts were redeployed, enabling records on the Online Cenotaph to be updated or new information to be added.

Onsite, digital journey experiences have continued to enhance the visitor journey. Content in *Ancient Greeks: Athletes, Warriors and Heroes* is enhanced through digital narrative experiences. Creating another level of accessibility for learners, *Peter the T. rex* stimulated the development of a digital augmented reality (AR) experience sparking a dinosaur hunt throughout the Museum. Six AR dinosaurs now roam the galleries at the Museum, accessible by scanning a code on a mobile phone. Visitors can see these prehistoric giants come to life right before their eyes and learn more about them.

ENGAGE EVERY SCHOOLCHILD

Lockdowns and consequent periods of restricted visitation meant that for six months of this financial year, school groups were unable to visit the Museum. However, our ambition to engage every schoolchild and our commitment to formal learners, educators, and caregivers did not waver.

During Level-4 lockdown, our educators used Facebook Live to deliver learning experiences to tamariki in their living rooms, including one session in te reo Māori. AM Learn developed further scheduled programmes that could be delivered online and found themselves teaching up to 800 learners a day almost overnight. The team has increased the number of classes, including the addition of three te reo Māori programmes, all offered in te reo.

When Tāmaki Makaurau moved to Level 3, programmes were delivered online to schools direct from the *Sea Monsters* exhibition. This offer was provided free to schools, with 30 schools joining in from across the city. These initiatives

assisted in keeping schoolchildren engaged at home and demonstrated Auckland Museum's commitment to the educators with whom we partner, strengthening our relationships with them and enabling teachers to connect directly with us.

When our doors reopened, we saw record numbers return to the Museum for onsite educational programming.

Alongside partners Watercare and building on the enthusiasm for *Sea Monsters* and later *Peter the T. rex*, we developed new learnings on palaeontology and archaeology. Launched in the last quarter of FY 2021/22, Ngā Mokonui a Papa – Dinosaur Discovery and Te Ara Mokonui – Colossal Fossils have proved popular among students, achieving 80% of their annual target in one term alone.

The AM Learn education team developed school holiday activities for students, launching Treasures & Tales, a free onsite experience that ran daily during the breaks between terms. Participation in these activities was at capacity daily.

We have also devised a programme tailored to hearing and sight-impaired students, where students can get up close and handle real Museum specimens and objects.

Furthermore, we have developed Kahui Ako, or “learning” days to assist teachers, bringing educators together at the Museum for specific New Zealand Curriculum modules. We were able to run a personal development series for teachers to support the new New Zealand Curriculum. These workshops were delivered onsite, and while COVID interrupted this highly successful initiative, the series will restart due to high interest from schools.

In June, the Museum hosted 40 high school teachers from the New Zealand Association of Classical Studies Teachers, providing a more detailed insight into *Ancient Greeks: Athletes, Warriors and Heroes*. British Museum curator Peter Higgs's talk and tour were a highlight.

Our education programme sparks curiosity, develops scientific understanding, helps educators develop professionally and enhances cultural awareness in students of all ages.



JUNIOR PALAEOLOGY CLUB



ANCIENT GREEKS: ATHLETES, WARRIORS AND HEROES

GROW OUR INCOME AND ENHANCE VALUE FOR AUCKLANDERS

In our FY 2021/22 Annual Plan, we had projected achieving self-generated commercial revenue of \$9.5 million, not including fundraising. For the second year, these income aspirations were severely impacted by the pandemic, the extended lockdown followed by restrictions on visitor numbers, leaving us unable to host events for over half the year.

The impact has been felt across all areas of our operation, from performances to tours, gatherings for conferences and venue hire.

A multi-year recovery plan has been put in place, necessitating a focus on growing our revenue from local and domestic visitors. New paid-for products are launched responding to that opportunity. Evening public events such as LIVE at the Museum continue to provide reasons to visit, extended opening hours and the introduction

of Twilight Tuesdays have enabled greater accessibility, while expanded retail and hospitality experiences provide enhanced sales, amenities and visitor convenience. The Museum recommenced paid tours aimed at domestic tourists in May.

Spend at the Museum store and hospitality outlets was heavily impacted, but we pivoted to maximise our online store sales, with staff from across the Museum deployed to help fulfil online orders during Level 3. Online retail sales jumped immediately, with gross revenue for October increasing 707% and November up 309% compared with the previous year.

Over the summer, we utilised a dedicated exhibition space to present our pop-up store, “Museum Store Presents”. We leveraged this opportunity to elevate Māori art and design featured in our Hokohoko Museum Store. This initiative heightened the focus on the art, offering a new perspective on the range, styles and materials that Māori artists are working with today.

To help jump-start Auckland’s tourism, we registered as a supplier to Tātaki Auckland Unlimited’s Explore Tāmaki Makaurau voucher programme in the first half of 2022, making a wide range of our paid product available to voucher bearers. While the international tourism market is predicted to take some time to return to pre-COVID levels, we remain focused on recovery and our contribution to the city’s aspirations of cementing Auckland as a destination for all New Zealanders.

We have a diverse and talented team of volunteers who contribute significantly to the work of the Museum. They represent our Museum, our city, and the diversity of our communities. It is fitting that they wear a design that connects them to the taonga in the Museum.

Our Museum uniform, “Kahu Tāmaki”, worn by our visitor hosts, was recognised internationally by the Professional Clothing Industry Association Worldwide, winning their Best Managed Boutique Contract award and runner-up for Best Design for Corporate Clothing.

LOOKING TO THE YEAR AHEAD, FY 2022/23

With the prospect of less disrupted operations in FY 2022/23, we hope to invest further in our public offer, ensuring that Aucklanders visit their Museum more often and for longer.

Our international reputation and collaboration have opened the door to touring partnerships with leading cultural institutions around the world. Each provides our audiences with unique opportunities to explore the global culture and natural heritage.

The year has begun with the highly anticipated *Ancient Greeks: Athletes, Warriors and Heroes*, the largest selection of ancient world artefacts ever loaned by the British Museum to Aotearoa New Zealand. It is followed by *Secrets of Stonehenge*, then *Egypt: In the Time of the Pharaohs*. This schedule of international touring exhibitions delivers on our commitment to bring the world to Auckland.

Visitors can continue to enjoy *Peter the T. rex*, who made his public debut in April 2022. Twelve metres long, nearly four metres high and displayed in its hunting position, this is the first real T. rex fossil ever exhibited in Aotearoa New Zealand.

Te Taunga Community Hub will continue to provide the opportunity and space for Tāmaki's many cultural communities to share their own stories. The year begins with *A Place to Stand: Contemporary Indian Art in Aotearoa*, presented by Kshetra, a collective of New Zealand Indian artists. This will be followed in August by *Ukraine: The Cost of Freedom*, an exhibition curated by the Ukrainian community of New Zealand about the devastation of the war in Ukraine and the impact on its people.

Our focus in FY 2022/23 will be on the development of our Natural Environment and Human Impact galleries. Responsive to the city's sustainability goals, we recognise the role the Museum has to play in educating those who live here and visitors to our city. Uniquely, our research efforts build a base

of evidence that informs our understanding of biodiversity and climate change.

We will continue to work alongside our partners to advance the nation's understanding of its cultural and natural heritage. As an internationally acknowledged leader in the digitisation of collections, increased accessibility to our collections and rich content have been enabled for local, national and global audiences through a range of online channels. Through our website and digital channels, we aim to enhance digital inclusion as we share our mahi and stories with more people today than ever before.

Our Research Strategy has enabled collaborative partnerships with others to advance our primary research in the natural sciences and cultural heritage. Our educational platform will continue to strengthen and grow through programming the use of Te Whiwhinga The Imaginarium onsite whilst engaging the sector online and through educational outreach.

And over the year, we will develop our second Five-Year Strategy, which will see Auckland War Memorial Museum into its 100th year on Pukekawa. Informed by our founding Act, and with the guidance of our partners, the Taumata-ā-Iwi, Auckland Museum Institute and our Pacific Advisory Board, together with inputs from the many communities of interest the Museum serves, we will determine the strategic priorities that will shape our course of action for the next five years. The strategy will support us to be a leading Museum for today and future generations. Central to this is enabling Aucklanders and visitors to the city to connect with the past and develop a sense of their identity and place in a changing world.

LEUCOCARBO CARUNCULATUS, NEW ZEALAND KING SHAG. ŌTATA FIELD TRIP, DECEMBER 2021.
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Service Performance Report

Strategic Priority 1: Reach more people

Performance Measures				
Key Activity	Annual Target	Status	Commentary and Basis of Measurement	
Deliver onsite visitation of 659,000 in FY 2021/22.	659,000	NOT FULLY ACHIEVED	There were 488,553 onsite visits to the Museum in FY 2021/22 during the 10 months that the Museum was open. Visitation was predominantly from Aucklanders, with international border closures for much of FY 2021/22 ensuring the continued absence of the international tourism market.	Visitor numbers – reveal tracking system (reveal data is mainly adjusted downwards by a factor of 12% for estimated traffic related to staff and construction workers).
Deliver visitor satisfaction at 95% or above as measured by our annual Visitor Profile Survey by June 2022.	95%	ACHIEVED	Visitor satisfaction is a quantitative measure and rated 99% for FY 2021/22.	Visitor Satisfaction - Visitor Profile Survey (sample population of 252 visitors).
Demonstrate year-on-year growth of public online engagement with the Museum’s digital content, directly or through partners.	Year-on-year growth	NOT FULLY ACHIEVED	There were 51,327,088 views of the Museum’s collections online during FY 2021/22 in comparison to 53,933,194 in the previous year.* While the total views were slightly less than FY 2020/21, there were 35,594,125 views of Museum collections through Wikipedia, 10 million up from the previous year.*	Auckland Museum at Home Open Rate reports. Wikipedia monthly statistical reports.

* A partnership view is whenever a user downloads, views or clicks on Auckland Museum content on a third- party platform. If a user navigates to a different page and then returns to the original page, a second view is recorded as well. A pageview is defined as a view of a page on the Auckland Museum site that is being tracked by the Google Analytics tracking code. If a user clicks reload after reaching the page, this is counted as an additional pageview. If a user navigates to a different page and then returns to the original page, a second pageview is recorded as well.

