

**STATEMENT OF PERFORMANCE**

**FOR THE YEAR ENDED**

**30 JUNE 2020**

**CULTURAL FACILITIES CORPORATION**

## INDEPENDENT LIMITED ASSURANCE REPORT

### To the Members of the ACT Legislative Assembly

#### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Cultural Facilities Corporation (Corporation) for the year ended 30 June 2020.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2020 are not in agreement with the Corporation's records or do not fairly reflect, in all material respects, the performance of the Corporation, in accordance with the *Financial Management Act 1996*.

#### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

#### Corporation's responsibilities for the statement of performance

The Governing Board is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

#### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Corporation.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Corporation's records or do not fairly reflect, in all material respects, the performance of the Corporation, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Corporation, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

**Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Corporation.

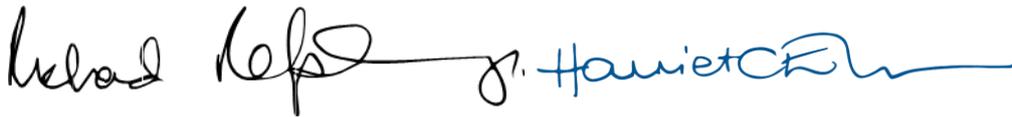


Ajay Sharma  
Assistant Auditor-General, Financial Audit  
29 September 2020

**Cultural Facilities Corporation  
Statement of Performance  
For the Year Ended 30 June 2020**

**Statement of Responsibility**

In our opinion, the Statement of Performance is in agreement with the Corporation's records and fairly reflects the service performance of the Corporation for the year ended 30 June 2020 and also fairly reflects the judgements exercised in preparing the Statement of Performance.

A handwritten signature in blue ink that reads "Harriet Elvin". The signature is fluid and cursive, with the first name "Harriet" written in a larger, more prominent script than the last name "Elvin".

The Hon Richard Refshauge SC  
Chair  
Cultural Facilities Corporation

17 August 2020

Harriet Elvin  
Chief Executive Officer  
Cultural Facilities Corporation

17 August 2020

**CULTURAL FACILITIES CORPORATION  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2020**

**Output Class 1: Cultural Facilities Management**

**Output 1.1: Cultural Facilities Corporation**

**Description**

The Cultural Facilities Corporation (CFC) manages a number of the ACT's major cultural assets, comprising :

- the Canberra Theatre Centre;
- the Canberra Museum and Gallery (CMAG) and the Nolan Collection; and
- The ACT Historic Places (Lanyon, Calthorpes' House and Mugga-Mugga).

In managing these facilities, the CFC provides a range of cultural services to the community through the provision of activities (performing arts presentations, exhibitions, education programs, community programs and other events) at each site, and through the conservation and interpretation of the ACT Historic Places.

**Table 1 : Output 1.1 Cultural Facilities Corporation**

	<b>Original Target 2019-20  \$'000</b>	<b>Actual Result 2019-20  \$'000</b>	<b>Variance from Original Target %</b>	<b>Explanation of Material Variances</b>
<b>Total Cost</b>	21,137	21,826	3.3%	-
<b>Controlled Recurrent Payments</b>	9,162	9,162	-	-

The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

**CULTURAL FACILITIES CORPORATION  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2020**

**ACCOUNTABILITY INDICATORS INCLUDED IN THE CORPORATION'S 2019-20 BUDGET**

---

**Output Class 1 : Cultural Facilities Management**

---

**Output 1.1 : Cultural Facilities Corporation**

---

**Table 2 : Accountability Indicators**

	<b>Original Target 2019-20</b>	<b>Result 2019-20</b>	<b>Variance from Original Target %</b>	<b>Explanation of Material Variances</b>
1. Estimated number of visitors/patrons to CFC facilities/programs	397,800	291,789	(27%)	(i)
2. Number of exhibitions at facilities managed by CFC	22	26	18%	(ii)
3. Number of education and community programs provided by CFC	435	267	(39%)	(iii)
4. Number of days venue usage at the Canberra Theatre Centre's venues	625	476	(24%)	(iv)
5. Customer satisfaction with quality of services provided by CFC, as measured by annual survey	90%	97%	8%	(v)
6. Cost to Government per estimated visitor/patron to CFC facilities/programs	\$23.03	\$31.40	36%	(vi)
7. Own sourced revenue as a proportion of total revenue for CFC	50.7%	49.0%	(3%)	(vii)

---

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*.

