



ANNUAL REPORT 2018-2019

MOTAT

MUSEUM OF TRANSPORT AND TECHNOLOGY

CONTENTS

Chair and Chief Executive Overview	4
2018-2019 at a Glance	7
Key Trends	9
Our Year in Detail	11
MOTAT Leadership	26
Financial Statements	28
In Appreciation	59

OUR VISION

Hāpaitia te ara tika pūmau ai te rangatiratanga mō ngā uri whakatipu

Foster the pathway of knowledge to strength, independence and growth for future generations



Our Values

COLLABORATION

Is the way we work together internally and externally as a team that respects and supports one another, sharing ideas, knowledge and skills so that we achieve our full potential.

INTEGRITY

Is the foundation on which our relationships, reputation and authority are built. We will act morally, ethically and with respect and transparency at all times.

CREATIVITY

Is the quality that allows us to be courageous and to try new things so as to inspire those we interact with.

STEWARDSHIP

Is our individual and collective duty as custodians to manage, develop and preserve MOTAT's collection, skills and knowledge and to pass them onto the next generation.

CHAIR AND CHIEF EXECUTIVE OVERVIEW

This annual report covers the 2018-2019 financial year, which is the fifth and final year of our 2014-2019 strategy. Unfortunately, due to circumstances beyond our control our visitor numbers and the associated revenue were below target, but we made significant progress in relation to our collection development, education and outreach targets and we achieved, once again, an unqualified audit report.

VISITOR NUMBERS AND REVENUE

MOTAT attracted 260,211 visitors during the year, which was 8.3% down on the previous year and below target. While our admission revenue was 8.5% up on the previous year it was also below target.

One of the primary reasons for us missing our target was the cancellation of Pasifika Festival due to the tragic events in Christchurch. This resulted in us cancelling our Pasifika Vibes @MOTAT event, which we run in conjunction with the Festival.

Our function revenue was significantly down on the previous year (and target) as we had to keep the Aviation Display Hall free as we reconfigured the display space to accommodate our two flying boats and a helicopter (see below).

MAKING MOTAT BETTER

During 2019 we upgraded one of our exhibition halls (Building 6) to provide our first climate-controlled exhibition space at our Great North Road site.

The Building 6 upgrade was the first of our Approach

2 Projects as laid out in our 2019-2020 Annual Plan. Due to a \$1 million increase in our 2019-2020 levy from Auckland Council, we are able to borrow the funds for the Approach 2 Projects. The other Approach 2 Projects that are in the planning process include:

- a car park and cycle and walkway at our Meola Road site. This project not only benefits MOTAT's visitors but also the other users of the Western Springs Precinct. It also improves pedestrian and cyclist access and safety in the area and traffic flow on Meola Road
- acoustic, thermal and weathertightness improvements to our main exhibition hall at our Great North Road site
- a reconfigured entrance at Meola Road site, so that the Aviation Display Hall becomes the start of the MOTAT journey
- the opening of our fence line at our Great North Road site so that those on the lakeside of Western Springs can access MOTAT and our café.

The Building 6 work was completed in time for the opening of the Above and Beyond exhibition, which was developed in a collaboration between NASA, the Smithsonian and Boeing. MOTAT was the only venue to be selected to host the exhibition in Aotearoa, and due to its success, its session with us was extended by a month. An education programme created to support the Above and Beyond exhibition was supported by Perpetual Guardian, and APN provided free advertising for the exhibition. The Automobile Association of NZ established an ongoing partnership with MOTAT and Sir Colin Giltrap, Giltrap Motors, Mercury Energy, Jucy Rentals, and Rod Milner Motors provided support for our Accelerate exhibition during the year.

We also rejuvenated our “Main Street” area where our younger visitors not only have a new interactive play space but also a bright orange locomotive that they can engage with.

MOTAT achieved a major milestone towards the end of March 2019 with the completion of the restoration work on the exterior of the Short Solent flying boat “Aranui”, which was subsequently moved into the reconfigured Aviation Display Hall to join our Short Sunderland, so that we have our two majestic flying boats inside in the same display area. We also have all of our aircraft undercover for the first time in MOTAT’s history. This was a massive undertaking by our employees, volunteers and contractors; for example the Solent flying boat alone took over 12 hours to manoeuvre into place!

The reconfiguration of the Aviation Display Hall also gave us the opportunity to display our “new” Bell 47J Ranger ZK-HGO helicopter. The helicopter was used to support the offshore oil rigs and refineries in Aotearoa for over a decade and was kindly donated to MOTAT by Helicopter (NZ) Ltd.

There were several other exciting additions to the Museum’s collection during the year including the Kiwi bodied 1909 Clement Bayard motor vehicle, the Ligue International des Aviateurs medal, awarded to Jean Batten in 1937 and the Woolight surfboard designed and built by Paul Barron in Mount Manganui.

Our education, outreach STEAM (Science, Technology, Engineering, Arts, Mathematic) Cells and Mind Lab programmes engaged with 34,874 students. Our Early Childhood Education programme attracted 2,145 students.

Further evidence of the improvement we have made was seeing MOTAT receive recognition from its peers, by being named as finalist in the following categories at the Museums Aotearoa ServiceIQ NZ Museums Awards in Wellington in May 2019:

- Museum Projects - Collection Relocation Project
- Most innovative use of Te Reo Māori - He Whakaritenga Hou/A New Setting
- Public Programmes - Night Lights
- Education - STEAM Cells

We also won the Exhibition Excellence Science and Technology category for our Accelerate: Driving New Zealand exhibition.

STRATEGY REVIEW AND EXTENSION

During the course of the year the Board reviewed, updated and extended our strategy to 2029 as it was clear from the various metrics we measure that our strategy was meeting the late Dame Cheryll Sotheran’s challenge to transform MOTAT from being “a museum of things” to a “lightbulb institution” that was audience focused, vision based and had a transformative impact on its community.

Audience research undertaken by Morris Hargreaves McIntyre indicated that:

- Irregular and lapsed visitors (those who had not visited MOTAT for over 12 months) were re-engaging;
- Our “local audience” was more ethnically diverse; with our Māori and Pasifika visitors increasing to 7% and 6% respectively, up from 3% each in the previous year, and our Chinese visitors increasing to 10% from 6%. There was a corresponding reduction in those who identified as New Zealand European to 58% from 70%.
- There was a high level of satisfaction with the museum experience;
- Our Vision had a very high resonance with visitors (i.e. our visitors understood and agreed with what we are trying to do);

- Our visitors spent on average 2.5 hours at MOTAT, which is significantly longer than the average museum and gallery visit of 20 to 40 minutes as outlined in the 2018 Museums Aotearoa survey.

CULTURAL REVIEW

One of the challenges and opportunities we and the Auckland Art Gallery, Auckland War Memorial Museum, Maritime Museum and Stardome have is the Cultural Review that is being led by Auckland Council. While we are a positive and proactive participant in the review process, any substantive change to the way that the institutions are governed and funded should take into account the vital role arts, culture and heritage has in Aotearoa's largest and culturally diverse gateway and in particular the sector's impact on wellbeing. In the interim we will continue to work with our Art Gallery and museum colleagues on joint projects like Pasifika Vibes @MOTAT and other initiatives that have a positive impact on the city and wellbeing.

THE FUTURE

We are exploring with Regional Facilities Auckland (and in particular the Zoo) the development of the Western Springs area into a Science, Technology and Sustainability Precinct, and we hope to do a joint presentation to the Auckland Council on this initiative in 2020.

Finally, if you want to learn more about what we are currently doing and planning to do over the next few years you should read our Annual Plan for 2019-2020 and our Draft Annual Plan for 2020-2021 when it is approved.

Ehara taku toa i te toa takitahi he toa takitini




Michael Frawley
CHIEF EXECUTIVE/MUSEUM DIRECTOR



Dr Lesley McTurk
BOARD CHAIR

2018 – 2019 AT A GLANCE



During this financial year, MOTAT attracted 260,211 visitors, carried 208,592 tram passengers, and achieved 8.70% more revenue from admissions than during the last financial year. We also exceeded our targets for visitor satisfaction (91%), school and pre-school visits.



213
Volunteers



659
**New Collection
Items**



260,211
Visitors



\$3,371,805
Other Income



109
Employees



3,642
**Collection Items
Digitised**



421,792
**Outreach
Audience**



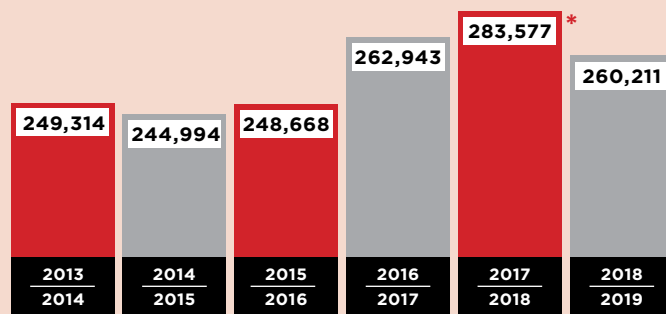
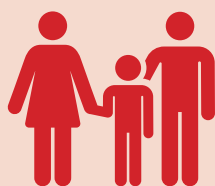
37,019
**Educational
Impact**



208,592
**Tram
Passengers**

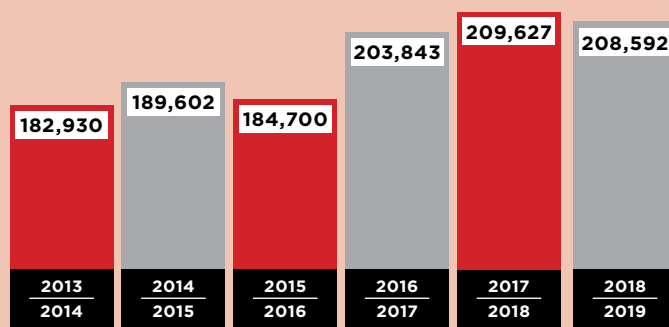
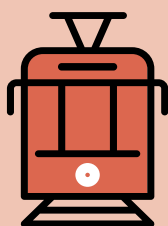
KEY TRENDS

VISITORS TOTAL VISITORS

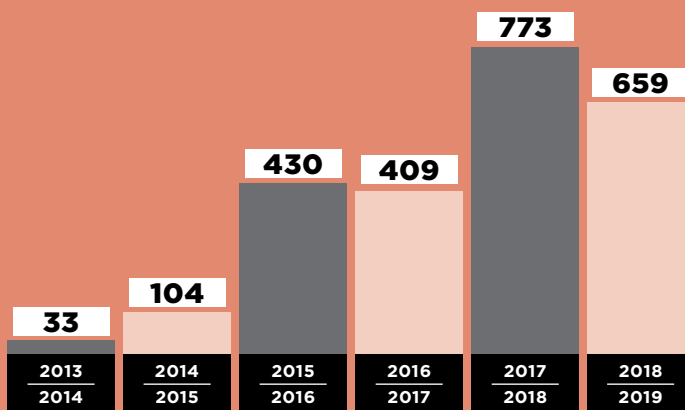


*Includes 18,347 visitors to Pasifika Vibes @MOTAT

TRAM PASSENGERS



COLLECTIONS OBJECTS ACQUIRED



REVENUE ADMISSION



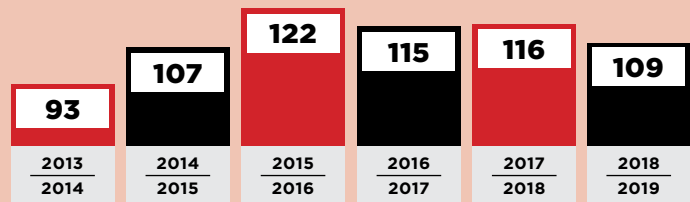
2018/2019	\$1,689,223
2017/2018	\$1,554,516
2016/2017	\$1,345,782
2015/2016	\$1,229,976
2014/2015	\$1,179,949
2013/2014	\$1,102,161