Strategic Priority 2: Transform our building and collections

Performance Measures			
Key Activity	Status	Commentary and Basis of Measurement	
Deliver a responsive programme of core and essential repairs and maintenance and heritage asset management aligned with the Asset Management Plan.	NOT FULLY ACHIEVED	While the core museum systems and infrastructure were maintained, COVID disruptions led to deferrals and delays in project and building operational programmed works. However, a revised programme was developed to prioritise critical projects to be delivered in FY 2022/23. In addition, the inflationary pressure being felt globally placed cost pressures on the programme of works. The Asset Management Plan is being refreshed and planned work was prioritised for future completion. Works in FY 2021/22 included: <ul style="list-style-type: none">the decant of the Lands Galleries to make way for the new Toitū te Taiao, our human impact on the natural environment galleries;planning commenced for the conservation and installation of 170 recently acquired medals which will be displayed in the Pou Maumahara gallery;West Elevation weathertightness works/design made ready for tender; anda roof top transformer that supplies the chillers was replaced.	Asset Management Plan (currently being refreshed). Heritage Maintenance Plan (refreshed May 2022).

STRATEGIC PRIORITY 3: STRETCH THINKING

PERFORMANCE MEASURES				
KEY ACTIVITY	ANNUAL TARGET	STATUS	COMMENTARY AND BASIS OF MEASUREMENT	
Publish at least six scholarly research articles, chapters or reports in peer reviewed publications annually.	6	ACHIEVED	<div>More than six scholarly research articles were published in written publications that were peer reviewed.</div> <div>A sample of these scholarly articles in written publications includes: Morphological and genetic divergence supports peripheral endemism and a recent evolutionary history of Chrysiptera demoiselles in the subtropical South Pacific. Introduced alien, range extension or just visiting? A New Genus and Species of Pygmy Pipehorse from Taitokerau Northland, Aotearoa New Zealand Seabird Migration Strategies: Flight Budgets, Diel Activity Patterns, and Lunar Influence Climatic Effects on Grey-Faced Petrel (Pterodroma gouldi) Chick Growth and Survival AVONET: morphological, ecological and geographical data for all birds</div> <div>A total of 107 research-related publications or presentations occurred throughout FY 2021/22.</div>	<div>The research metrics report demonstrates that 107 research-related publications or presentations occurred throughout FY 2021/22 as follows:</div> <div><ul style="list-style-type: none">• 27 research-related blog posts• 7 conference presentations• 32 public presentations / guest lectures• 10 interviews about research• 20 peer-reviewed written publications (journal articles and research publications)• 11 written publications (a mix of books, journal articles, etc)</div>

STRATEGIC PRIORITY 4: LEAD A DIGITAL REVOLUTION

PERFORMANCE MEASURES				
KEY ACTIVITY	ANNUAL TARGET	STATUS	COMMENTARY AND BASIS OF MEASUREMENT	
Create and deliver at least five new public digital experiences to optimise emerging technologies and methodologies that enhance the visitor experience.	5	NOT FULLY ACHIEVED	<div>The use of emerging technologies and methodologies in public digital experiences was limited to one project in FY 2021/22 due to funding constraints.</div> <div>The new public digital experience that used emerging technology was the Augmented Reality Dinosaur Hunt.</div> <div>However, new public digital experiences (not specifically using emerging technologies and methodologies) included:</div> <div><ul style="list-style-type: none">• Sea Monsters;• Ancient Greeks: Athletes, Warriors and Heroes;• Love and Loss – Stories of love, loss and letters; and• Nature Boy – the Photography of Olaf Peterson.</div>	<div>New public digital experiences to optimise emerging technologies and methodologies that enhance the visitor experience are considered to be those that have not yet received widespread adoption at the Museum.</div> <div>Evidence of these digital experiences included museum displays through videos, audio guides that are QR and mobile phone-enabled, and display labels.</div>
Deliver at least four digital projects that showcase cultural leadership in the digital space locally, nationally and internationally.	4	ACHIEVED	<div>Four digital projects demonstrating cultural leadership were delivered. Examples of these projects are listed below:</div> <div>Wikipedia Conference Springbok Tour Online Exhibition Biodiversity Heritage Library Book Scanning Wikipedia and the NZ Curriculum Research</div>	<div>Digital projects are defined as being the transformation of objects into electronic form.</div> <div>The four digital projects that were delivered to showcase cultural leadership in the digital space locally, nationally and internationally represented unique, sector leading initiatives.</div>

STRATEGIC PRIORITY 5: ENGAGE EVERY SCHOOLCHILD

PERFORMANCE MEASURES				
KEY ACTIVITY	ANNUAL TARGET	STATUS	COMMENTARY AND BASIS OF MEASUREMENT	
Grow onsite student numbers visiting the Museum to 45,000 in FY 2021/22 *.	45,000	ACHIEVED	Total onsite school visitation was 54,124 for FY 2021/22, 20% ahead of the annual target.	Onsite learner visitation report July 2021 to June 2022.
Grow offsite student numbers through school outreach programmes *.	55,000	NOT FULLY ACHIEVED	<p>A total of 27,539 students received outreach programmes in FY 2021/22.</p> <p>The disruption caused by COVID forced many of our learning programmes online this past year – the Museum has been very successful in continuing to reach its schools audience online.</p>	<p>Offsite learner visitation report July 2021 to June 2022.</p> <p>Outreach programmes encompass the number of learners who participated in an education programme delivered offsite at the location of schools/ kura, the number of learners utilising kete wānanga resources/specimens specifically designed for supporting self-initiated learning in the classroom, and a selection of education programmes delivered online into classrooms.</p>

* The Museum aims to achieve a five-year target of engaging over 100,000 schoolchildren annually (onsite and off-site) by FY 2022/23.

STRATEGIC PRIORITY 6: GROW OUR INCOME AND ENHANCE VALUE FOR AUCKLANDERS

PERFORMANCE MEASURES				
KEY ACTIVITY	ANNUAL TARGET	STATUS	COMMENTARY AND BASIS OF MEASUREMENT	
Deliver \$9.15 million of self-generated revenue through commercial operations, sponsorship, philanthropic giving and donations in FY 2021/22.	\$9.15 million*	NOT FULLY ACHIEVED	<p>\$6.56 million was delivered over FY 2021/22.</p> <p>Self-generated revenues and corresponding expenditure were significantly impacted by lockdowns and COVID related exhibition postponements.</p> <p>Commercial activities continued to improve post Covid lockdowns.</p> <p>The fundraising environment continues to be challenging along with the volatility in the investment markets from global unrest that has also contributed to the reduction of self-generated revenue.</p> <p>However, the performance over the last quarter, when the Museum was able to operate without capacity constraints, demonstrated the strength of the museum offerings for Aucklanders with Q4 visitation of 266,995 compared to the Annual Plan of 180,183.</p>	<p>Self-generating revenue report.</p> <p>End of year result for commercial events as per the Financial Performance Report.</p> <p>* Total Revenue from Operating Activities \$41.44 million less Auckland Council Levy of \$32.29 million equals planned self generated revenue of \$9.15 million.</p>



DEIANCRIDA HETERACANTHA, WĒTĀPUNGA. ŌTATA FIELD TRIP, DECEMBER 2021.
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Tāmaki Paenga Hira would like to acknowledge and thank:

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Auckland Council

Supported by the ratepayers of Auckland



PARTNERS

Auckland Museum Institute

SUPPORTERS

School Programmes

Ministry of Education LEOTC Fund
Earthquake Commission (EQC)
Watercare Services Ltd

Public Programmes

Michelle Mann
Ministry of Culture and Heritage

Collections & Research

Auckland Shell Club
C&L Gregory Charitable Trust
Chisholm Whitney Charitable Trust
Edward Earle Vaile Trust
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Levingston Cooke Charitable Trust
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MBIE Endeavour Fund
MBIE Te Pūnaha Hihiko: Vision Mātauranga Capability Fund

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Exhibitions

Tātaki Auckland Unlimited

Heritage Building

Douglas Goodfellow Charitable Trust
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Marguerite Durling

Collaborative Research Partners

California Academy of Sciences
Inkfish
Ngā Wai a Te Tūi
Ngāi tai ki Tāmaki
Ngāti Kuri
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Ngātiwai
Northern Seabird Trust
Taihoro Nukurangi National Institute of Water and Atmospheric Research
Te Kunenga ki Pūrehuroa Massey University
Te Papa Atawhai Department of Conservation
Te Papa Tongarewa Museum of New Zealand
Te Wānanga Aronui o Tāmaki Makau Rau
Auckland University of Technology
Te Whare Wānanga o Ōtāgo University of Otago
Waipapa Taumata Rau University of Auckland



NATURE BOY: THE PHOTOGRAPHY OF OLAF PETERSEN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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AUCKLAND MUSEUM TRUST BOARD
STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Actual 2022 \$000s	Plan 2022 \$000s	Actual 2021 \$000s
Total Revenue and Fair Value Gains/(Losses) from all activities	6	38,689		40,788
Operating Activities				
Revenue from Non-Exchange Transactions				
Auckland Council levy	6,14	32,292	32,292	32,292
Grant revenue	6	2,472	3,039	1,270
Fair value of volunteers' time	6	230	200	318
Donations & sponsorship	6	1,225	50	62
		36,219	35,581	33,942
Revenue from Exchange Transactions				
Commercial operations	6	829	1,805	974
Admissions	6	69	365	26
Retail revenue	6	734	808	520
Other revenue	6	543	647	1,083
Finance income	6	164	150	243
Exhibition and events	6	690	2,090	701
		3,029	5,865	3,547
Total Revenue from Operating Activities		39,248	41,446	37,489
Expenses				
Short-term employee benefits	8	19,398	19,792	18,423
Depreciation, amortisation & loss on disposals	8	10,580	9,988	9,684
Other	8	13,542	15,537	12,835
		43,520	45,317	40,942
Deficit from Operating Activities		(4,272)	(3,871)	(3,453)
Special Purposes Activities				
Revenue from Non-Exchange Transactions				
Grant revenue	6,7	585		585
Donations, bequests and others	6,7	188		746
		773		1,331
Revenue and Fair Value Gains/(Losses) from Exchange Transactions				
Change in measurement of investments at fair value	6,11	(1,429)		1,891
Finance income	6,7	97		77
		(1,332)		1,968
Total Revenue and Fair Value Gains/(Losses) from Special Purposes Activities		(559)		3,299
Expenses				
Short-term employee benefits	7,8	1,353		2,487
Trusts, bequests, reserve & other expenditure	7,8	989		2,885
		2,342		5,372
Deficit from Special Purpose Activities		(2,901)		(2,073)
Total Deficit		(7,173)		(5,526)
Other Comprehensive Income		-		-
Total Comprehensive Revenue and Expense for the Year		(7,173)		(5,526)