**CULTURAL FACILITIES CORPORATION  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2020**

**EXPLANATION OF MATERIAL VARIANCES**

Note (i) The variance is primarily due to reduced visitor/patron numbers as a result of the closure of CFC venues to the public for approximately a quarter of the reporting period, to comply with restrictions relating to the COVID-19 situation. The Canberra Theatre Centre closed on 18 March 2020, with a reopening of the Box Office area only on 29 June 2020. CMAG and Lanyon closed on 24 March 2020, reopening to restricted numbers on 10 June 2020. Calthorpes' House closed on 24 March 2020, reopening to restricted numbers on 27 June 2020. Mugga-Mugga closed on 24 March 2020 and did not reopen for the remainder of 2019-20.

Lesser impacts on visitor/patron numbers in 2019-20 related to the severe bushfire threat, smoke haze and poor air quality experienced in the 2019-20 summer season. Lanyon closed on 28 January 2020 due to the Orroral Valley bushfire, reopening on 7 February 2020. Visitation to all venues was impacted to some degree by smoke haze, with some short-term closures of sites needed at times of particularly poor air quality.

Note (ii) The variance is due to CMAG presenting a higher number of exhibitions than originally scheduled, including an additional exhibition that became available at short notice through a partnership with the Embassy of Cuba, *Havana Passion : the magic of 500 years*.

Note (iii) The variance is primarily due to reduced program numbers as a result of the suspension of all programs from 18 March 2020 to the end of 2019-20, to comply with restrictions relating to the COVID-19 situation.

Note (iv) The variance is primarily due to the closure of all Canberra Theatre Centre venues to the public for approximately a quarter of the reporting period, to comply with restrictions resulting from the COVID-19 situation. Further details are provided under Note (i) above.

Note (v) The variance is due to an overall high standard of customer satisfaction, reflecting the attempts by facilities to achieve as high a standard as possible.

Note (vi) The variance is due to lower than expected number of visitors/patrons to CFC facilities/programs resulting primarily from the closure of CFC venues to the public for approximately a quarter of the reporting period, to comply with COVID-19 restrictions, together with impacts related to the severe bushfire threat, smoke haze and poor air quality experienced in the 2019-20 summer season. Further details are provided under Note (i) above.

Note (vii) The variance is due primarily to the loss of own-sourced revenue during the period of venue closures at the Canberra Theatre Centre, partially offset by higher levels of theatre-related revenues generated in the pre-closure period.

**CULTURAL FACILITIES CORPORATION  
STATEMENT OF PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2020**

**COMMENTS ON ACCOUNTABILITY INDICATORS**

Indicator 1 Given the varied nature of the CFC's facilities, a range of methods, including manual methods, are used to record and estimate visitor/patron numbers. These methods include automated ticketing systems, traffic counters\*, automated door counters\*\*, diaries and spreadsheets. The CFC believes that the methods of estimation are reasonable and fit for purpose.

\*The CFC uses a figure of four persons per vehicle when extrapolating traffic counter data at Lanyon, on the basis that this represents a reasonable average across cars, minibuses, buses and other vehicles.

\*\* The CFC uses a figure of 88 non-visitors per weekday and 36 non-visitors per week-end day to deduct from the automated door counters at CMAG, on the basis that this represents a reasonable estimation of non-visitors passing through the automated door counters.

Note :

- Visitors to exhibitions at CMAG's external gallery space, Gallery 4, during 2019-20 were not captured by the automated door counters at the CMAG entrance doors and have not been included in the visitor numbers.

Indicator 5 The CFC contracts Orima Research (a firm that is independent of the CFC) to survey its Canberra Theatre Centre patrons on selected performances throughout the year. In CMAG and HP, visitors are given the opportunity to provide feedback by completing a visitor feedback form. In all cases, the patrons and visitors are asked to rate their experience from very satisfied, satisfied, indifferent, unsatisfied and very unsatisfied. The customer satisfaction result is calculated as the total of responses for very satisfied and satisfied divided by the total number of patrons and visitors that were surveyed or provided feedback. Due to site closures to comply with restrictions relating to the COVID-19 situation during the final quarter of the year, when much of the surveying for CMAG and HP would normally take place, the number of survey forms completed was lower than in previous years for these sites. Overall, however, the CFC believes the total number of survey forms used in calculating the results was sufficient to give an accurate figure.