SHOP REVENUE

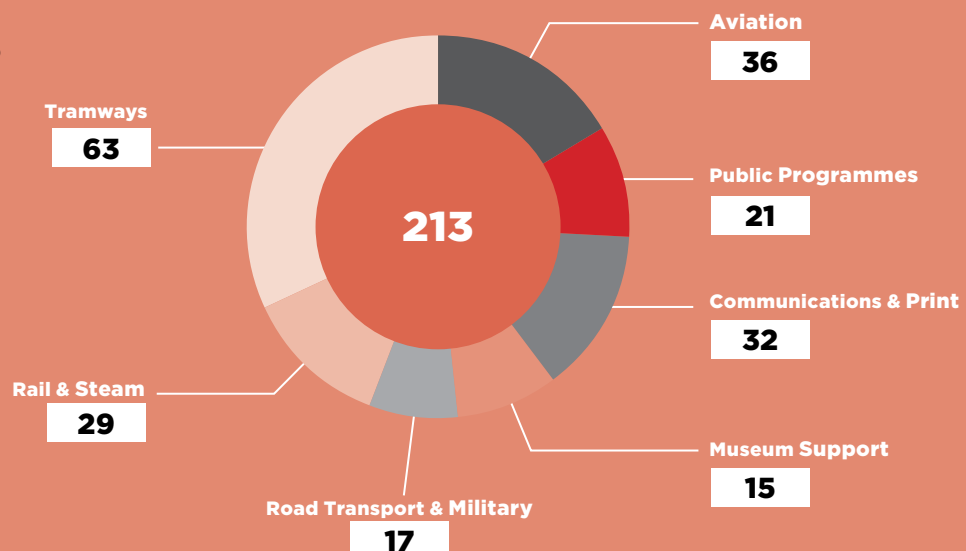


2018/2019	\$238,770
2017/2018	\$283,992
2016/2017	\$280,413
2015/2016	\$250,504
2014/2015	\$234,774
2013/2014	\$215,325

MOTAT TEAM EMPLOYEES



VOLUNTEERS



A photograph of a woman with blonde hair pointing upwards with her right hand, looking at a display case. In the foreground, two young boys are looking intently at the display. The display case is made of clear acrylic and contains a mechanical device with a blue component. The background is dark with some blurred figures of other visitors.

OUR YEAR IN DETAIL 2018–2019

He aha te mea nui o te ao. He tāngata, he tāngata, he tāngata.

This Annual Report quite correctly focuses on our results, so we would like to take this moment to highlight what makes MOTAT the place that it is. While Auckland Council's, Regional Facilities Auckland and our other stakeholders and partners support is critical to the Museum's success it is our visitors, and in particular the MOTAT Team that make MOTAT what it is.

We have over 300 amazing employees and volunteers who apply their considerable skills and knowledge to the care, development and preservation of over 300,000 museum artefacts, and make MOTAT a vibrant, educational and inspiring place to visit. The highlights and other results outlined in this Annual report are the "fruits" of the team's labour and need to be acknowledged.

Given the importance of the MOTAT Team to our success we are committed to health and safety, career development and diversity and inclusion, to ensure that we attract and retain the best people to achieve MOTAT's strategic objectives.

We have also established a Volunteers Forum and a Volunteers Alumni group, so that our current and past volunteers, a number of whom have been with the Museum since its establishment in 1964, have a voice and are able to pass on their knowledge and skill to the next generation of volunteers, even if they are no longer actively involved in MOTAT on a daily basis.

INSPIRING MOTAT'S AUDIENCE

MOTAT was the exclusive venue in Aotearoa for 'Above and Beyond', which ran from November 2018 to April 2019 and attracted close to 100,000 visitors. The exhibition was developed in collaboration with NASA and the Smithsonian National Air and Space Museum and was supported by Boeing.

The exhibition focused on the principles of flight and the associated past, present and future technology which aligned perfectly with MOTAT's aviation collection and focus on Kiwi innovators like Rocket Lab's Peter Beck.

MOTAT's visitors were given the opportunity to literally transform into and fly like a bird, design and race their own virtual jet against others, test the relative merits of aluminium compared to carbon fibre and to ascend to Earth's orbit in a simulated space elevator.

Education and holiday programmes focusing on the principles of flight were developed and rolled out to coincide with the exhibition, and a generous grant from the estate planning firm, Perpetual Guardian, enabled 1,631 students from 21 low decile schools from across Auckland and Northland to travel to MOTAT to experience the exhibition.

The second major exhibition at MOTAT, 'Accelerate – Driving New Zealand', opened in June 2018 and told Aotearoa's road transport story. The Museum's collection objects, like Sir Edmund Hillary's Antarctic Massey Ferguson and the Kiwi built Trekka were exhibited, in an innovative way to highlight the technological evolution of motor vehicle design, leading to the more sustainable designs of the future.

The various exhibits were mounted and displayed in unusual and innovative ways, which enabled

A generous grant from estate planning firm Perpetual Guardian enabled 1,631 students from 21 low decile schools from Auckland and Northland to travel to MOTAT for the 'Above and Beyond' exhibition.

MOTAT's audience to see the objects from a different and more inspiring perspective. MOTAT also continued its approach of interweaving te reo Māori with English on its information boards.

The exhibition also incorporated a temporary display space that was used to display the rare 'Kiwi bodied' 1909 Clement-Bayard, and vehicles provided by MOTAT's partners including Mercury Energy's 'Evie' (a 1957 Ford Fairlane converted to electric power), Sir Colin Giltrap's 'Black Beauty' A1GP race car and Aotearoa's first electric Jucy campervan.

The innovative design of 'Accelerate' resulted in MOTAT winning the 'Exhibition Excellence, Science and Technology' ServiceIQ NZ Museum Award in 2019.

MOTAT developed and installed several smaller, temporary exhibitions in its Walsh Memorial Library including; The Art of Industrial Design: Gifford Jackson and the Auckland Rapid Transit Scheme; and The Flying Kiwi: Cliff Tait's one-man journey to fly around the world.

MOTAT also undertook activities across greater Auckland to inspire audiences beyond our two public sites. This included installing our Te Waka Huia outreach modules at the Auckland Botanic Gardens in South Auckland and Corban Estate Arts Centre in West Auckland. These programmes were developed in collaboration with the host venues and delivered on-site reaching many thousands of people.

We were named as a finalist in the Most Innovative use of te reo Māori at the ServiceIQ Museum Awards in 2018 for He Whakaritenga Hou/A New Setting.



"Blasting off at the Above and Beyond interactive flight exhibition. My son's favourite was he got to design a plane and fly it!"

—Visitor comment



"The fun part about Above and Beyond was the space simulator. It looked like you were actually in space."

—Visitor comment



BUILDINGS AND INFRASTRUCTURE

A programme of significant improvement commenced at the heart of MOTAT1, connecting Building 5 and 6 and Main Street.

The age, condition and design of our buildings and infrastructure and the geographic properties of our Great North Road and Meola Road sites are challenging to manage.

We were hoping to get funding under the Long Term Plan to implement the renewal projects outlined in the MOTAT Athfield Masterplan but that was 'parked' pending the outcome of the Cultural Review. We did however receive support to upgrade Building 6 and Main Street at our Great North Road site to improve the visitor experience and provide a climate controlled exhibition space.

BUILDING 6

Building 6 began life in the early 1970s as an open-sided tram display shed. The sides were subsequently enclosed to provide more shelter and eventually the building was adapted for exhibition use. But that did not make the internal environment ideal. It was noisy, draughty, hot during the summer, and cold during the winter.

The recent work on Building 6 included re-roofing the entire building, pouring a new concrete floor, and addressing the acoustic and thermal shortcomings of the interior. The work was completed just in time for the installation and opening of 'Above and Beyond'.

It is clear from our visitors and MOTAT team's feedback that they enjoy being in Building 6 and we now have a suitable exhibition space to display our more sensitive collection objects.

MAIN STREET

As outlined in our Annual Report for 2016-2017 we removed the iconic K900 locomotive from Main Street as there was a risk that it could leach asbestos. While the risk of asbestos was low, we decided to cordon off the surrounding area pending its upgrade.

On a positive note this gave us the opportunity to re-envision 'Main Street' to make it a gathering place in the centre of the museum and to our help visitors navigate their way around the site.

Golder and Associates assisted us with the remediation of the ground, and we engaged landscape architects Reset Urban Design to design and implement a plan that made the space colourful, bright, and a fun place to be. The design incorporates swirling patterns of colour that represent eels in flowing water as a reference to the relationship between Western Springs and the early tangata whenua.

Further in line with our commitment to sustainability, the playing surface for Main Street has been made from recycled rubber tyres and the soles of Nike shoes.

We also wanted to provide our younger audience with another locomotive to interact with, so our centrepiece is a refurbished Orenstein & Koppel locomotive once used by the Auckland City Council Works Department in the Waitakere Ranges. The rail theme continues to flow through the site with train wheels and axles and other objects all painted in colours that reflect the MOTAT brand and positioned to be used as a playground. There is also a large deck, a paved area, and stairs that link Main Street to the 'Waitakere Station' area below and from there to the café in Cropper House.

STRATEGY, IMPACT AND EXTERNAL RELATIONS

MOTAT's professionalism draws domestic and international interest.

As outlined in the Chair and Chief Executive Overview, we refreshed and extended our Strategy to 2029. We have also been monitoring the success of our Strategy and we engaged Morris Hargreaves McIntyre to survey our visitors over a three-year period. Their report for the financial year highlighted the following:

- MOTAT's Vision has a very high resonance score of 87% (i.e. our visitors understand and agree with what we are trying to achieve; to use past, present and future Kiwi technology and ingenuity to educate and inspire the innovators of tomorrow).
- First time visitors to MOTAT have increased – up to 34% from 29% last year with a higher representation of domestic tourists in our visitor profile – up to 30% from 18% last year.
- Our “local audience” is more ethnically diverse - visits by those primarily identifying as Chinese (10%), Māori (7%) and Pacific Peoples (6%) all increased significantly on the previous year (i.e. 6%, 3% and 3% respectively). Conversely, there was significantly lower representation from those identifying as New Zealand European (58%, compared to 70%).
- Nearly 6 in 10 visitors are looking for deeper engagement with MOTAT.
- High overall visitor satisfaction rate (90%) and high levels of satisfaction in relation to the tram (97%) and the MOTAT Team (96%).

Our visitors also spend on average 2 hours and 38 minutes at the Museum, which compares well with the Auckland Zoo (average 2 hours and 45 minutes) and is significantly better than the average museum and gallery visit of 20 to 40 minutes as outlined in the recent Museums Aotearoa survey results.

EXTERNAL RELATIONS

As MOTAT's reputation and professionalism grows so does its ability to build on its relationship and partnerships with others.

