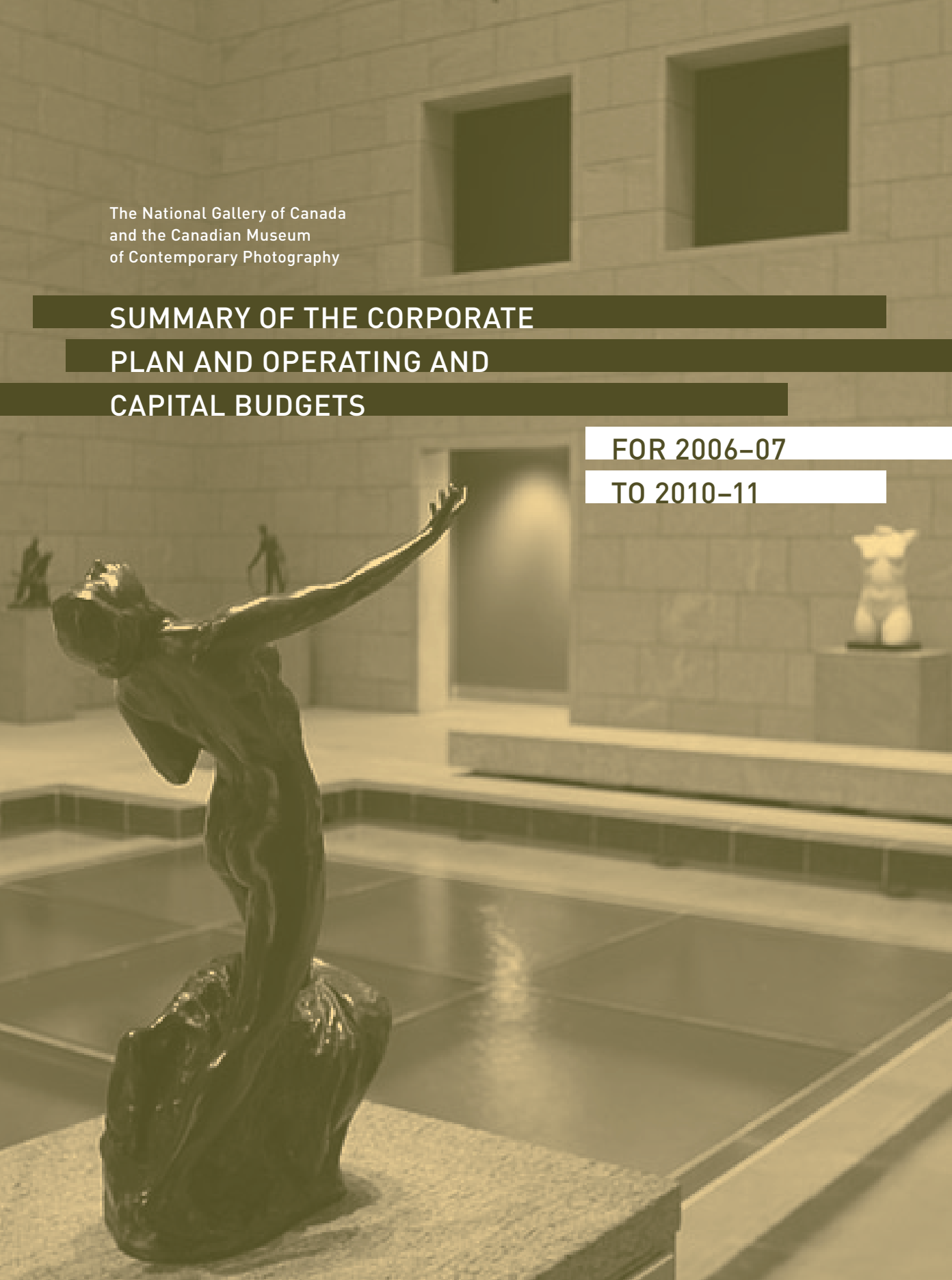


The National Gallery of Canada
and the Canadian Museum
of Contemporary Photography

**SUMMARY OF THE CORPORATE
PLAN AND OPERATING AND
CAPITAL BUDGETS**

**FOR 2006-07
TO 2010-11**



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and the Canadian Museum
of Contemporary Photography

