

# GOVERNANCE POLICY

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## 1. Purpose

To provide guidelines for the provision of commercial activities within the Museum

## 2. Definitions

The Commercial activities to which this policy shall apply are;

- i) Retail services
- ii) Retail catering services
- iii) Car park operations
- iv) Event Business activities excluding
  - Museum programmes
  - Membership activities
  - Fundraising activities
  - Not for profit professional and pro-bono activities

## 3. Preamble

The Auckland War Memorial Museum Act 1996 sets out 10 objectives for the Museum Board. Objective (iii) is 'Greater financial self-sufficiency through the prudent operation of compatible revenue-producing and fundraising activities which supplement public funding'.

The Act sets out 12 Duties, functions and powers of the Board. Duty (12f) is to develop appropriate sources of income additional to funding by the contributing authorities.

Commercial activities shall be deemed to be operations in part fulfilment of those Objectives and Duties. The requirement that these activities be "compatible" and "appropriate" shall be noted.

## 4. Policy

### 4.1. Intent

Commercial activities shall have as a primary purpose, to be profitable, and it is expected that levels of profitability will be broadly comparable to equivalent commercial activities elsewhere.

### 4.2. "Compatible" and "Appropriate"

The Museum will not engage in commercial activities which are not compatible with, or appropriate in the Museum and War Memorial. This will include both the nature of these activities, the manner in which they are provided, merchandise and service. The Director shall determine what is compatible and/or appropriate when definition is required.

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## 4.3. Commercial Activities as Visitor Service

It is recognised that commercial activities are part of a total museum experience, and that the nature of those activities will be influenced, at times, by visitor service considerations. This will be apparent in the choice of certain retail merchandise, where the Museum shall stock items which broadly reflect the Museum's collections, activities and role and which are of a quality appropriate for a significant museum. Visitor service issues may also influence the choice of foods and beverages offered in retail catering operations, and will influence charging regimes for car parking.

## 4.4. Financial Practice

- 4.4.1. An annual business plan shall be prepared for each commercial activity and monthly reports against this plan shall be provided to the Trust Board
- 4.4.2. The annual plans and monthly reports shall recognise the following businesses
  - i) Museum operations
    - Car Park
    - Events
    - Retail
  - ii) Tenant operations
    - Retail catering
- 4.4.3. Sales, commissions, rent, cost of sales, discounts, gross profit, direct and indirect costs and surplus shall be reported
- 4.4.4. Discounts on retail merchandise may be offered to Staff and Museum members, and these will be set and reviewed by the Director from time to time
- 4.4.5. A discount on car parking may be offered to staff, and discounts may be offered to Museum visitors paying the suggested donation. These discounts will be set and reviewed by the Director from time to time
- 4.4.6. Discounts and commissions may be offered to incentivise Events business, or to organisations / activities supportive of the Museum and its programmes. These will be negotiated by the Commercial Manager within parameters set by the Director from time to time.