During the course of the year MOTAT was asked to assist Otago Museum and the Kauri Museum with their strategy workshops. Our Chief Executive was invited to present a paper at the Aviation Cultures Mk IV conference in Sydney on MOTAT's successful transition.

Our External Relations Manager was a speaker at the Communicating the Arts conference in Copenhagen, which was attended by over 300 delegates from the arts and culture sector from around the globe. Her presentation explored how MOTAT collaborates and forms effective partnerships based on our experience with our 'Changing Gear' exhibition in 2017.

We also developed our relationship with KiwiRail, Mercury Energy, The Mind Lab and Perpetual Guardian, while establishing new relationships with JCDecaux Group and NZ Automobile Association.

Our fundraising efforts were also productive, yielding \$24,910 in grants from charitable trusts, including the Lion Foundation, The North and South Trust, and the Dragon Community Trust.

One area of focus over the last 12 months or so has been our social media channels and we developed a new media partnership with 95bFM through their 'Dear Science' episodic show. MOTAT's support of this show ensured a wider audience was reached via a non-traditional radio broadcaster.



MOTAT partnered with JCDecaux Group (formerly APN Media) to work to replace the museum's line-up of old static billboards along Great North Road with a single, digital billboard.



The new billboard will carry not only MOTAT advertising but also a rotating range of messages from other advertisers. The billboard changes image every 20 seconds and can be changed in real time to reflect the needs of the museum, including promoting topical messages or reacting to 'live' issues. And, as part of the deal, JCDecaux provided MOTAT with generous support for our outdoor advertising campaign across Auckland for 'Above and Beyond'. This contributed hugely to the success of that exhibition.

EDUCATING THE INNOVATORS OF TOMORROW AND STEAM

Although MOTAT hosts thousands of school students every year on-site, a growing number of schools are enjoying customised education visits directly to their own classrooms from MOTAT's STEAM Cells.

We provide school and other educational programmes to tens of thousands of students per annum. We hosted over 34,000 students from more than 500 schools as part of part of our Learning Experiences Outside The Classroom (LEOTC) with the Ministry of Education.

While these school visits are very popular and get positive feedback from students and teachers alike we know that there are a number of schools that are either too far away, can't afford to bus their classes to MOTAT, or simply want a more in-depth experience. In order to address this we developed our STEAM Cells programme.

MOTAT's STEAM Cells are special trailers filled with MOTAT collection items, specialised education equipment, and other Science, Technology, Engineering, Arts and Mathematics teaching resources, that are transported to schools in the greater Auckland area.

The STEAM Cells enable us to tailor the experience to each schools' requirements and enables our educators to interact with the students at a deeper and inspiring level.

Initial bookings were for single class sessions in a school, but more recently, with growing understanding of the convenience and educational impact, schools have taken the opportunity to book multiple sessions for entire year levels – or the entire school.

During the course of the year we took our STEAM Cells to 16 primary, intermediate, and secondary schools in Greater Auckland and engaged with over 3,400 students covering robotics, coding, game-making, inventions, innovation, 'life hacks', design thinking, and sustainability.

Our STEAM Cell initiative resulted in us being named

as a finalist in the Excellence in Education category at the ServisIQ Museum Awards in 2019.

In 2017 we entered into a partnership with The Mind Lab and it relocated its school and holiday programme to MOTAT. The Mind Lab @ MOTAT programmes focus on robotics, coding, animation and other creative topics.

We also provide a number of after school/work programmes to our local community. These programmes cover robotics and coding and for our older audience, an overview of how to use smart devices and their associated apps.

"It was a great experience for our students. It built on our prior learning and provided some new learning experiences. The activities were exciting and inspirational for our tamariki. As we are a decile 1A school some of our students do not get these experiences very often and believe me they remember these trips for years to come. Thank you so much."

–Visitor comment



"It is a privilege to watch someone else teach the class. It is a chance for me to step back and observe my class. I was very impressed with the connections some of my children made with the 6 simple machines. I was also pleasantly surprised as I was watching each group interact with one another."

—Visitor comment

MOTAT's STEAM Cells were named as a **Finalist** in the 'Most Innovative Education Programme' section of the **ServiceIQ Museum Awards 2019**.



HANDS ON EXPERIENCE AND PUSHING THE BOUNDARIES

MOTAT continues to inspire and intrigue existing and new audiences with our public events, as well as events which challenge audience expectations, and update MOTAT's brand for the next generation of visitors.

Our Public Programmes team is always looking for new and innovative ways to use our collection and STEAM (Science, Technology, Engineering, Arts and Mathematics) to inspire our audiences and let them experience what we have to offer in a different context. Given the age, cultural and gender diversity of our audience this can be a challenge, so we have developed a number of experiences for different age groups. For example, we run two bubble weekends per annum which attract over 3,000 visitors but that is aimed at our very young audience base and their parents.

For this year we developed a Slime Day, which has strong scientific principles behind it and is aimed at our 8 to 12 year-old visitors and their families. Slime or Oobleck, which is the name for the sticky green substance in the Dr Seuss book 'Bartholomew and the Oobleck', is a 'non-Newtonian fluid'. It acts as a fluid but turns into a hard surface when subjected to pressure.

Our first Slime Day attracted more than 3,500 people and the second event attracted over 4,300.

In April we held our annual STEM Fair, which is supported by the tertiary institutes, Crown Research Institutes, New Zealand Police and other commercial practitioners. The STEM Fair focuses on Science, Technology, Engineering and Mathematics. This event is aimed at families and young adults and attracted 2,038 visitors.



We also held our popular Live Days throughout the year, focusing on different aspects of our collection each month.

Our Night Lights @ MOTAT event resulted in us being named as a finalist in the Excellence in Public Programmes category at the ServiceIQ Museum awards in 2019.

To attract a wider and older demographic we introduced our MOTAT's R18 events two years ago. These events are designed to show the Museum in a different light and to use technology, innovation and the arts to challenge our audience's perceptions and inspire them in a way that they may not have encountered before, especially at a museum.

This year we introduced two new events at MOTAT, Anti-Valentines and WTF?!

WTF?! was designed to make our audience ask, 'What is that?' by using Kiwi creative arts practitioners who, in many cases, focused on provocative responses to technology and current

narratives around topics as diverse as sustainability and sexuality. For example, one of the first things our visitors encountered on the night was The Giant Weta, an artistic installation of a 5m-long metal weta shooting flames out of its antennae.

For Anti-Valentine's, we turned the whole concept of Valentines Day on its head and used our collection and associated themes to get our audience to think about love and relationships in a different and fun way. Our visitors interacted with relationship-themed, fairground-style sideshows, such as 'Daddy Issues', a hugely popular attraction featuring a wrecked car that visitors could trash, in a safe way, with a baseball bat or a golf club etc.

There were live performances featuring bad love poetry, photo booths, a movie screening on the lawn, and 'Heart Break' karaoke, which featured two actors pretending to be members of the public and encouraging people to get up and have a go. A surprising number did – and sang so very, very badly!

COLLECTION CARE AND DEVELOPMENT

MOTAT continues to actively and strategically develop and preserve its unique collection to make it available in different forms for generations to come.

As outlined in our Annual Report for 2017-2018, MOTAT moved its off-site collection of over 30,000 objects (excluding the Walsh Memorial Library's extensive collection) to a new storage facility in 2018. This gave us the ideal opportunity to reconcile MOTAT's records and to store the objects in a more methodical way so that they can be easily looked after and located as and when required.

Our relocation project resulted in us being named as one of the finalists in the 'Project Excellence' Service IQ Museum Awards for 2019. The award citation reads: *"An impressive back-of-house project which has resulted in a comprehensive and innovative storage and access facility for an extremely diverse collection of transport and technology objects. Prompted at first by the nasty discovery of asbestos, MOTAT took this as an opportunity to upskill and upgrade to create a vastly improved facility - MOTAT 3. It also designed and implemented professional packing, labelling, handling and taxonomy protocols, as well as establishing a conservation workshop. This project has involved teams of professionals and volunteers in helping to futureproof this unique museum."*

Our new off-site storage facility includes two large climate-controlled textile storage rooms, a quarantine room, a freezing facility for destroying pests, and a hazmat store for hazardous items that may contain radioactive material, heavy metals, or chemicals.

During the course of the year we progressed our Collection Review to ensure that our collection is of the requisite quality and significance and in line with MOTAT's strategic and statutory objectives. This

process also enabled us to identify the objects that should be 'deaccessioned' or acquired going forward.

We progressed the upgrade of our Vernon system so that the public can now search our collection online, including our extensive oral history and photographic library. Over 84,000 objects can be searched by a number of criteria, including the types of material the object is made of, to where it was made and what colour it is. The new MOTAT Collection Online "browser" was launched in July 2019.

CONSERVATION AND MONITORING

We have installed, for the first time in MOTAT's history a Conservation Workshop where our team can undertake all the core collection care capabilities required for artefact conservation, including preventive conservation, research, pest management, object treatment, and environment monitoring.

In order to improve the way that we monitor our collection we installed the environmental monitoring system, Synergy. The system allows us to monitor the humidity, temperature, and other aspects of the display and storage environments at our two sites and our off-site storage facility.

The data is captured on measuring devices and transmitted to a central server where our team can keep an eye on what is happening in real time which enables them to develop the appropriate conservation plans for their location.



"Wonderful to see the two flying boats at MOTAT. These were later models of the one my father delivered for TEAL in 1940."

"Don't miss the tram taking you to the aircraft hangar. It has a Sunderland - standing there overwhelming you! Like the static Lancaster and many other examples of aircraft important to NZ aviation history. A must."

—Visitor comment





ACQUISITIONS

Highlights from the 659 acquisitions we made this year include the following:

Woolight surfboards: These surfboards are literally surfing the technological wave. They were designed by Paul Barron in Mount Maunganui and are made out of New Zealand Merino wool which is more sustainable and environmentally friendly than the traditional fibreglass.

Clément-Bayard 1909 car: This motor vehicle was donated to MOTAT by the Gilltrap family in Australia after 40 years of ownership. While the engine and running gear were manufactured in France, it is a fantastic example of Kiwi innovation and ingenuity as its body was designed, made and installed in Aotearoa. The car is the oldest motor vehicle in MOTAT's collection still in full working condition.

Jean Batten's trophy medal: MOTAT has arguably the world's largest collection of objects relating to the Kiwi aviatrix Jean Batten. In particular we have the Harmon Trophy medals awarded to her in 1935 and 1936 by the International League of Aviators. Earlier in the year a family in England donated to us the Harmon Trophy medal that was awarded to Jean Batten in 1937, so MOTAT now has the complete set.

PRESERVATION

One of our objectives is the preservation of our collection. This work involves both our employees and volunteers and a considerable amount of time, resources and dedication. Two of this year's highlights are:

MOTAT's 1874 88 F-Class saddle tank steam locomotive known as the "Meg Merrilies". The Meg Merrilies was donated to MOTAT in 1966 and displayed at our Great North Road site until the decision was made to restore her in 1999. Over the next decade the MOTAT Team spent hundreds of hours rebuilding the locomotive, including her boiler and water tank that had to be built from scratch and with no plans. It was a delight to see her under steam once again this year for the first time in 42 years.