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TO 2010-11

National Gallery of Canada
380 Sussex Drive
P.O. Box 427, Station A
Ottawa, Ontario
K1N 9N4
(613) 990-1985
national.gallery.ca
cybermuse.gallery.ca

Canadian Museum
of Contemporary Photography
1 Rideau Canal
P.O. Box 465, Station A
Ottawa, Ontario
K1N 9N6
(613) 990-8257
cmcp.gallery.ca
cybermuse.gallery.ca

This document is published by the Public Affairs Directorate and the Publications
Division of the National Gallery of Canada.

 National Gallery of Canada Musée des beaux-arts
du Canada

 Canadian Museum of Contemporary Photography Musée canadien
de la photographie contemporaine

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CORPORATE PROFILE

HISTORY

In 2005 the National Gallery of Canada (NGC) celebrated the 125th anniversary of its founding in 1880 by the then Governor General, the Marquis of Lorne, and the Royal Canadian Academy of Arts. With the enactment of the 1913 *National Gallery of Canada Act*, the federal government assumed responsibility for the fledgling institution. The government continued its stewardship through successive Acts of Parliament, culminating in the *Museums Act* of July 1, 1990, which established the Gallery as a Crown corporation. The Act also confirmed the Canadian Museum of Contemporary Photography (CMCP) – which was created in 1985, and thus celebrated its 20th anniversary last year – as an affiliate of the National Gallery of Canada.

MANDATE

The Gallery's mandate is "To develop, maintain and make known, throughout Canada and internationally, a collection of works of art, both historic and contemporary, with special but not exclusive reference to Canada, and to further knowledge, understanding and enjoyment of art in general among all Canadians." (*Museums Act*, 1990, c.3)

The CMCP also continues to address the mandate of the National Film Board's Still Photography Division from which it was originally formed: to collect, interpret, and disseminate Canadian contemporary photography, both as an art form and as a form of social documentation.

MISSION

The strength of the National Gallery of Canada lies in its collection of art, especially Canadian art, and its accessibility to the public across the country. The collection opens the way for appreciation of the finest in artistic expression, with works of art that reveal the past, celebrate the present, and probe the future. The collection must be expanded, preserved, interpreted and used to the utmost by the public for pleasure and understanding, for research and the advancement of knowledge.

VISION

The National Gallery of Canada strives to provide Canadians with a sense of identity and pride in Canada's rich visual arts heritage and to make art accessible, meaningful and vital to diverse audiences of all ages.

VALUES

- **Accessibility:** Programs are developed with the public in mind – not only visitors to the Gallery, but all Canadians.
- **Excellence and Scholarship:** The Gallery builds upon the high standards it has attained over the years in all its endeavours, from research to acquisitions, exhibitions, publications and public programs.
- **Corporate Citizenship:** The Gallery meets its public policy and legal obligations.
- **Leadership:** The Gallery acts as a recognized leader in the national and international art museum communities.
- **Collaboration:** The Gallery collaborates with the network of art museums in all regions of Canada and abroad, and with its partners in the Government of Canada.
- **The Gallery's Workforce:** The Gallery values its workforce and creates a work environment in which people can maximize their potential and contribute fully to the success of the organization.

GOVERNANCE STRUCTURE

Under the *Museums Act*, the Gallery's Board of Trustees serves as its governing body, reporting to Parliament through the Minister of Canadian Heritage. The 11 members of the Board, representing all regions of the country, are appointed by the Governor-in-Council on the advice of the Minister of Canadian Heritage. They provide strategic direction and oversight to the Gallery with the assistance of six committees: Executive, Acquisitions, Audit and Finance, Governance and Nominating, Human Resources, and Public Programs (NGC and CMCP).

The Board of Trustees delegates authority for the day-to-day management of the Gallery to the Director of the National Gallery, who is supported by two Deputy Directors and six Directors.

THE COLLECTION

The National Gallery of Canada's collection consists of some 37,000 works of art, acquired either by purchase or as gifts. Its collection of Canadian art is the most comprehensive and important in existence. The Gallery also has a fine collection of Western European art dating from the late Middle Ages to the present, including prestigious collections of important prints, drawings and photographs. The international works help place Canadian art in its broader context by demonstrating the influences on and evolution of the visual arts in Canada.