The accompanying notes form part of these financial statements

AUCKLAND MUSEUM TRUST BOARD
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDING 30 JUNE 2022

		Accumulated Revenue and Expense	Special Purposes Reserves	Total Equity
			Other Special Purposes	Asset Replacement
	Note	\$000s	\$000s	\$000s
		\$000s		\$000s
2021				
Balance as at 1 July 2020		169,777	12,310	11,372
Total Comprehensive Revenue and Expense		(5,526)	-	-
Transfer to/(from) Special purposes equity	7	(1,597)	1,597	-
Transfer to/(from) Asset Replacement	7	3,668	-	(3,668)
Transfer of depreciation levy	7	(8,792)	-	8,792
Transfer of capital expenditure	7	14,902	(45)	(14,857)
Balance as at 30 June 2021		172,432	13,862	1,639
2022				
Balance as at 1 July 2021		172,432	13,862	1,639
Total Comprehensive Revenue and Expense		(7,173)	-	-
Transfer to/(from) Special purposes equity	7	2,294	(2,294)	-
Transfer to/(from) Asset Replacement	7	608	-	(608)
Transfer of depreciation levy	7	(9,988)	-	9,988
Transfer of capital expenditure	7	2,040	-	(2,040)
Balance as at 30 June 2022		160,213	11,568	8,979

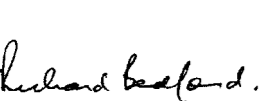
The accompanying notes form part of these financial statements

AUCKLAND MUSEUM TRUST BOARD
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$000s	2021 \$000s
Current Assets			
Cash and cash equivalents	10	5,235	7,499
Short-term investments	9	8,979	2,639
Receivables from exchange transactions		431	740
Goods and services tax receivable		-	109
Prepayments		1,026	886
Inventory		477	389
		16,148	12,262
Non-current Assets			
Property, plant and equipment	4	161,962	169,114
Investments	9	12,202	13,631
Leased asset		351	1,405
Intangible assets	5	875	1,911
		175,390	186,062
Total Assets		191,538	198,324
Current Liabilities			
Trade and other payables from exchange transactions		1,323	846
Deferred revenue from non-exchange transactions		3,913	2,300
Deferred revenue from exchange transactions		544	320
Accruals and provisions		1,456	2,634
Goods and services tax payable		16	-
Lease Liability		351	703
Employee benefits	12	2,601	2,566
		10,204	9,368
Non-current Liabilities			
Employee benefits	12	574	671
Lease liability		-	351
		574	1,022
Total Liabilities		10,778	10,391
Net Assets/Equity		180,760	187,933
Represented by:			
Accumulated Revenue and Expense		160,213	172,432
Asset Replacement Reserve	7	8,979	1,639
Other Special Purposes	7	11,568	13,862
Total Net Assets/Equity		180,760	187,933

The accompanying notes form part of these financial statements

For and on behalf of the Auckland Museum Trust Board


Richard Bedford,
Chair, Auckland Museum Trust Board
20 October 2022


Ben Palmer,
Chair, Audit and Risk Committee
20 October 2022

AUCKLAND MUSEUM TRUST BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$000s	2021 \$000s
Cash Flows from Operating and Special Purpose Activities		
Cash was provided from:		
Levy from Auckland Council (non-exchange)	32,292	32,292
Receipts from commercial operations	1,439	1,005
Receipts from admissions	69	26
Receipts from retail	734	520
Grant received for Special Purposes (non-exchange)	585	585
Receipts from Sundry Income	1,233	1,784
Interest received from Operating Activities	164	243
Interest received from Special Purposes	97	77
Donations & sponsorships received from Special Purposes	188	746
(non-exchange)		
Donations & sponsorships received from Operating Activities (non-exchange)	-	62
Grant received for Operating Activities (non-exchange)	4,085	2,998
	40,888	40,338
Cash was applied to:		
Payments to employees relating to Operating Activities	(19,460)	(19,927)
Payments to suppliers relating to Operating Activities	(13,023)	(13,597)
Payments to employees relating to Special Activities	(1,353)	(2,487)
Payments to suppliers relating to Special Activities	(989)	(2,885)
	(34,825)	(38,896)
Net Cash Inflow from Operating and Special Purpose Activities	6,061	1,442
Cash Flows from Investing Activities		
Cash was provided from:		
Net proceeds from drawdown of investments	-	11,902
	-	11,902
Cash was applied to:		
Purchase of property, plant and equipment	(1,275)	(13,717)
Purchase of intangibles	(7)	(646)
Purchase of investments	(6,340)	-
	(7,622)	(14,363)
Net Cash (Outflow) from Investing Activities	(7,622)	(2,461)
Cash Flows from Financing Activities		
Cash was applied to:		
Payment of Lease Liability	(703)	(351)
	(703)	(351)
Net Cash (Outflow) from Financing Activities	(703)	(351)
Net (decrease) in cash and cash equivalents	(2,264)	(1,370)
Cash at beginning of year	7,499	8,869
Cash at end of year	5,235	7,499

The accompanying notes form part of these financial statements

AUCKLAND MUSEUM TRUST BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

RECONCILIATION OF SURPLUS TO NET CASH FLOW FROM OPERATING AND SPECIAL PURPOSE ACTIVITIES

	2022 \$000s	2021 \$000s
	(7,173)	(5,526)
Total Deficit		
Deduct non-cash items:		
Depreciation, amortisation and loss on disposal	10,580	9,684
Change in measurement of investments at fair value	1,429	(1,891)
	12,009	7,793
Add/(deduct) movements in working capital:		
(Increase)/Decrease in receivables	278	(382)
(Increase)/Decrease in inventory	(89)	32
Decrease in payables and accruals	1,098	63
Increase in employee benefits	(62)	(537)
	1,225	(825)
Net Cash Inflow from Operating and Special Purpose Activities	6,061	1,442

The accompanying notes form part of these financial statements

AUCKLAND MUSEUM TRUST BOARD
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 REPORTING ENTITY

Auckland Museum Trust Board (“the Trust”) is a body corporate established under the Auckland War Memorial Museum Act 1996. Its principal activity is managing, maintaining and developing the Auckland War Memorial Museum (“the Museum”).

The Trust is a charity registered under the Charities Act 2005, is domiciled in New Zealand, and is a not-for-profit public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). The Trust’s registered office and principal place of business is Museum Circuit, Auckland Domain, Parnell, Auckland.

2 BASIS OF PREPARATION

Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”). They comply with Public Benefit Entity International Public Sector Accounting Standards (“PBE IPSAS”) and other applicable Financial Reporting Standards as appropriate for Tier 1 not-for-profit public benefit entities. The Trust qualifies as a Tier 1 reporting entity based on size.

These financial statements were authorised for issue by Auckland Museum Trust Board on 20 October 2022.

Measurement Basis

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities, which are measured at fair value as described below.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars (NZD) which is the Museum’s functional and presentation currency, rounded to the nearest thousand unless otherwise stated in the notes to the financial statements.

There has been no change in the functional currency of the Museum.

Deferred Revenue

Deferred revenue reflects funds received with specific conditions attached. Deferred revenue from non-exchange transactions includes \$2.27 million (2021: \$1.38 million) for Endeavour Te Mana o Rangitāhua project. Te Mana o Rangitāhua: A holistic approach to transform ecosystem wellbeing, is a five-year research programme in partnership with Ngāti Kuri, with additional partners from the University of Auckland, Massey University, NIWA and Manaaki Whenua. The programme will focus on the biodiversity and ecosystems of the Rangitāhua / Kermadec Islands, alongside a mātauranga lens on translating the resulting research evidence into tangible tools for iwi-led management of the Rangitāhua environment.

Donated Services

Donated services comprise volunteer time and donations in kind. Donated services from volunteers is measured using an hourly rate for a full-time equivalent employee multiplied by the hours of volunteered service. The revenue and expenditure from donated services are recognised when services are received in accordance with PBE IPSAS 23.

Donated service from donations in kind includes donated advertising and donated research vessel costs. Donations in kind are recognised in revenue under ‘Donations and Sponsorship’ and expenses under ‘Other’ at their fair value.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis. Net realisable value represents the estimated selling price, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Leased Asset

Leased asset comprises hardware and associated costs capitalised under the finance lease. This is done by recognising the present value of the lease payments made over time, recognising a financial liability representing its obligation to make future lease payments.

Foreign Currency

All foreign currency transactions during the year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at the reporting date are translated at the exchange rate existing at the reporting date. Exchange differences are recognised in revenue or expense in the period in which they arise.

Goods and Services Tax (GST)

All balances are presented net of GST, except for receivables and payables, which are presented inclusive of GST.

Income Tax

The Museum is exempt from payment of income tax as a registered charitable organisation. Accordingly, no income tax charges have been provided.

Provisions

Provisions are recognised when the Museum has a present obligation (legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date,

taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Payables

Trade payables and other accounts payable are recognised when the Museum becomes obliged to make future payments resulting from the purchase of goods and services.

Interest Expense

Interest expense is recognised using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount of the financial liability.

COVID-19 Pandemic

The Museum has continued to be impacted by Auckland’s lockdowns and changing Alert Levels in response to COVID-19.

The Trust Board has assessed and is satisfied that the impact of COVID-19 has not impacted Auckland Museum’s ability to continue as a going concern. This assessment has been based on the continuation of the Auckland Council levy funding to the Museum, as per the Auckland War Memorial Museum Act 1996. The levy is determined through the annual Planning process guided by the Act.

Commercial operations, admissions and exhibition and events revenue are expected to recover further with recent re-opening of international borders and the reduction of other government restrictions.

Use of Judgement and Estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and Estimation Uncertainties

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2022 include the following:

Fair value of investments of \$12.20 million (2021: \$13.63 million)

The estimation in establishing the fair value of investments is undertaken by external independent sources. The Museum relies on fund managers for determination of these fair values (refer to notes 9 and 11).

Any significant change in the determination of these fair values will have a material impact on the Museum’s investment.

Useful lives and residual values of property, plant and equipment of \$161.96 million (2021: \$169.11 million)

The Board reviews the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period (refer to note 4).