MOTAT is home to two rare examples of flying boats built by Short Brothers of Northern Ireland - the S.25 Sunderland Mk V and the S.45A Solent Mk IV

known as the 'Áranui'. These elegant machines are artefacts of national and international significance, rare survivors of an entire class of large, four-engine flying boats that delivered long-range military ocean reconnaissance and in the case of the Aranui, pioneered New Zealand's tourism industry, flying between Australia and the Pacific on the famous 'Coral Route' of the 1950's.

Unfortunately, due to the lack of space both flying boats had to be displayed outside where they were subjected to the elements. In 2015 the restoration of the exteriors of the flying boats commenced. This involved the refabricating of their keels and other areas of the fuselage and the replacement of literally thousands of rivets by hand.

The exterior paint on both flying boats was removed and they were painstakingly repainted, and they now look as good, if not better, than the day they were delivered by Short Brothers.

The Aviation Display Hall at Meola Road was reconfigured to accommodate the two flying boats and to better tell Aotearoa's aviation story. We now have all of our planes under cover for the first time in MOTAT's history.

MOTAT LEADERSHIP

SENIOR MANAGEMENT TEAM

**Wayne Schache**

General Manager
Business Services

Steven Fox

General Manager
Museum Experience

Michael Frawley

Chief Executive/
Museum Director

Alba Letts

General Manager
Collections

MOTAT BOARD

Dr Lesley McTurk (Chair)

Mike Spraggon (Deputy Chair)

Helen Atkins

Lindsay Corban

Bruce Howat

Dr Bruce Hucker

Amit Prasad

Bill Rayner

Hon. Judith Tizard

Sue Wood

GOVERNANCE

BOARD SUB-COMMITTEES

The Board established the following sub-committees to ensure that it can effectively govern and monitor our museum's financial, legal, social, and health and safety obligations:

AUDIT AND RISK COMMITTEE

Chair:

Mike Spraggon

Committee members:

Helen Atkins, Amit Prasad, Bill Rayner

This Committee was established in June 2006 to assist the Board with its statutory and oversight responsibilities in relation to financial monitoring and reporting, risk assessment, audit and regulatory compliance. The Committee seeks input and guidance from independent external advisors (e.g. the Museum's auditors and insurance brokers) as and when required.

APPOINTMENTS PERFORMANCE AND REMUNERATION COMMITTEE

Chair:

Lindsay Corban

Committee members:

Bruce Howat, Dr Lesley McTurk

The Annual Performance Review Committee oversees the performance and remuneration of the Museum's Chief Executive/Museum Director and Senior Management Team. The Committee seeks independent advice on performance management and remuneration as and when required.

HEALTH AND SAFETY COMMITTEE

Board Representative:

Bruce Howat with alternate Helen Atkins

The Board has a representative on the Museum's Health and Safety Committee which meets every month to review any health, safety and compliance issues that may have arisen and to proactively identify and manage any risks going forward.

STRATEGY AND FUNDING COMMITTEE

Chair:

Sue Wood

Committee members:

Lindsay Corban, Bruce Howat, Dr Bruce Hucker, Hon. Judith Tizard

The Strategy and Funding Committee is responsible for overseeing the implementation of the Museum's strategy and the development of the funding of the associated long-term plans so that they can be considered by the Board as a whole.

DEVELOPMENT REVIEW GROUP

Board Representative:

Helen Atkins

The Board has a representative on the Development Review Group which oversees any significant projects in relation to the Museum's buildings and infrastructure and it seeks independent legal and other advice as and when required.

A photograph of a child playing peek-a-boo through a wooden board game grid. The grid is made of light-colored wood and has a 4x4 pattern of circular holes. The child's face is visible through one of the holes, and their hands are resting on the top edge of the grid. The background is a blurred outdoor setting with trees and a building.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2019

2018–2019 ANNUAL ACCOUNTS

We are pleased to report that we received an unqualified audit opinion for the 2018-2019 financial year.

For the reasons below we recorded a deficit of \$489,903 as shown in the Statement of Comprehensive Revenue and Expenditure.

A number of significant projects contributed to this result, and included the remediation of the Main Street area, including removal of contaminated soil; refreshment of the Aviation Display Hall exhibitions, final costs in relation to exiting our old storage site, and planning work associated with the upgrade of our tram infrastructure. All these projects had budgeted funds allocated from prior years, or from the Capital Developments budget, but due to them not resulting in tangible assets, were expensed as part of Total Comprehensive Income.

It is pleasing to note a 19% increase in Operating Income, demonstrating our ability to continue to grow our offering to meet our vision to become the “must experience venue” in Auckland. As we attract a greater number of visitors, we also attract the interest of external partners, who contribute funds or services in kind. We welcomed JCDecaux Group (formerly APN), New Zealand Automobile Association and Perpetual Guardian as key partners this year and look forward to working with them into the future to enable more people to be

immersed in the MOTAT experience. We appreciate the continued support of the Ministry of Education as they support our “Learning and Education Outside the Classroom” initiatives.

A significant financial focus for us in this year was the refurbishment of Building 6 (which hosted the “Above and Beyond” exhibition), and the rejuvenation of Main Street. Together these projects cost over \$2 million, and were managed very close to budget, despite the subterranean lava basalt rock that interfered with the progress of both projects. We also commenced the set-up of our Conservation Workshop at our offsite storage facility. This is the first time in MOTAT’s history that we have an area dedicated to the conservation of our smaller collection items.

The revaluation of our Rail, Aviation (Planes) and Library sections accounted for a significant increase in the value of our collections in the Financial Statements.

The timing around special projects in a museum environment is often fluid, and accordingly some unspent funds will be carried over into the new financial year to complete the projects to which they were originally assigned.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019	2018
Levies from Territorial Authorities	2	13,973,339	15,222,110
Grants and Donations	2	406,924	373,130
Rent – Donation	2	560,625	560,625
Interest Received		210,964	263,801
Other Operating Income	3	2,753,917	2,315,441
Operating Revenue		17,905,769	18,735,107
Employee Benefits Expense		7,618,493	7,549,770
Depreciation Expenses	4	1,731,044	1,725,828
Finance Expenses		39,979	42,296
Rent – Expense		560,625	560,625
Other Expenses	5	8,445,530	8,609,352
Impairment of Redevelopment Expenses	8a	-	485,749
		18,395,671	18,973,620
Net (Deficit)/Surplus		(489,903)	(238,513)
Other comprehensive income			
Movement in revaluation reserve		6,367,464	164,000
Total Comprehensive Income		5,877,561	(74,513)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Projects Reserves	Asset Revaluation Reserves	Retaining Earnings	Total Equity
Balance as at 1 July 2018	190,262	5,808,210	54,646,162	60,644,634
Net Deficit			(489,903)	(489,903)
Transfer to/(from) Project Reserve	5,525		(5,525)	
Other comprehensive income				
Asset revaluation reserve		6,367,464		6,367,464
Total Comprehensive Income	5,525	6,367,464	(495,427)	5,877,561
Balance as at 30 June 2019	195,787	12,175,674	54,150,735	66,522,195
Balance as at 1 July 2017	191,819	5,644,210	54,883,119	60,719,148
Net Deficit			(238,513)	(238,513)
Transfer to/(from) Project Reserve	(1,557)		1,557	
Other comprehensive income				
Asset revaluation reserve		164,000		164,000
Total Comprehensive Income	(1,557)	164,000	(236,956)	(74,513)
Balance as at 30 June 2018	190,262	5,808,210	54,646,162	60,644,634

The accounting policies and notes to these financial statements form part of, and should be read in conjunction with these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	NOTE	2019	2018
CURRENT ASSETS			
Cash and Cash Equivalents	7	1,014,587	2,534,480
Accounts Receivable		257,656	192,827
Shop Inventory		100,442	89,505
GST Receivable		191,044	172,378
		1,563,730	2,989,189
NON-CURRENT ASSETS			
Property, Plant and Equipment	8a	31,395,502	30,657,392
Collections	8b	35,934,085	29,416,446
		67,329,587	60,073,838
TOTAL ASSETS		68,893,318	63,063,027
CURRENT LIABILITIES			
Creditors and Accruals	9	1,579,964	1,518,918
Regional Facilities Auckland	10	82,405	78,481
Income in advance	6	120,209	150,044
		1,782,578	1,747,443
NON-CURRENT LIABILITIES			
Regional Facilities Auckland	10	588,544	670,950
		588,544	670,950
TOTAL NET ASSETS		66,522,195	60,644,634
EQUITY			
General Equity		54,150,735	54,646,162
Asset Revaluation Reserve		12,175,674	5,808,210
Projects Reserve	11	195,787	190,262

Board member:



Date:

24/10/2019

Board member:



Date:

24/10/2019

The accounting policies and notes to these financial statements form part of, and should be read in conjunction with these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

TOTAL EQUITY		66,522,195	60,644,634
	Note	2019	2018
CASH FROM OPERATING ACTIVITIES			
Cash was provided from:			
Levies from Territorial Authorities		13,973,339	15,222,110
Grants and Donations		192,671	167,974
Receipts from operations		2,482,434	2,315,441
Interest income		210,964	263,801
Cash was disbursed to:			
Payments to Suppliers, Employees and others		15,732,742	16,280,497
Borrowing costs paid		39,979	42,296
Net Cashflow from/(applied to) Operations		1,086,687	1,646,533
CASHFLOW FROM INVESTING ACTIVITIES			
Cash was applied to:			
Payments for property, plant & equipment		2,527,286	1,515,047
Payments for heritage assets			-
Net Cash (applied to)/from Investing Activities		(2,527,286)	(1,515,047)
CASH FLOW FROM FINANCING ACTIVITIES			
Cash was applied to:			
Repayment of borrowings		79,294	82,691
Net Cash (applied to)/from Financing Activities		(79,294)	(82,691)
Net Increase/ (Decrease) in cash held		(1,519,893)	48,795
Opening Cash Balance		2,534,480	2,485,685
Closing Cash Balance		1,014,587	2,534,480
Represented by:			
Cash and Cash Equivalents	7	1,014,587	2,534,480

The accounting policies and notes to these financial statements form part of, and should be read in conjunction with these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. Statement of Accounting Policies

REPORTING ENTITY

The Museum of Transport and Technology Board (MOTAT) is an entity established under the Museum of Transport and Technology Act 2000 which came in force on 1 April 2000. The Board has been established exclusively for charitable purposes. The museum registered as a charitable entity under the Charities Act 2005 on 30 June 2008, registration number CC30945. It is also a public entity as defined by the Public Audit Act 2001.

The Museum is spread over the three geographical sites at M1 (805 Great North Road), M2 (Motions Road), Western Springs, Auckland, and M3 (off-site storage).

MOTAT's goal is to move away from being a museum that predominantly focuses on its objects to an institution that uses its collection and its focus on Kiwi ingenuity, transport, technology and the associated stories in a creative and interactive way that motivates and inspires the innovators of tomorrow. By doing this MOTAT will provide a multi-dimensional experience that its visitors will find rewarding and will make them want to return for more on a regular basis.

The financial statements were authorised for issue by MOTAT on the date as evidenced as signed on the Statement of Financial Position. Once issued, members of the Board do not have the power to amend these financial statements.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

For financial reporting purposes, MOTAT is considered a public sector Public Benefit Entity. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with Tier 2 Public Benefit Entity Standards (PBE Standards) that have been authorised for use by the External Reporting Board. The entity is able to and has elected to apply Tier 2 PBE Standards on the basis that it does not have public accountability and it is not considered large. In preparing these financial statements, the Board has taken advantage of all applicable Reduced Disclosure Regime (RDR) disclosure concessions.