About 1,200 to 1,500 of the most significant of these works, including over 20% of its paintings and sculptures, are on view over the course of each year in the Permanent Collection galleries. Works in the Gallery's Prints, Drawings and Photographs collections are featured in a program of rotating exhibitions.

The CMCP collection contains over 161,000 images by contemporary Canadian photographers, of which 144,000 are negatives or transparencies and 17,000 are prints. Works in the Print collection are featured in a program of rotating exhibitions.

As part of the Gallery's extensive efforts to share Canada's visual arts heritage with Canadians across the country and with international audiences, an additional 800 to 1,200 of the NGC and CMCP's works of art are on loan every year to other institutions.

The Gallery also acquires research materials. Its Library is the custodian of the largest collection in Canada of research materials devoted to the history of the visual arts.

FACILITIES

The National Gallery's real property holdings consist of the Gallery's flagship building at 380 Sussex Drive, which opened its doors to the public on May 21, 1988; the Canadian Museum of Contemporary Photography at 1 Rideau Canal (leased from the National Capital Commission), which was opened to the public on May 6, 1992; an off-site art storage facility, and the Canada Pavilion in Venice, Italy, Canada's site at the Biennale.

The Gallery's public spaces include 110 exhibition galleries, the Rideau Chapel, a Library, a 400-seat auditorium, a 90-seat lecture hall, seminar rooms, a cafeteria, a café, a bookstore, an outdoor amphitheatre, studio/workshop spaces and two levels of indoor parking. Other facilities include art and non-art storage, conservation laboratories, multimedia and photography workshops, security control rooms, workshops and offices.

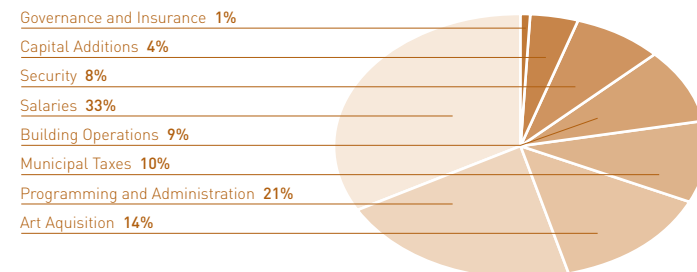
The CMCP's facilities include public spaces on several levels, a flexible exhibition space, a 50-seat theatre, workshops, art storage and offices.

FINANCIAL RESOURCES

The Gallery receives an annual appropriation from the Government of Canada, which it supplements through its own revenue-generating activities. It also receives funds from the National Gallery of Canada Foundation and its patrons. In 2006-07, its budget will total \$54.8 million, of which \$46.6 million (85%) will be funded by parliamentary appropriation. This includes \$8 million that must be used for acquisitions only. The balance of \$8.2 million, or 15% of the total budget, represents the Gallery's projected gross revenues and donations for the year.

The Gallery has high fixed costs that must be met every year, as can be seen from Figure 1 below. The Gallery's fixed and salary and benefit costs represent 79% of its expenditures. All its public programming activities (including on-site and travelling exhibitions, electronic outreach, educational programming, publications, library acquisitions, loans, support to other arts institutions and collections management), plus its administrative activities, must be paid for out of the remaining 21% of the Gallery's overall budget.

Figure 1
Fixed vs Programming and
Administration Costs
2006-07



MAIN PROGRAMS AND ACTIVITIES

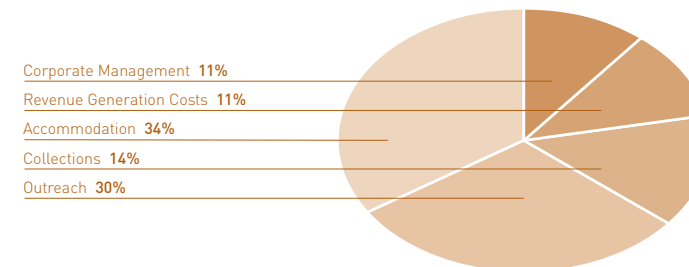
To carry out its legislated mandate, the Gallery's programs and activities are designed to achieve the following strategic outcome: *Interest in, knowledge of and appreciation and respect for visual art through a collection of historic and contemporary works of art, programs and research that reflect a special but not exclusive perspective on Canada.*