Any change in these factors would impact the depreciation amount and may have a material impact on the Museum’s property, plant and equipment.

Heritage Collection Assets not recognised

Management has exercised significant judgement in determining that its collection assets do not meet the asset recognition criteria of PBE IPSAS 17 (refer to note 3).

Operating and Special Purpose Classification

Management has exercised judgement around the classification of operating and special purposes income and expenditure.

Accounting Standards Issued But Not Yet Effective

PBE FRS 48 Service Performance Reporting

This standard is effective for accounting periods commencing 1 January 2022. The Museum has not early adopted this standard and has not yet completed an assessment of the impact of this new standard. However, the Museum already reports service performance information in the Annual Report separately from these financial statements in accordance with the requirements of Auckland War Memorial Museum Act 1996 which is expected to significantly reduce the future impact of adopting this standard.

The objective of PBE FRS 48 is to establish principles and requirements for presenting service performance information that is useful for accountability and decision-making purposes. The Standard requires reporting entities to provide:

- contextual information sufficient for users to understand why the entity exists;
- what it intends to achieve and how it intends to achieve its aims and objectives; and
- information about what the entity has done during the reporting period as it works towards achieving its aims and objectives.

PBE IPSAS 41 Financial Instruments

This standard is effective for accounting periods commencing 1 January 2022. The Museum has not early adopted this standard and has not yet completed an assessment of the impact of this new standard.

The NZASB has issued PBE IPSAS 41 after the IPSASB issued its own financial instruments standard. PBE IPSAS 41 will supersede PBE IFRS 9 and PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IPSAS 41 introduces a new classification and measurement regime

for financial instruments and will need to be carefully considered by each entity. Some key changes include:

- debt instruments meeting both a ‘management model’ test and ‘a cash flow characteristics’ test are measured at amortised cost (the use of fair value is optional in some limited circumstances);
 - the new measurement category of ‘fair value through other comprehensive revenue and expense’ (FVTOCRE) will apply for debt instruments held within a management model whose objective is achieved both by collecting contractual cash flows and selling financial assets;
 - investments in equity instruments can be designated as FVTOCRE with only dividends being recognised in surplus or deficit;
 - all other instruments (including all derivatives) are measured at fair value with changes recognised in surplus or deficit.
-
- Impairment assessments for financial instruments will change to an expected loss model whereby it is no longer necessary for a credit event to have occurred before credit losses are recognised.

3 HERITAGE COLLECTION ASSETS

The Museum holds collections for the purposes of research, education, cultural and scientific enrichment, and public enjoyment. The Museum invests substantial resources in the care and protection of its collections to ensure their availability and future survival. The collection contains objects, specimens and documents gathered from the 1850s to the present day, which individually and collectively form a record of the natural and social environment of Auckland and beyond. The Museum’s collection is one of the largest in New Zealand and several collecting areas rank highly in international significance.

The Natural Science collections contain specimens which provide vital evidence of the geological, botanical and zoological environment with a focus on northern New Zealand and the wider Pacific region. The collections are essential for describing what species have existed in New Zealand and for researching and monitoring change over time, especially through environmental adaption and the impacts of human interaction. The collections are an important node in a worldwide network of taxonomic and ecological research.

The Human History collections contain objects which have been created, used and valued by individuals and communities over many centuries. The Māori and Pacific collections are some of the richest and most numerous in the world. Along with social and military history and archaeology and applied arts collections, they form a comprehensive reflection of everyday objects and outstanding treasures derived from Auckland-based communities and cultures from all over the world.

People document their lives through pictures, words and sounds and the Documentary Heritage collections contained in the Museum’s Library form one of the top research collections in New Zealand. Particular strengths include historical and contemporary photographs, maps, early newspapers and the manuscripts and archive collections of significant Aucklanders and organisations.

The near-encyclopaedic span of the Museum’s collections, and the research

data that records and connects each item to its significance, forms a highly valued body of documents, specimens and objects which are strongly tied to the Museum’s public identity and have a unique character particular to Auckland. Auckland Museum is the custodian of the heritage collections that are held in trust for the public of Auckland, and more broadly for New Zealand and for the international research community.

The Museum considers that Heritage collections assets are inherently difficult, if not impossible, to value and therefore not capable of being reliably measured for the following reasons:

- The value to the custodial organisation is often greater than the financial value – financial value does not reflect the full cultural, scientific or historical value to the Museum or the community on whose behalf collections are held.
- Educational / research value is often not evident until such time as the collections contribute to the generation or transfer of knowledge. This can be immediate or a very long time in the future.
- Bequest value – the value derived by donors and their families through the act of giving – is an intangible value which is about the long-term relationship between the Museum and successive generations. It is in the nature of trust and goodwill which is not easily quantifiable in financial terms.
- Collective or synergistic value is accrued by a group of items whose individual value is not significant but together they may form a valuable comparative group – the value of the whole is greater than the sum of the parts. In a museum’s case, the definition of the whole is an ever-changing concept depending on the groupings and perspectives of those with an interest in studying or appreciating the collections.
- Heritage collection assets are often encumbered with legal or ethical constraints so realising or liquidating them in financial terms runs counter to the implied transfer of trust which occurs at the time of acquisition and indeed the very purpose for holding them. This form of encumbrance potentially restricts their financial value but is hard to quantify.
- Items are usually unique and irreplaceable making it difficult to establish fair value at any particular time where there is no active market. Values can sit within a wide and subjective range which reduces the utility and accuracy of specific valuation.
- In many cases the useful value lies in the associations, contexts and histories attached to objects. Being able to extract and use this value relies on research and documentation – intellectual effort, which is highly variable, is constantly being added to and to which it is difficult to ascribe financial value. The objects which have become dissociated from their history or origin may be determined to have low value, but that can suddenly change by investment in research or through unpredictable or serendipitous discoveries. In such cases, the object itself has not changed but its significance may have and determining and tracking change in intellectual value would be impracticable across a collection of millions of items.

- Many collection items hold cultural value which is based on individual or community associations. In many cultures it can be offensive to try to assign financial value to these very personal relationships. Taonga associated with, or embodying, ancestors have a sacred quality which is both difficult to quantify in financial terms and in some cases doing so offends the mana and intrinsic value of the items concerned.

- Application of the concept of ‘useful life’ commonly applied to assets can be inappropriate with respect to heritage collections assets as the presumption of many objects is that they are entrusted to a museum in perpetuity – their life is ‘forever’. Indeed the purpose of adding an object to a museum collection may be to extend its life by giving it status and safe housing and careful access; in some senses, collection items are never ‘used-up’.

- Financial treatment of assets is largely based on them being used to produce wealth and their ability to do this declines over time. This generates the need to depreciate and account for impairment of assets. Most museum collections gain in value over time, so they run counter to the overall assumptions with regard to other assets. Formulae for appreciation / increase in value of museum collections do not work as readily as depreciation formulae as the increase in value is seldom a linear or arithmetic function. The perceived value of collection items can vary in response to social, political and natural events and in unpredictable patterns over time.

For the reasons stated above, Auckland Museum does not consider that collection assets meet the asset recognition criteria and these financial statements provide a more descriptive narration of the Museum’s Heritage collection assets in terms of utility, uniqueness and community value instead of allocating a financial value.

Heritage collection assets acquisition expenses are processed through the Special Purposes section and preservation costs are processed through the Operating Activities section of the Statement of Comprehensive Revenue.

The Museum has an insurance cover for fine arts (which forms part of Heritage collection assets) up to the value of \$100 million, however, this provides a blanket coverage and does not represent the valuation of Heritage collection assets on an asset-by-asset basis or an overall basis.

During the FY 2021/22, additions to the collection continued to be slower than previous years due to COVID restrictions and lockdowns. A group of four artefacts from the Warumungu tribe of the Northern Territory were approved by the Museum Trust Board for deaccession and return to Australia in June 2022. Collection development activity during the year focused on contemporary collecting in line with aspirations expressed in the Annual Plan and consistent with the Collection Development Plan in each curatorial area. Notable acquisitions included work by artists Yuki Kihara, Tuhirangi Blair, Rowan Panther, Sofia Tekela-Smith and Rangi Kipa each focused on themes of identity, legacy and expression in contemporary Aotearoa.

4 PROPERTY, PLANT AND EQUIPMENT

4.1. Property, plant and equipment

	Work in Progress \$000s	Buildings \$000s	Displays \$000s	Equipment \$000s	Total \$000s
Cost					
Balance as at 1 July 2020	35,268	144,380	20,634	49,664	249,946
Additions	13,912	-	-	-	13,912
Disposals	-	(3,075)	(184)	(3,443)	(6,702)
Other transfers	(48,670)	24,660	1,049	22,961	-
Balance as at 1 July 2021	510	165,965	21,499	69,182	257,156
Additions	2,386	-	-	-	2,386
Transfers from intangibles	560	-	-	-	560
Disposals	-	(48)	(397)	(3,042)	(3,487)
Other transfers	(3,174)	(1,182)	1,178	3,178	-
Balance as at 30 June 2022	282	164,735	22,280	69,318	256,615

Accumulated Depreciation

Balance as at 1 July 2020	-	38,703	14,055	32,772	85,530
Depreciation expense	-	3,828	1,073	3,768	8,669
Disposals	-	(2,540)	(178)	(3,439)	(6,157)
Balance as at 1 July 2021	-	39,991	14,950	33,101	88,042
Depreciation expense	-	4,335	1,188	4,575	10,098
Other Transfers	-	(31)	29	2	-
Disposals	-	(49)	(397)	(3,041)	(3,487)
Balance as at 30 June 2022	-	44,246	15,770	34,637	94,653

Carrying value at 30 June 2022	282	120,489	6,510	34,681	161,962
Carrying value at 30 June 2021	510	125,974	6,549	36,081	169,114

4.2. Recognition and measurement

Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions, which are instead measured at fair value at the acquisition date, with the amount of the donation or subsidy recognised as income.

All of the Museum’s items of property plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Buildings and equipment include building fit-outs with a net book value of \$5.63 million (2021: \$6.49 million). The Museum has an insurance cover for fine arts (which forms part of Heritage assets) up to the value of \$100 million.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) are recognised in surplus or deficit.

4.3. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Museum. Ongoing repairs and maintenance are expensed as incurred.

4.4. Depreciation

Depreciation is calculated using the straight-line method to allocate an asset’s cost to its residual value over its estimated useful life.