The Financial Statements are prepared in accordance with the Museum of Transport and Technology Act 2000 and include results of the Board for the year ended 30 June 2019.

The financial statements are presented in New Zealand dollars rounded to the nearest dollar.

The Measurement Base adopted is that of historical cost, except for specific policies outlined below that adopt fair value accounting.

SUMMARY OF ACCOUNTING POLICIES

The following accounting policies, which materially affect the measurement of comprehensive revenues and expenses, cash flows, and items in the

Statement of Financial Position of the Board, have been applied. The policies have been consistently applied to all the years presented.

a – Revenue Recognition

REVENUE FROM NON-EXCHANGE TRANSACTIONS

LEVIES

All levy revenue received by MOTAT is in accordance with the MOTAT Act 2000. Levy revenue is recognised as the revenue is received. This is from Auckland Council. The Auckland Council has an Advisory and Management agreement with Regional Facilities Auckland. The levy revenue is now received from Regional Facilities Auckland.

GRANTS AND DONATIONS

Grants and donations are recognised as income when they become receivable unless MOTAT has a liability to repay the grant if the conditions of the grant or donation are not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

RENT DONATION

The land on which MOTAT operates is leased at subsidised rates from the Auckland Council. The rent donation is not directly received in cash by MOTAT and equates to the deemed expense for using the land. This notional income is recognised as income in the period in which MOTAT uses the land.

REVENUE FROM EXCHANGE TRANSACTIONS

GATE REVENUE

Gate admissions are recognised at the time cash is received or an invoice is issued.

SALE OF GOODS

Revenue from the sale of goods is recognised when MOTAT has transferred to the buyer the significant risks and rewards of ownership of the goods.

MOTAT MATES PASSES

Revenue from the annual pass is recognised monthly, over the period of the membership.

INTEREST INCOME

Interest is recognised in the Statement of Comprehensive Revenue and Expenditure as it accrues, using the effective interest method.

b – Employee Entitlements

Annual leave is measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned to, but not yet taken, at balance date.

After the completion of five years continuous service an employee, who is under collective agreement with The Northern Amalgamated Workers Union, shall receive a special one-off additional holiday of 5 days.

c – Rent Expense

The property from which MOTAT operates is owned by Auckland Council. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense recognised in the period that MOTAT uses the land.

d – Property, Plant and Equipment

Property, Plant and Equipment are initially stated at cost less accumulated depreciation and accumulated impairment losses as outlined below. Maintenance costs are recognised as an expense as incurred in the Statement of Comprehensive Revenue and Expenditure.

DEPRECIATION

Depreciation is provided on a straight line basis on all Property, Plant and Equipment at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Depreciation is recognised and charged to the Statement of Comprehensive Revenue and Expenditure.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and Fittings	20%
Leasehold Improvements	3%
Motor Vehicles	10%
Computers and Software	40%
Plant and Equipment	17.5%

Redevelopment costs relate to costs incurred in the planning stage of the redevelopment of MOTAT2 and other ongoing projects. Costs incurred to date represent work in progress and therefore, have not been depreciated. Once the asset becomes available for use, the costs associated to that asset will be transferred to the appropriate asset category and depreciated accordingly.

ADDITIONS

The cost of an item of Property, Plant and Equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to MOTAT and the cost of the item can be measured reliably.

In most instances, an item of Property, Plant and Equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Donated assets are recorded at fair value less any impairment costs.

DISPOSALS

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the Statement of Comprehensive Revenue and Expenditure.

IMPAIRMENT

All items of Property, Plant and Equipment owned by MOTAT have been deemed by the Board to be non-cash generating as the primary objective for holding those assets is not to generate a commercial return.

All items of Property, Plant and Equipment including collection assets are reviewed to identify any indicators of impairment at each balance date. Where there is an indicator of impairment the asset's recoverable service amount is measured, being the higher of the asset's fair value less costs to sell and value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount.

Value in use is the present value of the asset's remaining service potential. Fair value is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties.

If an asset's carrying amount exceeds its recoverable service amount, the asset is impaired and the carrying amount of the asset is reduced to its recoverable service amount.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive Revenue and Expenditure.

Where the asset does not generate cash flows that are independent from other assets, MOTAT estimates the recoverable amount of the cash generating unit to which the asset belongs.

e – Collections

MOTAT has an extensive collection acquired over a long period of time. The Board has developed a full register and catalogue of the collection. From this register, all assets with a value in excess of \$5,000 were identified and valued as at 30 June 2010 by appropriate independent experts. This valuation has been accepted by the Board as deemed cost. Categories of significant collection assets are revalued by appropriate independent experts on a five-year rolling basis, with the first cycle having commenced in 2012, and will be subject to an annual assessment for any potential impairment. For a period of three years starting from 1 July 2014 independent valuations of items not previously identified within the collection were made to ensure that within the three-year period all significant heritage asset collections belonging to MOTAT were valued. The collections are subject to a rolling five-year valuation cycle.

The other low value assets in the collection have not been included in the financial statements

as the Board believes the cost of valuing and reporting these assets outweighs the benefit to the readers of the financial statements.

The cost of acquisition of collection items, or in the case of donated assets the deemed cost of those assets, will be recognised in the Statement of Financial Position.

For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a decrease greater than previous revaluation gains recognised, the impairment is recognised in the Statement of Comprehensive Revenue and Expenditure.

In the Board's opinion, as the collections tend to have an indefinite useful life and are generally not of a depreciable nature, depreciation is not considered applicable. Collection assets are reviewed annually at balance date by the Board and management for indicators of impairment.

f – Intangible Assets

SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use by MOTAT are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Computer software is a finite life intangible asset and is recorded at cost less accumulated amortisation and impairment losses. It is amortised over 2.5 years on a straight line basis.

g – Inventories

Inventories are stated at the lower of cost, using the first in, first out basis and net realisable value. Allowance will be made for deterioration and obsolescence based on age, condition and sale value of the various items.

h – GST

All balances are presented net of goods and service tax (GST), except for receivables and payables, which are presented inclusive of GST.

i – Accounts Receivable

Debtors and other receivables for both exchange and non-exchange transactions are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method less any

provision for impairment. A provision for impairment is established when objective evidence of collection is doubtful. When a debtor is considered uncollectible, it is written-off against the provision.

j – Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with domestic banks. Cash and cash equivalents also include highly

liquid investments with original maturities of three months or less and which are subject to an insignificant risk of changes in value.

k – Taxation

The Board has been granted charitable status and as such receives an exemption from Income Tax. MOTAT registered as a charitable entity under the

Charities Act 2005 on 30 June 2008. MOTAT's registered charity number is CC30945.

l – Creditors and Accruals

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Accruals are made for benefits accruing to employees in respect of wages and salaries, annual leave, and alternative leave when it is probable that settlement will be required and they are capable of being measured reliably. Accruals made in respect

of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Accruals made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by MOTAT in respect of services provided by employees up to reporting date.

m – Income in Advance

MOTAT receives grants from organisations for specific capital projects. Funds are recognised as revenue when the conditions of the contracts have been met. An income in advance liability reflects funds that are subject to conditions that,

if unfulfilled, are repayable until the condition is fulfilled. MOTAT Mates annual pass income in advance represents unearned receipts as noted in note 1(a).

n – Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Operating lease payments are recognised as an expense in

the Statement of Comprehensive Revenue and Expenditure.

o – Statement of Cash Flows

The following are the definitions of the terms used in the Statement of Cash Flows:

1. Cash is considered to be cash and cash equivalents.
2. Operating activities include cash received from all income sources and cash payments made for the supply of goods and services that are not investing or financing activities.
3. Investing activities are those activities relating to acquisition and disposal of non-current assets and term deposits.
4. Financing activities include activities that change the equity and debt capital structure.

p – Critical Accounting Estimates and Assumptions

In preparing these financial statements MOTAT has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The areas where the most critical estimates and assumptions apply are in relation to:

Valuation of Collection assets – whereby independent valuers are used to estimate fair values (refer note 8 b).

Depreciation – whereby management makes an estimate of the useful lives of depreciable assets (refer policy d).

q – Financial Instruments

Financial instruments are recognised in the Statement of Financial Position when the entity becomes party to a financial contract. They include cash balances, bank overdrafts, receivables, payables, investments in and loans to others, and term borrowings.

RECEIVABLES AND PAYABLES

Receivables and payables are initially recorded at fair value and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impaired receivables (doubtful debts). The resulting carrying amount for receivables is not materially different from estimated realisable value.

BORROWINGS

Borrowings (comprising the RFA loan) are initially recorded at fair value net of transaction costs incurred, and subsequently at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the borrowings or, where appropriate, a shorter period, to the net carrying amount of the borrowings.

Borrowings are classified as current liabilities unless MOTAT has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

Borrowing costs are capitalised over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalisation ceases when construction of the asset is complete. Further borrowing costs are charged to the Statement of Comprehensive Revenue and Expenditure.

2. Grants and Donations

	2019	2018
Grants		
Donated Collection Assets	214,253	20,710
Ministry of Education Grant	135,098	121,589
New Zealand Lottery Board	17,495	207,418
Other Donations & Grants	40,078	23,413
	406,924	373,130
Other Non-exchange Revenue		
Levies from Territorial Authorities	13,973,339	15,222,110
Rent Donation	560,625	560,625
Total Non-exchange Revenues	14,940,888	16,155,865

3. Other Operating Income

	2019	2018
Gate and Tram Admission	1,518,699	1,565,382
Hirage, Events and Functions	565,954	371,488
Other income	430,495	94,579
Shop Sales	238,770	283,992
	2,753,917	2,315,441

4. Depreciation Expenses

	2019	2018
Leasehold Improvements	1,153,526	1,112,083
Furniture and Fittings	63,962	53,266
Vehicles	16,195	14,745
Computers and Software	200,614	244,118
Display Equipment	42,230	29,849
Plant and Equipment	254,517	248,441
Intangible Assets	-	23,326
	1,731,044	1,725,828

5. Other Expenses

	2019	2018
Acquisitions - library	1,192	1,240
Amenities	9,395	150,300
Audit	52,515	50,000
Bank/Merchant + EFTPOS Fees	30,511	29,901
Board - associated/remuneration	149,449	151,357
Catering & Functions	96,644	140,820
Conservation	98,106	269,575
Consultancy/Legal Fees	192,539	37,085
Cost of Shop Sales	129,403	159,615
Courier/Postage	10,022	75,989
Research Database	14,396	12,882
Energy/Fuel	198,322	138,082
Events/Exhibitions/Signage	1,742,497	1,291,089
Expendable Programme Resources	2,420	2,000
Fees, subscriptions, permits & licences	99,895	82,234
Fixed Assets Expenses (<\$500)	19,181	3,794
Insurance - premiums	192,778	190,171
Internet Connection/IT Support	405,218	326,264
Leases - Equipment	6,497	-
Maintenance expenses	1,467,639	1,336,047
Travel/Accommodation/Vehicle Hire	43,567	34,708
Equipment Hire	55,011	5,927
Miscellaneous expenses	135,137	155,727
Marketing	731,041	509,089
Off-site Storage	994,232	1,290,781
Payroll/Staff, Stakeholder Care/Development	311,846	330,481
Care/Development	7,447	5,597
Photocopying & Printing/Stationery	51,583	48,140
Promotions	22,356	76,519
Rates - land/water	43,602	47,178
Heritage Assets Disposals	24,000	-
Redevelopment expenses	-	521,033
Restoration Expenses	416,747	437,189
Safety/Security	535,617	580,561
Subscriptions/Memberships	31,201	32,874
Sustainability	10,628	10,341
Telephones	112,894	74,762
	8,445,530	8,609,351

6. Income in Advance

	2019	2018
New Zealand Lottery Board	-	554
MOTAT Mates Annual Pass Liabilities	98,919	126,052
Other	21,290	23,438
	120,209	150,044

7. Cash and Cash Equivalents

	2019	2018
Cheque Account	155,311	647,565
Business Saver Account	851,004	1,878,642
Imprest Account	8,273	8,273
Total	1,014,587	2,534,480

Cash and Cash Equivalents include items that have a maturity date of less than three months and other liquid items such as cash floats. The utilisation of these funds is for the day to day operations of the museum.