Within its "Program Activity Architecture" (PAA), the Gallery has four key activities:

- **Collection:** curatorial research, acquisitions, preservation and collections management;
- **Outreach:** exhibitions, loans, education and communications;
- **Accommodation:** building operations and capital; and
- **Corporate Management:** governance, administration and the Gallery's revenue generation activities.

Figure 2 illustrates the planned expenditures in each area, according to the Gallery's PAA. Overall, 44% of the Gallery's budget is available for mission-critical activities: strengthening and maintaining the collection (14%) and outreach (30%). An additional 34% goes toward facilities maintenance and repair, and the remainder is spent on corporate management. (Half of the corporate management costs are related to activities that generate revenue for programming.)

Figure 2
Expenses by Activity
Excluding Art Purchases and
Amortization of the Building
2006-07



Collection Program Activity

The Collection Program Activity is at the core of the Gallery's mandate. The collection preserves the country's heritage for future generations, and is the source of its research, its exhibitions in the National Capital Region, its travelling exhibitions and its loans to other galleries across the country and abroad.

The objective of the Collection Program Activity is *to acquire, preserve, research and document historic and contemporary works of art in order to represent and present Canada's visual arts heritage.*

Curatorial Research

Curators at both the Gallery and the CMCP carry out research designed to advance art history scholarship and assure the authenticity, provenance, quality and historical importance of works in the collection. The Gallery also creates opportunities for advanced scholarship through its fellowship program.

The Gallery's research materials, housed in the Library and available online, are an essential resource for curatorial staff, researchers and scholars. These materials are made available to the general public on site, online and through reference inquiries, interlibrary loans, document delivery and publications.

Collections Management is responsible for the documentation, storage and ongoing inventory of the works, management of the Gallery's loans program, and insurance and indemnification of art in transit.

Acquisitions

Acquisitions builds on the strengths, and address gaps, in the Gallery's collection. The Gallery's curatorial staff is actively pursuing acquisition opportunities in all collecting areas.

The Gallery's collection is also enriched through the donation of outstanding works of art from private donors.

Preservation

The Gallery's scrupulous conservation practices enhance the longevity of the works in the collection and ensure that they will endure for the appreciation of future audiences, the public and scholars alike.

Outreach Program Activity

The objective of the Gallery's Outreach Program Activity is *to foster broad access nationally and internationally to the Gallery's collection, research, exhibitions and expertise.*

The Gallery engages as wide and diverse an audience as possible through exhibition and installation in the National Capital Region, educational programs partnerships with other museums and heritage institutions, travelling exhibitions and loans, and staff visits to museums and artistic communities across Canada. It works to strengthen local art institutions across the country and increase awareness of Canada's cultural identity.

Exhibitions and Installations

The Gallery's objective is to offer visitors to its facilities and other venues in Canada and abroad a stimulating and balanced exhibition program that presents works of art in different media and from different periods and cultures.

The Exhibitions and Installations activity manages the development of the exhibition program at the Gallery and the CMCP as well as the design, organization and installation of all exhibition projects. The Gallery's Travelling Exhibitions Program is the largest of any art museum in North America, and reaches a broad range of institutions, including those in small and remote communities, as well as audiences abroad. Also included in this activity are the Gallery's Multimedia and Copyright Management programs.

Education

Education is a critical aspect of the Gallery's mandate, and a key priority for the Gallery and the CMCP. The Gallery offers a wide range of educational and public programs geared to schools, families, youth, adults, seniors and people with disabilities.

CyberMuse, the Gallery's on-line educational tool, features the works and artists represented in the permanent collection and is aimed at children, young people and teachers. It offers information on and insight into the world of artists and their work, through close to 13,000 images, audio and video presentations, and a growing number of artist interviews and biographies.

The Gallery sponsors fellows, interns, apprentices and guest curators from across the country, and makes speakers available to other cultural institutions on request.