Assets under construction are not subject to depreciation.

The annual depreciation rates on a straight-line basis for the Museum’s classes of property, plant and equipment are:

Buildings:	
Buildings	1 – 20%
Building fit-outs	2 – 20%
Office furniture and fittings	5 – 50%
Displays:	
Display galleries	7 – 33%
Equipment:	
Plant and equipment	7 – 33%
Motor vehicles	17 - 33%
Information technology	10 – 67%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimates accounted for on a prospective basis.

4.5. Impairment of non-financial assets

At each reporting date, the Museum reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Where the asset does not generate cash flows that are independent from other assets, the Museum estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest group of assets that generates cash inflows that are largely independent of the cash flows of other assets or cash-generating units.

The recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss. For cash-generating units, impairment losses are allocated to the assets in the cash-generating unit on a pro-rata basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying

amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

4.6. Capital commitments

	2022 \$000s	2021 \$000s
Capital commitments	14	-

The above capital commitments relates to base build and gallery renewal projects.

5 INTANGIBLE ASSETS

5.1. Intangible assets

	Work in Progress \$000s	Intangibles \$000s	Total \$000s
Cost			
Balance as at 1 July 2020	942	7,317	8,259
Additions	646	-	646
Disposals	-	(28)	(28)
Transfers from work in progress	(1,028)	1,028	-
Balance as at 1 July 2021	560	8,317	8,877
Additions	7	-	7
Transfers to property, plant and equipment	(560)	-	(560)
Disposals	-	(545)	(545)
Transfers from work in progress	(5)	5	-
Balance as at 30 June 2022	2	7,777	7,779

Accumulated amortisation and impairment

Balance as at 1 July 2020	-	6,525	6,525
Amortisation expense	-	470	470
Disposals	-	(29)	(29)
Balance as at 1 July 2021	-	6,966	6,966
Amortisation expense	-	483	483
Disposals	-	(545)	(545)
Balance as at 30 June 2022	-	6,904	6,904
Carrying value at 30 June 2022	2	873	875
Carrying value at 30 June 2021	560	1,351	1,911

5.2. Recognition and measurement

Intangible assets represent the Museum’s investment in software and other design modules, which are initially measured at cost. Thereafter, they are measured at cost less accumulated amortisation and impairment (refer to note 4.5 for impairment of non-financial assets).

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Software as a service (SaaS) are expensed as incurred over the period of the related software service delivery and not recognised as a software intangible asset.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in surplus or deficit as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Museum intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in surplus or deficit as incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in surplus or deficit as incurred.

Amortisation

Intangible assets are amortised over their useful lives. Amortisation is recognised in surplus or deficit on a straight-line basis over two to five years.

Useful lives are reviewed at each reporting date and adjusted if appropriate.

6 REVENUE

Recognition and measurement

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Museum, and is measured at the fair value of consideration received or receivable less returns, rebates and discounts.

Special Purposes Revenue represents the income earned that is set aside in the Museum’s reserves to meet the ongoing and future needs of the Museum. These funds can only be utilised for specific purposes and are restrictive in nature.

The following recognition criteria specific to the Museum’s revenue streams must also be met before revenue is recognised.

6.1. Revenue from non-exchange transactions

Non-exchange transactions are those where the Museum receives an inflow of resources but provides nominal (or nil) direct consideration in return.

With the exception of services-in-kind (e.g. fair value of volunteers’ time), inflows of resources from non-exchange transactions are only recognised as assets where:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the Group’s non-exchange transaction revenue streams must also be met before revenue is recognised.

a) Levies

Levies are received from the Auckland Council. These are recognised as revenue over the related 12 month service period.

b) Donations and sponsorship / fair value of volunteers’ time

Donations and sponsorship, other than Heritage collection assets (refer to note 3), are recognised as revenue upon receipt. The fair value of volunteer and other donated services are recognised as income and an expense when the service is received. Fair value is determined by reference to the expected costs that would otherwise be borne for these services.

In the current year, the Museum received donations in the form of volunteers’ time.

Donated service from donations in kind includes donated advertising (\$0.37 million) and donated research vessel costs (\$0.80 million).

c) Grants

The recognition of non-exchange revenue from grants depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are ‘conditions’ specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the ‘conditions’ are satisfied.

Stipulations that are ‘restrictions’ do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

6.2. Revenue from exchange transactions

a) Commercial operations and retail

This includes revenue from sale of goods, services and rental revenue.

Retail revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. In most instances, due to the nature of the Museum’s operations, this occurs at the point-of-sale.

Rental revenue in relation to operating leases on the Museum’s sub-lease for the Café is recognised in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the lease term.

b) Events and admission fees

Revenue is recognised in profit or loss as the related admission or event services are provided.

Revenue received in advance for services to be provided in future periods is recognised as a liability until such time as the service is provided.

c) Finance income

Finance income comprises interest recognised using the effective interest method.

7 RESERVES

	Balance 2021 \$000s	Gifts, Bequests & Grants \$000s	Investment Net Loss \$000s	Non-capital Expenditure \$000s	Surplus/ (Deficit) \$000s	Capital Expenditure \$000s	Levies \$000s	Balance 2022 \$000s
ASSET REPLACEMENT RESERVE								
Asset Replacement Reserve*	1,639	585	97	(1,290)	(608)	(2,040)	9,988	8,979
OTHER SPECIAL PURPOSES RESERVES								
Gifts, Trusts and Bequests subject to restrictions								
Levingston Cooke Family Bequest**	1,965	20	(203)	(467)	(650)	-	-	1,315
Edward Earle Vaile Trust Fund**	1,435	-	(148)	(85)	(233)	-	-	1,202
Waldo Heap Bequest**	479	-	(49)	(64)	(113)	-	-	366
Nancy Bamford Bequest	418	-	(43)	(42)	(85)	-	-	333
A G W Dunningham Bequest	313	-	(32)	-	(32)	-	-	281
Lesley Isabel Taylor	270	-	(28)	-	(28)	-	-	242
Auckland Museum Endowment Fund	118	-	(12)	-	(12)	-	-	106
Life Members' Subscription Trust	36	-	(4)	(14)	(18)	-	-	18
AWMME&B Omnibus Trust	97	-	(10)	-	(10)	-	-	87
K Pritchard Bequest	52	-	(5)	-	(5)	-	-	47
Margaret O'Donoghue	32	-	(3)	-	(3)	-	-	29
R B Sibson Library Fund	28	-	(3)	-	(3)	-	-	25
Lady A Fox	28	-	(3)	-	(3)	-	-	25
Mackechnie - Library Books	26	-	(3)	-	(3)	-	-	23
Others under \$15,000	122	-	(13)	-	(13)	-	-	109
General								
Spedding Reserve**	5,324	-	(549)	(356)	(905)	-	-	4,419
Wallace F Ryan	460	-	(47)	-	(47)	-	-	413
Estate - Audrey Isabelle Maddox	243	-	(25)	-	(25)	-	-	218
Len Coakley Trust Fund	73	-	(8)	-	(8)	-	-	65
Celestene M Brandon	58	-	(6)	-	(6)	-	-	52
Others under \$15,000	47	-	(5)	-	(5)	-	-	42
Total Trusts & Bequests	11,624	20	(1,199)	(1,028)	(2,207)	-	-	9,417
Museum Reserves								
Exhibition Reserve	1,266	-	(130)	-	(130)	-	-	1,136
Heritage Capital Reserve	2	-	-	-	-	-	-	2
Acquisitions Reserve	695	-	(72)	-	(72)	-	-	623
Research & Publication Reserve	229	168	(23)	(25)	120	-	-	349
Ko Tawa Reserve	46	-	(5)	-	(5)	-	-	41
Total Reserves	2,238	168	(230)	(25)	(87)	-	-	2,151
TOTAL OTHER SPECIAL PURPOSES RESERVES								
	13,862	188	(1,429)	(1,053)	(2,294)	-	-	11,568
TOTAL TRUSTS, BEQUESTS & RESERVES***								
	15,501	773	(1,332)	(2,343)	(2,902)	(2,040)	9,988	20,547

* The levy received from the Auckland Council includes an amount to recompense depreciation in the Museum's property, plant and equipment, the funds in respect of which are transferred from Accumulated Revenue and Expense to the Asset Replacement Reserve 2022 \$9.99 million (2021: \$8.79 million). When expenditure is incurred on assets the funds are reclassified from the Asset Replacement Reserve into Accumulated Funds 2022 \$2.04 million (2021: \$14.86 million). Special Purposes Equity Funds may also be held to be expended on assets and in that event the funds are also reclassified from Special Purposes Equity Funds into Accumulated Funds 2022 \$nil (2021: \$0.05 million). Refer to note 9 for details of investments held for the Special Purposes and Asset Replacement Reserves.

The Museum receives funding for asset replacement (including depreciation). The difference between the amount funded and the sum spent on capital expenditure each year is recorded within the Asset Replacement Reserves. The Museum is currently finalising its gallery, space and storage plans for the next 15 to 25 years.

** Levingston Cooke Family Bequest and Waldo Heap Bequest supports Library acquisitions and research initiatives. Edward Earle Vaile Trust Fund currently supports curatorial work in the Archaeology collection. The Spedding Reserve supports the curatorial work carried on in the History, Botany, Pacific and Māori collections along with publication activity.

*** Special Purposes deficit of \$2.90 million (2021: \$2.07 million) is transferred from Accumulated Revenue and Expense to Special Purposes Equity and Asset Replacement Equity.