8 a) Property, Plant and Equipment

CURRENT YEAR (2018-2019)

	Building and Leasehold improvements	Redevelopment Costs	Furniture and Fittings	Motor Vehicles	Computer and Hardware	Display Equipment	Plant and Equipment	Total
	2019	2019	2019	2019	2019	2019	2019	2019
Opening Balance 1 July 2018	28,318,092	749,002	223,853	63,027	219,212	189,937	894,270	30,657,393
Add: Additions during the year	1,869,673	104,708	66,883	30,000	138,082	9,426	258,941	2,477,713
Plus (less) Transfer from WIP	138,919	(138,919)	-	-	-	-	-	-
Less: Disposals during the year	-	-	-	-	-	(8,560)	-	(8,560)
Less: Depreciation	(1,153,526)	-	(63,962)	(16,195)	(200,614)	(42,230)	(254,517)	(1,731,044)
Closing balance 30 June 2019	29,173,158	714,791	226,774	76,832	156,680	148,573	898,694	31,395,502
Reconciled to:								
Cost	39,088,780	714,791	786,637	233,069	1,771,201	351,389	2,628,426	45,574,293
Less: Accumulated depreciation	9,915,622	-	559,863	156,238	1,614,520	202,817	1,729,731	14,178,789
Net Book Value	29,173,158	714,791	226,774	76,832	156,680	148,573	898,694	31,395,502

8 a) Property, Plant and Equipment continued

PREVIOUS YEAR (2017-2018)

	Building and Leasehold improvements	Redevelopment Costs	Furniture and Fittings	Motor Vehicles	Computer and Hardware	Display Equipment	Plant and Equipment	Total
	2018	2018	2018	2018	2018	2018	2018	2018
Opening Balance 1 July 2017	28,856,916	603,048	155,381	79,324	342,835	94,786	1,050,439	31,182,730
Add: Additions during the year	630,217	668,343	121,738	-	120,496	125,000	92,272	1,758,070
Plus (less) Transfer from WIP	-	-	-	-	-	-	-	-
Less: Disposal during the year	(56,958)	(36,640)	-	(1,552)	-	-	-	(95,152)
Less: Depreciation	(1,112,083)	-	(53,266)	(14,745)	(244,118)	(29,849)	(248,441)	(1,702,504)
Less: Impairment	-	(485,749)	-	-	-	-	-	(485,751)
Closing balance 30 June 2018	28,318,092	749,002	223,853	63,027	219,213	189,936	894,270	30,657,393
Reconciled to:								
Cost	37,080,046	749,002	727,213	203,069	1,677,910	350,652	2,503,521	43,291,413
Less: Accumulated depreciation	8,761,954	-	503,360	140,042	1,458,697	160,715	1,609,251	12,634,020
Net Book Value	28,318,092	749,002	223,853	63,027	219,212	189,937	894,270	30,657,393

The amount of Borrowing costs capitalised during the period is \$Nil (2017-\$Nil).

IMPAIRMENT

There was no impairment for loss recognised in the current year. In the prior year development costs, primarily consisting of the design cost and cost of preparing a Treasury standard better business case, were reviewed during the year for indicators of impairment. These costs were incurred over a number of years on the basis that a business case would be presented to Auckland Council, to secure a level of funding to progress the associated Masterplan. In the absence of approved Council funding, it was deemed that these costs no longer represented a future economic benefit, and thus were impaired. This impairment loss was recognised in the Statement of Comprehensive Revenue and Expenditure.

8 b) Collection Assets

CURRENT YEAR (2018-2019)

	Rail	Aviation	Industrial Heritage	Road	Social History	Trams	Comms	Health Science	Military and Medals	Library and 2D Works	Total
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019
Opening Balance 1 July 2018	3,218,000	5,833,890	6,485,730	3,428,620	3,932,485	3,450,000	542,550	44,015	666,401	1,814,755	29,416,446
Add : Revaluation Gains (Losses)	3,101,700	2,806,000	-	33,000	746,614	-	-	-	-	(92,950)	6,594,364
Add : Additions during the year	-	87,900	-	99,900	-	-	-	3,960	1,500	20,915	214,175
Less Disposals:											
from revaluation reserve	-	-	(100,000)	(123,000)	-	-	(3,900)	-	-	-	(226,900)
from acquisition value	(28,000)	-	-	(6,000)	-	(30,000)	-	-	-	-	(64,000)
Closing balance 30 June 2019	6,291,700	8,727,790	6,385,730	3,432,520	4,679,099	3,420,000	538,650	47,975	667,901	1,742,720	35,934,085
Reconciled to :											
Opening Balance 1 July 2018	3,218,000	5,833,890	6,485,730	3,428,620	3,932,485	3,450,000	542,550	44,015	666,401	1,814,755	29,416,446
Net Changes during the year	3,073,700	2,893,900	(100,000)	3,900	746,614	(30,000)	(3,900)	3,960	1,500	(72,035)	6,517,639
Net Book Value	6,291,700	8,727,790	6,385,730	3,432,520	4,679,099	3,420,000	538,650	47,975	667,901	1,742,720	35,934,085

PREVIOUS YEAR (2017-2018)

	Rail	Aviation	Industrial Heritage	Road	Social History	Trams	Comms	Health Science	Military and Medals	Library and 2D Works	Total
	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
Opening Balance 1 July 2017	3,228,000	5,818,610	6,483,000	3,346,420	3,932,485	3,450,000	490,550	44,015	623,901	1,814,755	29,231,736
Add : Revaluation Gains (Losses)	(10,000)	-	-	79,500	-	-	52,000	-	42,500	-	164,000
Add : Additions during the year	-	15,280	2,730	2,700	-	-	-	-	-	-	20,710
Less : Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing balance 30 June 2018	3,218,000	5,833,890	6,485,730	3,428,620	3,932,485	3,450,000	542,550	44,015	666,401	1,814,755	29,416,446
Reconciled to :											
Opening Balance 1 July 2017	3,228,000	5,818,610	6,483,000	3,346,420	3,932,485	3,450,000	490,550	44,015	623,901	1,814,755	29,231,736
Net Changes during the year	(10,000)	15,280	2,730	82,200	-	-	52,000	-	42,500	-	184,710
Net Book Value	3,218,000	5,833,890	6,485,730	3,428,620	3,932,485	3,450,000	542,550	44,015	666,401	1,814,755	29,416,446

Historically, collection assets have represented all assets under MOTAT ownership that have been assessed as having a significant value. Previously, a large number of collection assets had been excluded from the financial statements as their collective value was not thought to be large. In 2015, a new strategy was put in place to incorporate and value the remaining significant, non-valued collection holdings, many of which had been identified during the digitalisation project. This project was essentially completed in 2017.

The collection areas additional objects recognised and net revaluation gains in the 2019 financial year have added \$6,808,539 in additional value to the collection, while disposals of objects removed \$290,900 from the collection.

During the year valuations of assets recognised include donated assets, non-significant pre-existing collection assets valued for the first time in 2019 and updated valuations on previously valued items. External valuations were performed by Premi-Air and Ashley and Associates using

current market value. This year's revaluation of Social History and Library collections were based on representative samples due to the very large number of individual items.

Collection assets are valued based on an estimated market value being the amount for which an asset is likely to be exchanged between a willing buyer and willing seller in an arm's length transaction. The very limited and specialised market for these assets means that, in most instances, there are few transactions on which a value can be reliably based. The recorded values are therefore the best estimates of the valuers based on their knowledge of transactions of similar assets.

Collection assets not recognised in these financial statements have been considered by the Board to have values that are not significant in comparison to the total value of the collection that has been recorded. Assets not currently recorded in the financial statements have no reliable information on which a valuation can be based.

Area of Collection	Previous Year of Valuation	Next Year of Valuation
Agriculture (included in Industrial Heritage)	2017	2022
Audio Visual (included in Communications)	2016	2021
Aviation-planes	2019	2024
Aviation-engines	2015	2020
Aviation-furniture	2016	2021
Aviation-civil aviation	2016	2021
Aviation-propellers	2016	2021
Computers (included in Comms)	2015	2020
Health Science	2016	2021
Library	2019	2024
Medals	2015	2020
Military	2018	2023
Printing (included in Comms)	2018	2023
Rail	2019	2024
Road Transport-cars/tractors	2018	2023
Road Transport-motorcycles/bus/fire and emergency	2015	2020
Road Transport-non motorised/cycles	2016	2021
Steam (included in Industrial Heritage)	2015	2020
Telecommunications (included in Comms)	2018	2023
Textiles (included in Social History)	2019	2024
Trams	2015	2020
Village (included in Social History)	2019	2024
Village Buildings (included in Social History)	2015	2020

9. Payables Under Exchange Transactions

	2019	2018
Trade Creditors	508,632	532,821
Sundry Creditors	736,788	666,961
Employee Entitlements – Holiday Pay	334,544	319,136
	1,579,964	1,518,918

10. Loan

	2019	2018
Current		
Regional Facilities Auckland	82,405	78,481
Non-current		
Regional Facilities Auckland	588,544	670,950

MOTAT has a loan from Regional Facilities Auckland which is secured by first mortgage over the lease of MOTAT's land. This loan was renegotiated with effect from 1 July 2003 at an

interest rate of 5% p.a. MOTAT will repay the loan in monthly instalments of \$9,663 (\$115,956 per year consisting of principal and interest) for a period of 22 years.

11. Project Reserve

	2019	2018
DC3 NAC Repaint Reserve	1,350	1,350
Lancaster Restoration	182,040	176,515
Mosquito Restoration	2,000	2,000
Stewart Family Memorial Trust	10,397	10,397
	195,787	190,262

Funds are collected for various restorations and other projects that the Museum undertakes from time to time. These funds have been previously collected and recognised by the Museum in the project reserve account until they are utilised on the intended project. Further funds received

and expenditure incurred are recognised through the Statement of Comprehensive Revenue and Expenditure as revenue and expenditure and the related net surplus is transferred between the project reserve and retained earnings.