Communications

The goals of the Gallery's Communications activity are to make the collection better known in Canada and abroad, to enhance appreciation of the visual arts; to disseminate the large body of research materials the Gallery produces each year; and to raise public awareness of the Gallery's exhibitions, installations and related programming.

The Marketing and Communications activities promote and publicize special exhibitions, the permanent collection, travelling exhibitions, educational activities and a variety of special events, through media and community advertising, special promotions, tourism and the Internet.

The Gallery's corporate publishing program plays a vital role in helping the Gallery reach a broad and dispersed audience in Canada and abroad. The Gallery produces a range of scholarly publications and exhibition catalogues, and electronic access to the collection is also made possible through the Gallery's and the CMCP's websites.

Accommodations Program Activity

The objective of the Accommodations Program Activity is *to provide secure and suitable facilities, which are readily accessible to the public, for the preservation and exhibition of the National Collection.*

Building Operations

Building Operations is responsible for everything to do with the Gallery and CMCP's buildings and associated property, from telecommunications through emergency response to food services and parking. It also manages the maintenance contract and repairs at the Canada Pavilion in Venice.

Security at the Gallery must ensure the safety of the collection, visitors and staff without interfering with the public's access and enjoyment. This is made possible through a balance of physical presence (security guards), electronic surveillance (cameras, digital video recording) and equipment (such as delayed egress bars). The Gallery's protection services also ensure the security of exhibitions and individual works of art in transit.

Capital Expenditures

The building that houses the National Gallery's collection is a treasured Canadian landmark. Through external contractors, the Gallery undertakes facilities-related capital projects for the purpose of maintaining this asset. The Gallery is also responsible for capital investments in the CMCP building and the Canada Pavilion in Venice.

Corporate Management Program Activity

The objective of the Corporate Management Program Activity is *to ensure that resources are effectively developed, directed, administered and controlled.*

Corporate Governance

Corporate Governance includes all activities related to the responsible and transparent management of the Gallery, the efficiency and effectiveness of its program and service delivery and its accountability for the expenditure of public funds. It encompasses the relationship between management and the Board as well as the Gallery's dealings with the government, Parliament and the Office of the Auditor General.

Revenue Generation

The goal of the Gallery's revenue Generation's activity is to support the achievement of the Gallery's objective by supplementing appropriated funding with private sector revenue.

The Gallery undertakes a range of fundraising initiatives, including memberships, annual giving, sponsorships, special events and rentals. Revenues are also generated through admission charges and other fees, educational and special programming, and bookstore sales.

Administration

The Administration activity provides direction, control and effective management of resources. Administration includes the planning, implementation, and management of human, financial, technological and information resources. It also oversees the Gallery's statutory and legal obligations.

STRATEGIC ISSUES FOR THE PLANNING PERIOD

The Gallery's primary objective is to achieve the mandate established by Parliament in the most effective way possible. Despite financial pressures, the Gallery is firmly committed to strengthening its collection and to making the visual arts relevant and accessible to Canadians across the country. To make this possible, the Gallery has a number of strengths, most notably its staff, its fine collection of Canadian and international art, its architecturally magnificent facilities, and its reputation for excellence, professional expertise, and creative exhibitions, publications and educational programming.

The Gallery does not however operate in a vacuum, and a number of factors influence its ability to provide public programming. The following sections sketch the environment in which the NGC and the CMCP expect to be operating during this planning period, and the implications of that environment for the Gallery.

ENVIRONMENTAL SCAN

GOVERNMENT POLICY

The Gallery's Corporate Plan was established based on the objectives and priorities of the government that was in office as at 31 December 2005. These include fiscal responsibility, strengthening the economy the healthcare system and cities and communities, and ensuring Canada's independent place in the world as one of pride and influence. The government was committed to strengthening government management and accountability, including the governance of Crown corporations and had introduced a number of measures designed to strengthen the transparency and oversight of these bodies.