	Balance 2020 \$000s	Gifts, Bequests & Grants \$000s	Investment Net Income \$000s	Non-capital Expenditure \$000s	Surplus/ (Deficit) \$000s	Capital Expenditure \$000s	Levies \$000s	Balance 2021 \$000s
ASSET REPLACEMENT RESERVE								
Asset Replacement Reserve*	11,372	598	76	(4,342)	(3,668)	(14,857)	8,792	1,639
OTHER SPECIAL PURPOSES RESERVES								
Gifts, Trusts and Bequests subject to restrictions								
Levingston Cooke Family Bequest**	2,050	30	317	(432)	(85)	-	-	1,965
Edward Earle Vaile Trust Fund**	1,335	-	207	(107)	100	-	-	1,435
Waldo Heap Bequest**	463	-	72	(56)	16	-	-	479
Nancy Bamford Bequest	388	31	60	(61)	30	-	-	418
A G W Dunningham Bequest	271	-	42	-	42	-	-	313
Lesley Isabel Taylor	234	-	36	-	36	-	-	270
Auckland Museum Endowment Act	102	-	16	-	16	-	-	118
Life Members' Subscription Trust	43	-	7	(14)	(7)	-	-	36
AWMME&B Omnibus Trust	84	-	13	-	13	-	-	97
K Pritchard Bequest	45	-	7	-	7	-	-	52
Margaret O'Donoghue	28	-	4	-	4	-	-	32
R B Sibson Library Fund	24	-	4	-	4	-	-	28
Lady A Fox	24	-	4	-	4	-	-	28
Mackechnie - Library Books	22	-	4	-	4	-	-	26
Others under \$15,000	117	-	16	(11)	5	-	-	122
General								
Spedding Reserve**	4,904	-	759	(339)	420	-	-	5,324
Wallace F Ryan	-	460	-	-	460	-	-	460
Estate - Audrey Isabelle Maddox	210	-	33	-	33	-	-	243
Len Coakley Trust Fund	63	-	10	-	10	-	-	73
Celestene M Brandon	50	-	8	-	8	-	-	58
Others under \$15,000	33	11	3	-	14	-	-	47
Total Trusts & Bequests								
	10,490	532	1,622	(1,020)	1,134	-	-	11,624
Museum Reserves								
Exhibition Reserve	1,096	-	170	-	170	-	-	1,266
Heritage Capital Reserve	47	-	-	-	-	(45)	-	2
Acquisitions Reserve	602	-	93	-	93	-	-	695
Research & Publication Reserve	27	197	5	-	202	-	-	229
Ko Tawa Reserve	48	-	8	(10)	(2)	-	-	46
Total Reserves	1,820	197	276	(10)	463	(45)	-	2,238
TOTAL OTHER SPECIAL PURPOSES RESERVES								
	12,310	729	1,898	(1,030)	1,597	(45)	-	13,862
TOTAL TRUSTS, BEQUESTS & RESERVES***								
	23,682	1,327	1,974	(5,372)	(2,071)	(14,902)	8,792	15,501

8 EXPENSES

Total Comprehensive Revenue and Expense for the year includes the following operating & special purposes expenses by nature.

Expenses	2022 \$000s	2021 \$000s
Short-term employee benefits:		
Salaries and wages - Operating Activities	18,876	17,928
Salaries and wages - Special purpose	1,353	2,487
Termination payments	46	29
Defined contribution plans	476	466
Total employee benefits	20,751	20,910

Depreciation	10,098	8,669
Occupancy Costs	3,266	4,395
Project scoping and other non-capital expenditure	799	2,670
Professional services	3,563	1,815
Operating lease expenses	1,242	1,180
Temporary fit and design exhibition costs	1,483	736
Loss on disposal of fixed assets	-	545
Amortisation	483	470
Fair value of volunteers' time	230	318
Inventory consumption recognised	389	281
Other staff costs	235	270
External consultancy costs	159	253
Trust Board fees	224	204
Event organisation costs	131	170
Heritage assets acquisition	176	114
Collection readiness	-	97
Auditor fees	82	75
Taumata-ā-lwi fees	81	65
(Reversal of) Inventory write-down costs	5	(19)
(Reversal of) Impairment allowance for trade debtors	(9)	(60)
Other	2,475	3,156

Total Cost from all activities **45,862** **46,314**

	2022 \$000s	2021 \$000s
Cost of Operating Activities - by Strategic Priorities		
Reach Out To More People	8,327	5,113
Transform Our Building And Collections	7,928	8,923
Stretch Thinking	7,398	5,186
Lead A Digital Museum Revolution	3,616	3,392
Engage Every Schoolchild	898	3,158
Grow Our Income And Enhance Value For Aucklanders	4,773	5,486
	32,940	31,258
Depreciation, amortisation & loss on disposals	10,580	9,684
Total Cost of Operating Activities	43,520	40,942

Special Purpose Activities		
Salaries and wages	1,353	2,487
Trusts, bequests, reserve & other expenditure	989	2,885
	2,342	5,372
Total Cost from all activities	45,862	46,314

9 INVESTMENTS

	2022 \$000s	2021 \$000s
Balance as at 30 June		
Investments restricted - Current	8,979	2,639
Investments restricted - Non-current	12,202	13,631
	21,181	16,270

Represents:		
Asset Replacement Reserve	8,979	1,639
Other Special Purpose Equity	11,568	13,862
Others	634	770
	21,181	16,270

These funds have been set aside by the Museum for specific purposes, or have been gifted to the Museum for use of a special purpose. Asset replacement reserve and other special purpose equity funds are not available for normal operational use. (Refer to note 7 for the nature of each trust, bequest and reserve).

Details of the investments are as follows:

	2022 \$000s	2021 \$000s
Balance as at 30 June		
Australasian Fixed Interest	2,276	2,120
International Fixed Interest	3,391	3,932
Australasian Equities	1,936	2,526
International Equities	3,149	4,159
Others	316	143
Cash*	10,113	3,390
	21,181	16,270

* Includes cash portion of funds invested by fund managers and short term investments in term deposits with interest rate ranging from 0.45% - 1.39% p.a (2021: 0.15% - 1.75% p.a)

10 CASH AND CASH EQUIVALENTS

	2022 \$000s	2021 \$000s
Cash at bank	5,235	7,499

For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand and deposits held at call in domestic banks with a maturity of less than 90 days and other short-term investments that are used for operational purposes.

Operating activities: are the principal revenue-producing, special purposes and other activities that are not investing or financing activities.

Investing activities: are the acquisition and disposal of long-term assets not included in cash equivalents.

Financing activities: are the activities that result in changes in the size and composition of total equity and borrowings of the entity.

A \$0.56 million (2021: \$0.56 million) payment guarantee provided by BNZ in favour of landlords James Trust is in place. The Museum holds a business Visa credit card with BNZ with a credit limit of \$0.25 million (2021: \$0.25 million).

11 FINANCIAL INSTRUMENTS

The Museum initially recognises financial instruments when the Museum becomes a party to the contractual provisions of the instrument.

The Museum derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flow in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Museum is recognised as a separate asset or liability.

The Museum derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Museum has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Museum classifies financial assets into the following categories: fair value through surplus or deficit and loans and receivables.

The Museum classifies financial liabilities into amortised cost.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

11.1.Fair value through surplus or deficit

A financial instrument is classified as fair value through surplus or deficit if it is:

- Held-for-trading
- Designated at initial recognition: If the Museum manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Museum’s documented risk management or investment strategy.

Those fair value through surplus or deficit instruments sub-classified as designated at initial recognition comprise investments held.

Financial instruments classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

The Museum holds Special Purpose funds which are invested in financial assets. The assets are invested in a portfolio comprising International Equities, Australasian Fixed Interest, Global Fixed Interest, Australasian Equities and cash (short-term investments) and are accounted for at fair value through profit and loss. Fair values of these types of financial assets fluctuate due to changes in market prices arising from currency risk, interest rate risk and other price risk.

11.2.Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, term deposits and receivables.

Cash and cash equivalents are highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of three months or less.

Receivables are initially recognised at the fair value of the amounts to be received. They are subsequently measured at amortised cost using the effective interest method less impairment.

11.3.Amortised cost financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise payables, employee benefits and accruals.

Payables are initially recognised at fair value less transaction cost (if any). They are subsequently measured at amortised cost using effective interest method.

11.4.Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Financial assets classified as held-to-maturity and loans and receivables

The Museum considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Museum uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management’s judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

11.5. Categories of financial instruments

	Fair Value through Profit or Loss designated at initial recognition \$000s	Loans and Receivables at amortised cost \$000s	Total Carrying Amount \$000s	Fair Value \$000s
At 30 June 2022 Financial Assets				
Cash and cash equivalents	-	5,235	5,235	5,235
Short-term investments	-	8,979	8,979	8,979
Receivables	-	431	431	431
Investments	12,202	-	12,202	12,202
	12,202	14,645	26,847	26,847

	Liabilities at amortised cost \$000s	Total Carrying Amount \$000s	Fair Value \$000s
Financial Liabilities			
Trade payables, accruals and provisions	-	7,587	7,587
Employee benefits	-	1,074	1,074
	-	8,661	8,661
Net	12,202	5,984	18,186

	Fair Value through Profit or Loss designated at initial recognition \$000s	Loans and Receivables at amortised cost \$000s	Total Carrying Amount \$000s	Fair Value \$000s
At 30 June 2021 Financial Assets				
Cash and cash equivalents	-	7,499	7,499	7,499
Short-term investments	-	2,639	2,639	2,639
Receivables	-	740	740	740
Investments	13,631	-	13,631	13,631
	13,631	10,878	24,509	24,509

	Liabilities at amortised cost \$000s	Total Carrying Amount \$000s	Fair Value \$000s
Financial Liabilities			
Trade payables and accruals	-	6,802	6,802
Employee benefits	-	1,019	1,019
	-	7,821	7,821
Net	13,631	3,057	16,688

11.6.Financial risk management objectives

The Museum is subject to a number of financial risks which arise as a result of its activities (i.e. exposure to credit, liquidity, currency and interest risk) arising in the normal course of business.

There have been no changes during the year to the Museum’s exposure to these risks, and the manner in which it manages and measures these risks.

The Auckland War Memorial Act 1996 (the Act) requires the Museum to manage and account for its revenue, expenses, assets, liabilities,

investments and financial dealings generally and in accordance with the relevant financial management principles and Generally Accepted Accounting Practice, while remaining a going concern. Museum capital is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The Museum has a series of policies to manage the risks associated with financial instruments. The Museum is risk averse and seeks to minimise exposure from its treasury activities through the diversification of its investments by investing largely in a portfolio comprising Australasian Equities, Global Equities, Australasian Fixed Term Interest and Global Fixed Interest securities. The Trust has established Statements of Investment Policy and Objectives that provide a framework for the management of financial resources in an efficient and effective way.

The Museum does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

11.6.1.Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Museum.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Museum’s maximum exposure to credit risk without taking into account the value of any collateral obtained.

The average credit period on sales of goods and rendering of services as at 30 June 2022 is 61 days (2021: 36 days). No interest is charged on trade receivables. Included in the allowance for doubtful debts are individually impaired trade receivables. The impairment recognised represents the difference between the carrying amount of those trade receivables and the present value of the expected liquidation proceeds. The Museum does not hold any collateral over these balances. As at 30 June 2022, the Museum considers all outstanding debt recoverable, determined by reference to past experience and relationship with the debtors.