12. Lease Commitments

All significant operating lease commitments relate to:

- Rental at additional off-site storage (Unit 6) from 1 April 2017 to 31 March 2019 renewed to 31 March 2021, with two separate rights to renew being periods of 2 years each
- Rental at additional off-site storage (Unit 10) from 1 April 2017 to 31 August 2026 with a right of renewal from 1 September 2026 to 31 August 2033
- Rental of Photocopier expires 30 April 2023

Non-cancellable operating lease rentals are payable as follows:

	2019	2018
Not later than one year	994,403	875,887
Later than one year and not later than five years	3,248,379	2,694,704
Later than five years	1,642,253	2,069,144
Total	5,885,035	5,639,735

13. Audit Fees

	2019	2018
RSM Hayes Audit agreed the following fee with the Office of the Auditor General to provide the services below for the period:		
Audit of financial statements and statement of service performance	49,345	48,620

14. Contingencies and Capital Commitments

As at 30 June 2019 MOTAT had a capital commitment relating to the remaining costs to implement the CRM system totalling \$89,436 (2018: \$61,328).

At balance date there was a known contingent liability in respect of a Plexiplass claim \$60,000 (2018: \$60,000)

15. Related Parties

MOTAT has a loan from the Regional Facilities Auckland of \$670,949 (Current portion: \$82,406, Non-current portion: \$588,543). This is being repaid as per the agreement terms. The total interest paid on the loan during the year was \$37,472 (2018 - \$41,209). MOTAT also received levies from the Regional Facilities Auckland of \$13,973,339 (2018 - \$15,222,110). The Regional Facilities Auckland are considered related due to their ability to appoint board members.

During the year, MOTAT paid \$7,500 and has a payable of \$7,500 (2018 - \$20,000) to the MOTAT Society pursuant to its obligation under the MOTAT Act 2000 to support the Society. The MOTAT Society are considered related due to their ability to appoint board members.

During the year work was undertaken by Atkins, Holm Majurey Limited. A partner of that firm is a Board Member of MOTAT. The work was carried out on an arms length basis, and the value of the work was \$7,185 (2018: Nil). Balance outstanding at year end \$Nil.

During the prior year, work was undertaken by Fred's Panel Shop, the proprietor of which is a relative of a MOTAT employee who retired in October 2017. The value of work during the 2018 year was \$50,818. Balance outstanding at 2018 year end \$Nil.

Key Management Personnel Compensation	2019	2018
Executive Management Team		
Salaries and other short-term employee benefits	856,959	871,290
	856,959	871,290
Number of persons classified as executive management	4	4
Full time equivalent members	4	4
Board Remuneration		
Board fees	136,250	136,250
Number of board members	10	10
Total key management personnel compensation	993,209	1,007,540

Key management personnel include both Board and senior management.

The above transactions were on an arms-length basis and the related interests were declared and approved by the Board. Other than the

related party transactions identified above, there were no other transactions with related parties including those with key management personnel in the year ended 30 June 2019.

16. Going Concern

As at 30 June 2019 the Board operates with significant general equity. The Board has prepared these financial statements on a going concern basis taking into account the ability of the Board in terms of the Museum of Transport and Technology Act 2000 to make a levy against Regional Facilities Auckland for the purposes of funding the Board's activities under the Act. For

the year commencing 1 July 2019, the Board has received levies from Regional Facilities Auckland totalling \$15,811,739 (1 July 2018 – \$13,973,339).

Accordingly, these financial statements have been prepared with the continued use of the going concern assumption.

17. Ownership of Buildings

MOTAT has leases for the land it occupies from Regional Facilities Auckland. MOTAT 1 (Great North Road site) has a 21-year lease expiring on 31 August 2027 for an amount of 10 cents per year. MOTAT 2 (Meola Road site, also called Motions Road) has a lease to 28 February 2044, with a right of a renewal for a further 33 years, for an amount of \$1 per year.

The buildings are considered under the control of the MOTAT Board who are responsible for their ongoing maintenance and upkeep.

Under the terms of the property lease if MOTAT ceases to exist then the buildings on the sites are required to be passed to Regional Facilities Auckland.

18. Post-Balance Date Events

On 27 August 2019 Regional Facilities Auckland altered the terms of the RFA Loan with a waiver of capital repayment of \$280,000 on 1 September 2019 and \$285,000 on 1 July 2020. (2018: On 12th July 2018, MOTAT entered into an agreement with C3 Construction Limited for the refurbishment and upgrade of Building 6 at an estimated cost of \$1,263,411).

OBJECTIVE 1

MAXIMISE THE VISITOR EXPERIENCE

We will focus on increasing the number of people we directly and indirectly engage with by ensuring that our exhibitions, events, website and social media are aligned to our Vision.

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
Develop and deliver a comprehensive museum experience programme that has a wide appeal and attracts a diverse audience to the Museum	► Number of new exhibitions, installations and "pop-ups" opened to the public	► Five new or refreshed exhibitions as per the Exhibition Schedule	ACHIEVED ► Riding for Change exhibition in the MOTAT Village opened 15 September 2018 ► The refreshed Innovators exhibition including four new innovation stories opened 27 October 2018 ► The Auckland Rapid Transport of Industrial Design exhibition in the Walsh Memorial Library exhibited from 29 October 2018 to 3 May 2019 ► Above and Beyond exhibition exhibited from 17 November 2018 to 28 April 2019 ► Aviation Display Hall Stage 2 of redevelopment completed 29 March 2019 ► Mighty Small, Mighty Bright exhibition opened 17 May 2019 ► The Flying Kiwi exhibition in the Walsh Memorial Library opened 17 May 2019
	► Visitor satisfaction level	► 85% of completed visitor satisfaction surveys rate the overall experience 7 out of 10 or higher	ACHIEVED ► Survey responses recorded 91%
	► Number of total visitors	► 289,000 visitors to the Museum	NOT ACHIEVED ► 260,211 visitors
	► Greater proportion of revenue from non-levy sources	► Non-levy revenue at 19% of total revenue	ACHIEVED ► Non-levy revenue at 19% of total revenue
	► Increasing visitor numbers for Public Programmes	► Hold Public Programmes as per the Event Calendar	ACHIEVED ► Public Programmes held as per the Event Calendar 2018-2019 (e.g. Live Days; school holiday experiences; Bubble Weekends)
		► Increase total visitor numbers at Public Programmes by 5%	NOT ACHIEVED ► Not achieved due to adverse weather during Christmas Lights and cancellation of Pasifika Festival 2019

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
<p>Provide and develop LEOTC and Early Learning programmes, and develop new learning and experience programmes that:</p> <ul style="list-style-type: none"> ▶ Are aligned to MOTAT's Vision ▶ Leverage off the Museum's exhibitions and collection ▶ Are developed in conjunction with one or more learning institution ▶ Help young people develop "work skills" (e.g. coding) 	<p>▶ Number of participants in the MOTAT Early Childhood education programmes</p>	<p>▶ 1,900 children participating in Early Childhood programmes</p>	<p>ACHIEVED</p> <ul style="list-style-type: none"> ▶ 2,145 participants
	<p>▶ Number of participants in the MOTAT LEOTC education programmes</p>	<p>▶ 25,000 children visiting as part of the MOTAT LEOTC programme</p>	<p>ACHIEVED</p> <ul style="list-style-type: none"> ▶ 31,457 participants
	<p>▶ Number of participants involved in programmes developed in conjunction with other educational stakeholders including but not limited to AUT, ATEED, Media Design School, and The Mind Lab</p>	<p>▶ 1,000 attendees for programmes developed with other educational stakeholders</p>	<p>ACHIEVED</p> <ul style="list-style-type: none"> ▶ Science STEM Fair April 2019 with 2,038 attendees and 36 STEM partner stalls ▶ After School Clubs 417 attendances
<p>Increase our relevance in the community by delivering Outreach programmes that broaden our learning offering beyond the boundaries of the Museum</p>	<p>▶ Number of Outreach programmes delivered</p>	<p>▶ 4,000 students interact with our STEAM Cells</p>	<p>NOT ACHIEVED</p> <ul style="list-style-type: none"> ▶ 3,417 participants
	<p>▶ Grow our online experience</p>	<p>▶ Exceed 300,000 visits to our website</p>	<p>ACHIEVED</p> <ul style="list-style-type: none"> ▶ Website visits (sessions) exceeded 385,000 and 254,000 users in 2018-2019
	<p>▶ Implement an Outreach programme for all MOTAT Modules</p>	<p>▶ MOTAT Modules spend 84 days in outreach opportunities (i.e. 2 modules out for 2 trips of 3 weeks each)</p>	<p>ACHIEVED</p> <ul style="list-style-type: none"> ▶ Force in Motion module at Corbans Estate Arts Centre (West Auckland) from 15 October 2018 to 1 December 2018 (48 days) ▶ Destination: Beyond module at Auckland Botanic Gardens (South Auckland) from December 2018 to March 2019 (90 days)

OBJECTIVE 2 EMPOWER THE MOTAT TEAM

MOTAT will ensure that it has the right structure and people to achieve the objectives outlined in its Strategy and to ensure that each member of the MOTAT Team embraces the Museum's values, policies and procedures and is prepared to be held accountable and responsible for what they do.

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
<ul style="list-style-type: none"> Facilitate a work environment that supports an engaged workforce 	<ul style="list-style-type: none"> Annual Employee Engagement Survey 	<ul style="list-style-type: none"> Participation level of 80% 	PARTIALLY ACHIEVED <ul style="list-style-type: none"> 85% of full-time and part-time (including fixed term) employees completed the 2019 Employee Engagement Survey Overall survey participation of 70% includes a 38% response rate from casual employees who represent 28.1% of the team, but only 6.8% of the hours worked in 2018-2019
		<ul style="list-style-type: none"> Engagement score of 70% 	NOT ACHIEVED <ul style="list-style-type: none"> Employee Engagement Survey score for 2019 is 55%
	<ul style="list-style-type: none"> Staff Turnover 	<ul style="list-style-type: none"> Turnover rate of staff (excluding casuals) reduces from the 2017-2018 measure 	NOT ACHIEVED <ul style="list-style-type: none"> Average turnover is 17.42% versus an average turnover of 16.77% in 2017-2018
<ul style="list-style-type: none"> Maintain a volunteer recruitment programme that meets the needs of the business and appeals to a broader range of prospective volunteers 	<ul style="list-style-type: none"> New active volunteers 	<ul style="list-style-type: none"> Recruit 30 new volunteers into roles that meet the needs of the business 	ACHIEVED <ul style="list-style-type: none"> 36 new volunteers joined the MOTAT Team, of whom 35 continued to be part of the team
	<ul style="list-style-type: none"> Diversity in MOTAT volunteer group 	<ul style="list-style-type: none"> Gender, age and culture mix of Volunteers more reflective of Auckland demographic than the 2017-2018 mix 	ACHIEVED <ul style="list-style-type: none"> Gender, age, and culture mix of new volunteers is more reflective of the Auckland demographic Average age of new volunteers is 35 28.6% of new volunteers are female 40% of new volunteers bring a culture other than New Zealand European
	<ul style="list-style-type: none"> Annual Volunteer Engagement Survey 	<ul style="list-style-type: none"> Participation level of 60% 	NOT ACHIEVED <ul style="list-style-type: none"> 47% of MOTAT Volunteers completed the 2019 Employee Engagement Survey
		<ul style="list-style-type: none"> Engagement score of 75% 	ACHIEVED <ul style="list-style-type: none"> Volunteer Engagement Survey score for 2019 is 81%