Implications for the Gallery

In writing its five-year Plan, the Gallery noted considerable uncertainty in the policy environment due to the federal election. Nonetheless, the Plan reflects the Gallery's intention to continue to contribute to the economy and the social vitality of cities, communities and their arts institutions by attracting visitors to the National Capital Region and by sharing its collection nationally. It also reaffirms the Gallery's commitment to ensuring its collections and exhibitions reflect the diversity and richness of Canadian culture, including Aboriginal artistic production. The Plan indicates that the Gallery, despite significant progress in strengthening its governance policies and practices, will have to devote increased time and resources to respond to some of the new governance measures required of Crown corporations, with potentially the most costly among them being the need to enhance the internal audit function.

ECONOMIC AND SOCIO-ECONOMIC TRENDS

While Canada's economy is expected to grow at a rate of 2.8% in 2005, 2.9% in 2006 and 3.1% in 2007, the outlook for the tourism sector on which the Gallery depends heavily for visitors and revenues is mixed. While projections are more optimistic than at any time since 2002, they still lag pre-tourism levels to the National Capital Region. Rising costs and the strength of the dollar are expected to place downward pressure on consumer spending including on travel, potentially prolonging the recovery in the tourism industry. The continuing low levels in visitors from the United States may be offset by visitors from China if that country adds Canada to its list of approved destinations for leisure travel as expected, starting in 2007.

There are four demographic trends of particular importance to the Gallery. First, the Canadian population is ageing. Today's over-50s have time and resources to spend, and the increasing number of retirees is likely to raise levels of tourism at times other than school breaks. Second, Canadian society is becoming more culturally diverse. Most newcomers arrive from Asia (61%) and Europe (19%), but immigration from the Middle East, the Caribbean and Africa have also increased dramatically. Third, Canadians are devoting more of their budgets to home-based activities, although growing numbers of grandparents are seeking activities they can participate in with their grandchildren. Finally, technological change is having a major impact on the way Canadians spend money. Approximately 80% of Canadian households have at least one computer, and the total value of household e-commerce spending jumped to over \$3 billion in 2003.

Implications for the Gallery

The Gallery will have to remain cautious in its attendance projections. It must also seek ways to take advantage of changing patterns in tourism and be prepared to offer more programming in the "shoulder" seasons. Getting people out of their homes and over the Gallery's threshold will be essential, as will attracting a more youthful and more diverse audience.

FINANCIAL RESOURCES

The most significant risk to the Gallery's ability to achieve its mandate is its financial situation. The Gallery's capital budget is inadequate to cope with an ageing building, and continued increases in salary, operating and art costs pose a significant challenge, largely by reducing the resources available for public programming. Compounding significant inflationary pressure in the art market, the Gallery is facing employment equity payments and higher insurance and security costs. While the Gallery and its Foundation have made considerable progress in their efforts to maximize private sector revenues, they cannot raise sufficient funds to deal with the magnitude of the pressures facing the Gallery.

Implications for the Gallery

The Gallery will continue its efforts to maximize self-generated revenues, but will also need to continue to seek government support to relieve its financial pressures, particularly those associated with real property responsibilities and its legal obligations under the *Employment Equity Act*.

SPACE PRESSURES

While the Gallery has made every effort to optimize the space it currently has available, it faces a serious shortage of space, particularly for educational programming, but also for exhibitions and storage of art and research materials. Taking over the former War Museum as suggested in earlier Corporate Plans is no longer considered a viable option.

Implications for the Gallery

The Gallery needs to explore the expansion of its facilities if it is to continue fulfilling its mandate. Any expansion will require significant resources, and the Gallery will need to place a priority on seeking both private and public funds for this purpose.

HUMAN RESOURCES

The Gallery continues in its commitment to work with employees on a more strategic approach to human resources management. The success of these efforts is now being reflected in meaningful union/management meetings. Management and Gallery staff have made important progress in strengthening communications and finding collaborative means of resolving issues. Both are currently working together on the development of a new classification system. A collective agreement was successfully negotiated in 2005 with one of the bargaining units (Professional Institute of the Public Service of Canada – PIPSC) and preparation is now occurring for the new agreement to be negotiated with the Public Service Alliance of Canada (PSAC). We know that an increase in representation of visible minorities and people with disabilities makes good business sense for the NGC/CMCP and in keeping with Employment Equity legislation; we are endeavoring to recruit and retain employees in these categories.