Before accepting a new customer, the Museum assesses the potential customer’s credit quality and defines credit limits by customer. The trade receivables are constantly reviewed throughout the month and limits are reviewed should the customer not meet the Museum’s credit requirements.

Ageing of current & past due net trade receivables

	2022 \$000s	2021 \$000s
Current	349	722
0-30 days	34	7
30-60 days	19	3
60-120 days	29	8
Total	431	740

In determining the recoverability of a trade receivables, the Museum considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Museum believes that there is no further credit provision required in excess of the allowance for doubtful debts. There are no material debtors that are past due but not impaired.

The Museum has minimal exposure to a large volume of small-value trade receivables arising from group and school visits and venue hire. Credit checks are carried out on new customers and deposits obtained for venue hire. Prompt action is taken to collect overdue amounts. The above receivables are net of a provision for doubtful debts of \$9,104 in 2022 (2021: \$20,592). A doubtful debt provision is created when the payment of a debt is uncertain.

Other credit risk

Operating funds not immediately required are invested in accordance with the Investment policy. Investments in Australasian Fixed Interest and Global Fixed Interest securities are managed for the Museum by fund managers whose practice is to invest in high-grade debt and short-maturity credit securities.

To reduce the credit exposure of the managed investments, the Museum has invested in diversified asset classes and within each of these classes there is a maximum limit that can be invested in any one institution or entity. Thus investments are placed across a portfolio of parties with credit rating of over ‘A-’ to minimise credit risk. As at 30 June 2022 there is no significant concentration of credit risk.

11.6.2.Liquidity risk

Liquidity risk is the risk that the Museum might not be able to meet its obligations. Prudent liquidity risk management requires maintaining sufficient cash or cash equivalent.

The Museum’s objective is to maintain sufficient cash and marketable equities to meet its liquidity requirements for 12 months at a minimum.

The Museum considers expected cash flow from financials assets in assessing and managing liquidity risk, in particular its cash resources, term deposits and bond portfolio.

The Museum manages liquidity risk by maintaining adequate funds on deposits, reserves and banking facilities by continually monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Museum is able to meet its obligations through the levy from Auckland Council, and self-generated revenue.

Below is the analysis based on the undiscounted cash flows of non-derivative financial liabilities:

	Weighted average interest rate	Contractual cash flow \$000s	Less than 1 Year \$000s	2-5 Years \$000s	Total \$000s
30 June 2022					
Trade and other payables		7,587	7,587	-	7,587
Employee benefits		1,074	1,074	-	1,074
Total		8,661	8,661	-	8,661

The Museum has the following liquid assets to meet its liabilities:

Cash and cash equivalents	1.06%	5,235	5,235	-	5,235
Receivables and other assets		908	908	-	908
Short-term investments	1.80%	8,979	8,979	-	8,979
Total		15,122	15,122	-	15,122

	Weighted average interest rate	Contractual cash flow \$000s	Less than 1 Year \$000s	2-5 Years \$000s	Total \$000s
30 June 2021					
Trade and other payables		6,802	6,802	-	6,802
Employee benefits		1,019	1,019	-	1,019
Total		7,821	7,821	-	7,821

The Museum has the following liquid assets to meet its liabilities:

Cash and cash equivalents	1.41%	7,499	7,499	-	7,499
Receivables and other assets		1,237	1,237	-	1,237
Short-term investments	1.30%	2,639	2,639	-	2,639
Total		11,375	11,375	-	11,375

As explained in note 9, short-term investments are funds set aside by the Museum for specific purposes and not available for normal operational use. Therefore, these funds are only available to meet liabilities related to the specific purposes.

11.6.3. Market risk

11.6.3.1. Currency risk

Currency risk is the risk that the Museum will suffer losses arising from significant movements in NZD currency in relation to other currencies, when paying for special exhibitions, other overseas purchases or when valuing Global Fixed Interest securities.

The Museum has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies arising from investing and exhibition activities. Foreign exchange risks on investment funds are hedged by the relevant fund manager as considered necessary using economic hedges.

Forward exchange contracts are taken out to cover exhibition commitments. There was no exposure for exhibitions as at 30 June 2022 (2021: \$ nil).

Foreign exchange risks on Global Fixed Interest securities are fully hedged by fund managers while hedging of Global Equities ranges from 50% to 100%, as considered appropriate by the fund managers. Auckland Museum does not apply Hedge Accounting.

A variable of 10% was selected for currency risk as this is a reasonably expected movement based on historical trends in equity values. A 10% increase or decrease is used when reporting exchange rate risk internally to key management personnel and represents management’s assessment of the reasonably possible fluctuation in exchange rates.

As at the balance sheet date, the Museum was exposed to the following foreign currencies:

2022	NZD \$000s	USD \$000s	EUR \$000s	AUD \$000s	GBP \$000s	Others \$000s	Total \$000s
Cash	5,235	-	-	-	-	-	5,235
Trade and Other Receivables	431	-	-	-	-	-	431
Trade and Other Payables	(10,778)	-	-	-	-	-	(10,778)
Investments							
Equities	965	2,685	305	1,022	106	289	5,372
Fixed Interest	2,281	1,061	289	1,959	150	-	5,740
Cash Deposits	9,216	431	30	260	23	108	10,068
	7,350	4,177	624	3,241	279	397	16,068

2021	NZD \$000s	USD \$000s	EUR \$000s	AUD \$000s	GBP \$000s	Others \$000s	Total \$000s
Cash	7,499	-	-	-	-	-	7,499
Trade and Other Receivables	740	-	-	-	-	-	740
Trade and Other Payables	(10,391)	-	-	-	-	-	(10,391)
Investments - split by:							
Equities	1,182	3,436	338	1,344	121	264	6,685
Fixed Interest	2,120	862	460	2,496	114	-	6,052
Cash Deposits	3,116	87	80	173	43	31	3,532
	4,266	4,385	878	4,013	278	295	14,117

As at 30 June 2022, if the currency on investments had fluctuated by plus or minus 10%, the surplus for the Museum would have been \$0.14 million lower/higher (2021: \$0.23 million lower/higher). A 10% currency rate increase or decrease is used when reporting currency rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in currency rates.

11.6.3.2. Interest rate risk

The Museum is exposed to interest rate risk as it invests cash in short-term and long-term deposits at fixed interest rates. Refer to note 11.5 for a summary by asset class.

The Museum has potential exposure to interest rates on its short-term investments. These exposures are managed by investing in bank deposits maturing in less than 12 months. The range of interest rates is reported monthly.

As at 30 June 2022, if interest rates on cash and cash equivalents, and short-term investments had fluctuated by plus or minus 1%, the surplus for the Museum would have been \$57,000 higher/lower (2021: \$61,000 higher/lower). A 1% interest rate increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management’s assessment of the reasonably possible fluctuation in interest rates.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Investments at fixed interest rates expose the Museum to fair value interest rate risk. As at 30 June 2022, if the fair value interest rates on fixed interest investment had fluctuated by plus or minus 1%, the surplus for the Museum would have been \$142,000 higher/lower (2021: \$101,000 higher/lower).

11.6.3.3. Other price risk

The Museum has potential exposure to changes in equity prices in its investments in Australasian Equities and Global Equities. All equity investments present a risk of loss of capital often due to factors beyond the fund managers’ control, such as competition, regulatory changes, commodity price changes and changes in general economic climate domestically and internationally. The fund managers moderate this risk through careful investment selection and diversification, daily monitoring of the funds’ market position and adherence to the funds’ investment policy. The maximum market risk resulting from financial instruments is determined by their fair value.

A variable of 15% was selected for price risk as this is a reasonably expected movement based on historical trends in equity indexes and the recent uncertainties due to the COVID-19 pandemic. A 15% increase or decrease is used when reporting equity index risk internally to key management personnel and represents management’s assessment of the reasonably possible change in equity indexes. As at 30 June 2022, if the equity indexes had fluctuated by plus or minus 15%, the surplus for the Museum would have been \$0.81 million higher/lower (2021: \$1.00 million higher/lower). A 15% market rate increase or decrease is used when reporting market rate risk internally to key management personnel and represents management’s assessment of the reasonably possible fluctuation in market rates.

11.6.4. Fair value

The carrying value of cash and equivalents, short-term investments, receivables, payables and interest-bearing loans is equivalent to their fair value.

11.6.4.1. Classification and fair values

The fund managers manage the Museum’s investments and make purchase and sale decisions based on their fair value and in accordance with investment strategy. Financial assets at fair value through profit or loss are initially recognised at fair value. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in fair value of the ‘financial assets at fair value through the profit or loss’ category are presented in the Statement of Comprehensive Revenue and Expense when they arise.

11.6.4.2. Fair value measurement

Financial instruments are grouped into levels 1 to 3 in the fair value hierarchy based on the degree to which the fair value is observable.

The Museum has managed funds at fair value in level 2 as at 30 June 2022 of \$12.20 million (2021: \$13.63 million).

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques which include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12 EMPLOYMENT BENEFITS

12.1.Details of employee benefits are as follows:

	2022 \$000s	2021 \$000s
Current		
Short-term employee benefits		
Annual Leave	1,549	1,526
Sick Leave	24	69
Salary & Wages accrued	352	254
Others	660	702
	2,585	2,551
Current portion of long-term employee benefits		
Long-service Leave	16	15
Current employee benefit liability	2,601	2,566
Non-current		
Non-current portion of long-term employee benefits		
Retirement Gratuity	62	62
Long-service Leave	512	609
Non-current employee benefit liability	574	671
Total employment benefit liability	3,175	3,237

12.2. Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Museum has a legal or constructive obligation to remunerate employees for services provided within 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick-leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

12.3. Long-term employee benefits

Long-term employee benefit obligations are recognised when the Museum has a legal or constructive obligation to remunerate employees for services provided beyond 12 months of reporting date. Long-term employee benefit obligations are measured on an actuarial basis.