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
<ul style="list-style-type: none"> ► Effective communication of Health and Safety across all areas of the museum operation including communication channels that meet the needs of a 7-day operational museum on multiple sites 	<ul style="list-style-type: none"> ► MOTAT Team members and Contractors participation in Health and Safety Orientation 	<ul style="list-style-type: none"> ► All new staff and volunteers complete Health and Safety induction 	ACHIEVED <ul style="list-style-type: none"> ► All new staff and volunteers completed a Health and Safety induction on their first day at MOTAT as part of their induction
		<ul style="list-style-type: none"> ► All contractors Health and Safety inductions and assessments are current 	NOT ACHIEVED <ul style="list-style-type: none"> ► Although all contractor inductions as notified to the Health and Safety team have been completed, we cannot confirm 100%. Contractor management processes are currently being reviewed to ensure 100% compliance
	<ul style="list-style-type: none"> ► Health and Safety meetings attendance 	<ul style="list-style-type: none"> ► At least 11 Health and Safety Committee meetings 	ACHIEVED <ul style="list-style-type: none"> ► 11 Health and Safety Committee meetings have been completed
		<ul style="list-style-type: none"> ► At least 10 Health and Safety Team Meetings 	ACHIEVED <ul style="list-style-type: none"> ► 11 Health and Safety team meetings have been completed for the MOTAT Team
		<ul style="list-style-type: none"> ► At least 20 volunteer group Health and Safety meetings 	ACHIEVED <ul style="list-style-type: none"> ► 20 volunteer group Health and Safety meetings have been completed
	<ul style="list-style-type: none"> ► Lost Time Injury Frequency Rate ('LTIFR') 	<ul style="list-style-type: none"> ► Reduce LTIFR Per 200,000 hrs year on year 	ACHIEVED <ul style="list-style-type: none"> ► LTIFR currently 0.95 versus 4.7 in June 2018



OBJECTIVE 3

IMPROVE THE QUALITY OF THE COLLECTION AND ITS CARE

We will use our heritage objects to demonstrate Kiwi technology, transport, ingenuity and innovation and to highlight the associated history, stories and scientific principles

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
<p>Adopt a strategic and sustainable approach to the development and management of the Collection:</p> <ul style="list-style-type: none"> ► Progress the implementation of the Collection Review Programme 	<ul style="list-style-type: none"> ► Achieve the milestones outlined in the Collection Review Programme 	<ul style="list-style-type: none"> ► Complete the Aviation, Printing and Social History (Furniture and Fixtures) review 	<p>ACHIEVED</p> <ul style="list-style-type: none"> ► Aviation, Printing and Social History (Furniture and Fixtures) Collection Review completed
<ul style="list-style-type: none"> ► Complete the Collection Inventory Project 	<ul style="list-style-type: none"> ► Complete the Collection Inventory Project 	<ul style="list-style-type: none"> ► Submit final Otinga Kōrero Final Results Report by 7 December 2018 and receive formal acceptance from Lottery NZ 	<p>ACHIEVED</p> <ul style="list-style-type: none"> ► Otinga Kōrero Final Results Report submitted on 6 December 2018 and Lottery NZ grant closed on 24 January 2019
<p>Review, update and align the Museum's collection related policies with the Museums Aotearoa Code of Ethics (as amended to meet MOTAT's requirements), ICOM and where appropriate with similar institutions to reflect the needs and requirements of an operational museum</p>	<ul style="list-style-type: none"> ► Ensure policies and protocols relating to operation and use of collection objects reflect current practice 	<ul style="list-style-type: none"> ► MOTAT Conservation and Collection Care Policy approved by September 2018 ► Conservation and Collection Care Policy (Environ Policy and IPM Policy) supporting policies approved and revise Conservation Documentation Forms 	<p>PARTIALLY ACHIEVED</p> <ul style="list-style-type: none"> ► MOTAT Conservation Policy approved at December 2018 Board meeting <p>ACHIEVED</p> <ul style="list-style-type: none"> ► Collections Environment Plan and IPM Plan developed, and approved by General Manager Collections ► Conservation documentation forms, workflows, procedures, and standard operating procedure forms revised or created where required
<p>Curatorial and Research</p>	<ul style="list-style-type: none"> ► Research and write Significance Statements for key objects in MOTAT's Collection 	<ul style="list-style-type: none"> ► Complete Significance Statements for the Aviation (aircraft) collection and Tram collection 	<p>ACHIEVED</p> <ul style="list-style-type: none"> ► Aviation (aircraft) collection and Tram (large objects) collection Significance Statements completed
<p>Adopt a strategic and sustainable approach to restoration of collection objects</p>	<ul style="list-style-type: none"> ► Undertake restoration projects of strategic objects 	<ul style="list-style-type: none"> ► Completing the work that is identified in the restoration plans for 2018/19 for: <ul style="list-style-type: none"> • Tram 21 • Solent • Sunderland • Oberursel 	<p>ACHIEVED</p> <ul style="list-style-type: none"> ► Tram 21, Solent, Sunderland and Oberursel works completed as identified in the 2018-2019 restoration plans

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
Adopt a strategic and sustainable programme at Collections Conservation and Care	► Benchmarking MOTAT collection care practices to meet basic requirements of collection care	► Activate Environmental monitoring system across MOTAT estate	ACHIEVED ► Environmental monitoring 'Synergy' system installed and activated across MOTAT
		► Set up and implement new collection cleaning, IPM and environment monitoring as per the agreed schedule across the MOTAT's sites	ACHIEVED ► Collection cleaning plan developed and implemented ► PM and environmental monitoring plans developed, and monitoring commenced
		► Establish Conservation Lab at Offsite Storage	PARTIALLY ACHIEVED ► Conservation Lab design completed, equipment purchased and located at offsite storage facility ► Council consents and remedial works to building not achieved



OBJECTIVE 4 IMPROVE BUSINESS AND COMMUNITY SUSTAINABILITY

MOTAT is of the view that there should be a closer working relationship between Auckland's Arts, Culture and Heritage institutions and local Iwi. Working in a more coordinated, efficient and sustainable way will improve the institutions offering to the Auckland Community and will help Auckland become a "world class city".

WHAT WE WILL DO	HOW WE WILL MEASURE OUR PERFORMANCE	OUR TARGET IN 2018-2019	REVISED PROGRESS
Continue to build a meaningful and mutually beneficial relationship with the local Iwi. Increase Māori content in our storytelling and incorporate, highlight and celebrate Māori technology, custom and language into the Museum and its exhibitions where possible	► Level of engagement with Iwi	► At least one iwi involved in at least two Museum projects	NOT ACHIEVED ► We are working with Ngāti Whātua Ōrākei to develop joint public programmes, these are currently in the concept development stage
	► Māori content (i.e. language, customs, objects and technology) included in themed exhibitions or major displays	► Māori technology, custom and/or language incorporated into at least one new exhibition	ACHIEVED ► Te Reo Māori incorporated into Riding for Change, Mighty Small Mighty Bright, and The Flying Kiwi exhibitions ► Te Reo Māori incorporated into titles of Above and Beyond and The ART of Industrial Design exhibitions
Implement an initial plan of priorities from the Asset Management Plan information and align it with the MOTAT Masterplan so as to ensure that the Museum's buildings and infrastructure provides a proper platform for the achievement of the Vision	► Undertake agreed planned work included in the Asset Management Plan	► Complete the planned work outlined in the Building Maintenance Plan for 2018-2019	NOT ACHIEVED ► 3 of 12 tasks completed in this year or previous years ► Other tasks not completed due to evaluation that cost outweighs the benefit, and that the buildings will need to be replaced in the medium term, are no longer used, or no longer exist
	► Undertake work outlined in the MOTAT Masterplan and the associated Business Case	► Progress MOTAT Masterplan milestones as funded by Auckland Council and set out in the associated Project Plan	ACHIEVED ► Building 6 completed as part of "Approach 2" ► Annual Plan 2019-2020 levy request approved by Council for funding of the remaining Approach 2 projects
Monitor the effectiveness of the Museum's environmental programmes	► Energy Consumption	► Maintain or reduce 2017-2018 energy consumption levels	NOT ACHIEVED ► Usage up 7% for year
	► Other Environmental Impacts	► Improve our CEMARS rating from the 2017-2018 audit	ACHIEVED ► Audit completed, 33% reduction in emissions





RSM Hayes Audit

PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023

T +64 (9) 367 1656
www.rsmnz.co.nz

Independent Auditor's Report

To the readers of Museum of Transport and Technology Board's Financial Statements and Statement of Service Performance For the year ended 30 June 2019

The Auditor-General is the auditor of Museum of Transport and Technology Board (the Museum). The Auditor-General has appointed me, Kumar Aravinda, using the staff and resources of RSM Hayes Audit, to carry out the audit of the financial statements and statement of service performance of the Museum, on his behalf.

We have audited:

- the financial statements of the Museum on pages 30 to 47, that comprise the statement of financial position as at 30 June 2019, the statement of comprehensive revenue and expenditure, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Museum on pages 48 to 54.

Opinion

In our opinion:

- the financial statements of the Museum:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2019; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- the statement of service performance of the Museum presents fairly, in all material respects, the performance achievements measured against the performance targets adopted for the year ended 30 June 2019.

Our audit was completed on 29 October 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information and we explain our independence.

**THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING**

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Basis for opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors are responsible on behalf of the Museum for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors are responsible for such internal control as they determine is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible, on behalf of the Museum, for assessing the Museum's ability to continue as a going concern. The Board of Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Museum or to cease operations or have no realistic alternative but to do so.

The Board's responsibilities arise from Section 25 of the Museum of Transport and Technology Act 2000.

Responsibilities of the Auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risk of material misstatement of the financial statements, 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.
- We 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 Museum's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum'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 statements, 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 Museum to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors 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.

Our responsibility arises from section 15 of the Public Audit Act 2001, sections 24 and 25(3) of the Museum of Transport and Technology Act 2000.

Other information

The Board of Directors is responsible for the other information included in the Annual Report. The other information comprises the information included on pages 2, 4 to 25, 26 to 29 and 59, but does not include the financial statements, and our auditor's report thereon.

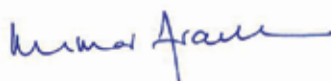
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Museum in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Our firm and members of our team may from time to time use the services of the Museum on normal terms. Other than in our capacity as auditor, we have no relationship with, or interests in, the Museum.



Kumar Aravinda
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand

In Appreciation:

We would to thank the organisations listed below for their continued support, assistance and advice:

Auckland Council

Regional Facilities Auckland

Athfield Architects

Bluesky Community Trust

Boeing Australia

Cropper Family

Dragon Community Trust

Giltrap Group

JCDecaux Group

Jucy Rentals

KiwiRail

La Lumiere

Mercury Energy

MOTAT Society

New Zealand Automobile Association

New Zealand Lottery Grants Board

North and South Trust

The Mind Lab

The Ministry of Education

Perpetual Guardian

Ricoh

Waitematā Local Board

Finally, we would like to thank the MOTAT Team (i.e. employees and volunteers) who have contributed not only their knowledge and skills, but their time and a lot of energy and passion in helping us achieve our strategic objectives and vision.

Supported by the ratepayers of Auckland





MOTAT

MUSEUM OF TRANSPORT
AND TECHNOLOGY

GREAT NORTH ROAD AND MEOLA ROAD
WESTERN SPRINGS, AUCKLAND 1022
0800 MOTATNZ (0800 668 286)
www.motat.org.nz



MIX
Paper from
responsible sources
FSC® C014371