Sick leave, annual leave, vested long-service leave, and non-vested long-service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

12.4. Defined contribution plans

Defined contribution plans are superannuation or post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

12.5. Termination benefits

Termination benefits are recognised as an expense when the Museum is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

13 LEASES

Non-cancellable operating lease receivables and payables are as follows

	Receivables		Payables	
	2022 \$000s	2021 \$000s	2022 \$000s	2021 \$000s
Not later than one year	214	177	1,220	1,220
Later than one year and not later than five years	506	537	4,880	4,880
Later than five years	432	559	2,366	3,586
	1,152	1,273	8,466	9,686

13.1. Operating lease

Entity as lessor

Operating lease revenue is recognised in the Statement of Comprehensive Revenue & Expenses on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in the Statement of Comprehensive Revenue and Expense over the lease term on the same basis as the lease income.

The Museum has entered into an arrangement to lease its Café area in the Grand Foyer for a term of 21 months commencing April 2020. Rental income for 2022 amounted to \$31,623 (2021: \$33,389).

The Museum has entered into an agreement to lease its Café area in the South Atrium for a term of 10 years commencing December 2020. Rental income for 2022 amounted to \$110,346 (2021: \$61,974).

The Museum has a sub-lease arrangement in place over its office space at 9 Manu Street. The sub-lease commenced on 1 September 2017 and has two renewal dates. Rental income for 2022 amounted to \$49,200 (2021: \$49,200).

The 19 Morgan Street carpark sub-lease arrangement was on a month-to-month lease, which was terminated on 31 October 2020. Rental Income for 2022 amounted to \$nil (2021: \$2,880).

Entity as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern over which economic benefits from the leased asset are consumed.

The Museum has two commitments under non-cancellable leases for 2022 (2021: two commitments): 1) A 20-year lease for offsite storage of collections, which commenced on 1 Jul 2016. The offsite storage lease contains two reviews, in the event that the Museum exercises its option to renew; 2) a eight-year lease of 33 Broadway, Newmarket which commenced on 1 October 2019 with no rights of renewal.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

14 RELATED PARTIES

14.1. Controlling entity and ultimate controlling entity

The Museum has no controlling entity or ultimate controlling entity.

14.2. Related parties and related party transactions

Related parties include:

- The Trust Board
- The Taumata-ā-Iwi
- The Museum Director
- Regional Facilities Auckland (RFA)
- Auckland Council
- Auckland Museum Institute
- Key management personnel

RFA is a statutory body which recommends the appointment of five board members to the Auckland Museum Trust Board and recommends the approval of the Museum’s annual plans and annual reports, as referred to in the Auckland War Memorial Museum Act 1996, on behalf of Auckland Council that is presently responsible for paying the annual levy. Financial transactions with Auckland Council include payment of rates and sundry charges 2022 \$0.01 million (2021: \$0.01 million). In 2022, the Museum received a levy of \$32.29 million (2021: \$32.29 million). No sums have been written off or provisions made during the year or at year-end 2022 (2021: \$nil). No balance outstanding as at 30 June 2022 (2021: \$nil).

The land beneath the Museum’s building is held under a long-term lease from the Auckland Council and no rental is charged in accordance with the Auckland War Memorial Museum Site Empowering Act 2003.

The Auckland Museum Institute is the learned society and membership body, as referred to in the Auckland War Memorial Museum Act 1996. The Auckland Museum Institute appoints four members of the Auckland Museum Trust Board, and supports the Museum in its objectives and functions as specified in the Act. Financial transactions with the Auckland Museum Institute include distribution to the Auckland Museum Institute of the Life Members funds 2022 \$13,750 (2021: \$14,000) and financial contribution of \$nil (2021: \$682) to assist in the delivery of the agreed annual programme, membership services and development activities. As at 30 June 2022, the Auckland Museum Institute owed to the Museum \$2,875 (2021: \$2,875). There is no security for this debt. No sums have been written off or allowances for impairment made during the year or at year-end 2022 (2021: \$nil). As at 30 June 2022, the Museum owed to the Auckland Museum Institute \$1,625 (2021: \$174).

The Museum provides pro bono accounting and other support services to the Auckland Museum Institute. Furthermore, the Museum allows these entities access to property at no charge.

Other than remuneration of key management personnel outlined in note 14.3, there were no other transactions with the above related parties and no other outstanding balances as at 30 June 2022 (2021: \$nil).

14.3. Remuneration of key management personnel

The Museum classifies its key management personnel into the following classes:

- Members of the Trust Board
- Members of the Taumata-a-Iwi
- Executive Team

The aggregate level of remuneration paid and number of persons (measured in ‘people’ for Members of the governing bodies, and ‘full-time-equivalents’ (FTE’s) for Executive Team) in each class of key management personnel is presented below:

	2022 Remuneration \$000s	Individuals	2021 Remuneration \$000s	Individuals
Members of the Trust Board	224	13 People	204	10 People
Members of the Taumata-a-Iwi	81	8 People	65	5 People
Executive Team	1,636	7 FTE's	1,626	7 FTE's
	1,941		1,895	

The above remuneration is based on a payments basis.

Grouped below is the number of employees or former employees of the Museum who received remuneration, including contributions to defined contribution plans and other benefits in their capacity as employees, totalling \$100,000 or more during the year.

Amount of Remuneration	2022	2021
\$100,000 - \$120,000	17	22
\$120,001 - \$140,000	15	11
\$140,001 - \$160,000	4	7
\$160,001 - \$200,000	2	3
\$200,001 - \$300,000	5	5
\$300,001 - \$400,000	1	1
	44	49

15 COMMITMENTS AND CONTINGENCIES

Contingent liabilities

There were no contingent liabilities at 30 June 2022 (2021: nil).

Contingent assets

There were no contingent assets at 30 June 2022 (2021: nil).

16 POST-BALANCE DATE EVENTS

There are no matters arising since 30 June 2022 that would materially affect the Museum’s consolidated financial statements (2021: nil)

INDEPENDENT AUDITOR’S REPORT

To the Members of the Auckland Museum Trust Board

We have been engaged by the Auckland Museum Trust Board (the ‘Trust’) to audit:

- the financial statements of the Trust which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information; and
- the status of performance measures included in the service performance report of the Trust for the year ended 30 June 2022, collectively referred to as ‘the audited information’.

Opinion on the audited information	<p>In our opinion:</p> <ul style="list-style-type: none">The accompanying financial statements, on pages 30 to 52, present fairly, in all material respects, the financial position of the Trust as at 30 June 2022, its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards (‘PBE Standards’); andthe status of the performance measures , included in the service performance report on pages 20 to 25, have been presented fairly, in all material respects in accordance with the bases of measurement (included in the service performance report) for the year ended 30 June 2022.
Basis for opinion on the audited information	<p>Basis for opinion</p> <p>We conducted our audit in accordance with International Standards on Auditing (‘ISAs’) and International Standards on Auditing (New Zealand) (‘ISAs (NZ)’ and our audit of the performance measures in accordance with the International Standard on Assurance Engagements (New-Zealand) ISAE (NZ) 3000 (Revised) (‘ISA (NZ) 3000 (Revised)’. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements and status of the performance measures included in the service performance report section of our report.</p> <p>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.</p> <p>We are independent of the Trust in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with these requirements.</p> <p>Other than in our capacity as auditor and the provision of assurance advisory services, we have no relationship with or interests in the Trust. These services have not impaired our independence as auditor of the Trust. In addition to this, we and partners and employees of our firm deal with the Trust on normal terms within the ordinary course of trading activities of the business of the Trust. The firm has no other relationship with, or interest in, the Trust.</p>

Other information

The Auckland Museum Trust Board is responsible on behalf of the Trust for the other information. The other information comprises the information in the Annual Report that accompanies the service performance report, financial statements and the audit report.

Our opinion on the financial statements and status of the performance measures does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information obtained prior to the date of our audit report and consider whether it is materially inconsistent with the service performance report and financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Auckland Museum Trust Board’s responsibilities for the audited information

The Auckland Museum Trust Board is responsible on behalf of the Trust for preparing an annual report that includes financial statements and performance measures under section 28 of the Auckland War Memorial Museum Act 1996. This includes responsibility for:

- the preparation and fair presentation of the financial statements in accordance with the Public Benefit Entity Standards;
- the preparation and fair presentation of the service performance report, which includes identifying the objectives and performance targets and other measures by which performance will be judged, and the reporting status of the performance measures in accordance with the basis of measurement; and
- for such internal control as the Auckland Museum Trust Board determines is necessary to enable the preparation of the financial statements and service performance report that are free from material misstatement, whether due to fraud or error.

In preparing the audited information, the Auckland Museum Trust Board is also responsible for assessing the Trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Auckland Museum Trust Board either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements and status of performance measures included in the service performance report

Our objectives are to obtain reasonable assurance about whether the audited information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, ISAs (NZ) and ISAE (NZ) 3000 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the audited information.

As part of an audit in accordance with ISAs, ISAs (NZ) or ISAE (NZ) 3000, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(continued) Auditor’s responsibilities for the audit of the financial statements and status of performance measures included in the service performance report	<ul style="list-style-type: none">• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control.• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Auckland Museum Trust Board in the preparation of the financial statements.• Evaluate whether the status of the performance measures have been prepared in accordance with the bases of measurement as specified. It is not part of this engagement to consider the completeness of the objectives or the performance measures identified to meet the objectives of the Trust.• Conclude on the appropriateness of the use of the going concern basis of accounting by the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Trust to cease to continue as a going concern.• Evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.• Obtain sufficient appropriate audit evidence regarding the audited information of the Trust or business activities within the Trust to express an opinion on the audited statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. <p>We communicate with the Auckland Museum Trust Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p>
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Restriction on use	<p>This report is made solely to the Members of the Auckland Museum Trust Board, as a body. Our audit has been undertaken so that we might state to the Members of the Auckland Museum Trust Board those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Auckland Museum Trust Board as a body, for our audit work, for this report, or for the opinions we have formed.</p>
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Deloitte Limited

Auckland, New Zealand
20 October 2022

This audit report relates to the financial statements and service performance report of Auckland Museum Trust Board (the ‘Trust’ or the ‘Auckland Museum’) for the year ended 30 June 2022 included on the Auckland Museum’s website. The Auckland Museum Trust Board is responsible for the maintenance and integrity of the Auckland Museum’s website. We have not been engaged to report on the integrity of the Auckland Museum’s website. We accept no responsibility for any changes that may have occurred to the financial statements and service performance report since they were initially presented on the website. The audit report refers only to the financial statements and status of performance measures included in the service performance report named. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements and service performance report. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the published hard copy of the audited information and related audit report dated 20 October 2022 to confirm the information included in the audited information presented on this website.