Implications for the Gallery

The implementation of the new classification system is expected to bring with it considerable costs, as is the resolution of outstanding employment equity claims. Among other staff relations issues, the Gallery will need to negotiate a new collective agreement with its PSAC employees in 2006, continue its efforts establish succession planning, leadership development and knowledge management strategies to address the potential risk of high turnover, strengthen internal communications and the relationship with the Gallery's unions and increase the representation of visible minorities and people with disabilities among staff and volunteers.

PERFORMANCE

The Corporate Plan for the period beginning in 2005-06 included four objectives. Overall, as of the third quarter, the Gallery and CMCP are on track to meet most of their key goals for the fiscal year, despite attendance being slightly lower than projected. Details on progress against the Plan to December 31, 2005, may be found at the end of this Summary.

PRIORITIES, OBJECTIVES, STRATEGIES, AND PERFORMANCE MEASURES

The Gallery believes that the strategic priorities identified in its last plan should remain the focus of the 2006-07 – 2010-11 Corporate Plan:

- Finding Innovative Ways to Reach New Audiences;
- Sustaining Financial Viability;
- Strengthening the Work Environment; and
- Addressing Mandate-Critical Space Issues.

The following section outlines:

- The key objectives the Gallery has established to guide its strategies, activities and operational plans;
- A set of strategies the Gallery intends to pursue to meet each objective;
- Performance measures for each.

To the greatest extent possible, the Gallery has tried to identify quantifiable measures that, in combination with other more qualitative assessments, will allow it to assess its progress and account to the Board of Trustees, the Government and the people of Canada for the extent to which it has met its objectives.

The Gallery's performance is measured against the objectives and strategies set out in the Corporate Plan. The Gallery's performance is measured against the objectives and strategies set out in the Corporate Plan.

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OBJECTIVE 1

To acquire, preserve, research and record historic and contemporary works of art, both national and international, to represent Canada's visual arts heritage.

At the heart of the Gallery's work is its mandate to develop a historical and contemporary record of Canada's national and international visual arts heritage, preserve the collection for future generations, and provide a resource both for scholars of art history and for the public.

STRATEGY 1

Acquire works of outstanding quality

Gallery curators will look for works of art of the highest quality and historical importance, in accordance with the Acquisitions Policy that build on the collection's strengths fill gaps identified in the Policy and provide balance between different periods, schools and mediums. Private funding will continue to be sought for acquisitions.

Performance Measures

100% of acquisitions – purchases and gifts – reflect the Gallery's Acquisitions Policy and private contributions will increase acquisitions resources.

STRATEGY 2

Maintain and protect the national collection and works of art loaned to the Gallery

The Gallery will be in complete control of all works of art at all times; works will be audited annually for condition and integrity and treated if required.

Performance measures

Appropriate systems are in place to ensure complete physical control of all works of art at all times. The annual audit of the collections management system is addressed. 100% of all works on display, on loan or being considered for acquisition (approx. 4,000 annually) are examined and, if necessary, treated. Others are treated subject to time and funding (target: 42 a year by the end of the planning period).

STRATEGY 3

Research and document the Gallery and CMCP collections and works on loan to the Gallery

To advance scholarship in art history, the Gallery will undertake research on individual works in its collection and their cultural, historical and theoretical contexts and ensure the collection management system accurately documents the collection. The Library will acquire research materials to maintain the strength and currency of the Library's collection and private sector support will be sought to enhance the fellowship program.

Performance measures

Gallery curators publish catalogues for all major exhibitions and at least one publication every two years on a key element of the permanent collection. Other measures are the number of lectures and articles the findings of the Provenance Research project, the acquisition of current imprints in the Library's key collecting areas, the accuracy and completeness of collection management system and the number of opportunities. Knowledge, opportunities are created for advanced scholarship and the number of endowed fellowships.

OBJECTIVE 2

To further knowledge, understanding and enjoyment of the visual arts among all Canadians and to make the collections known both in Canada and abroad.

Through exhibitions, publications and educational and electronic programs, the NGC and the CMCP strive to reach as wide and diverse an audience as possible, across Canada and abroad.

STRATEGY 1

Develop innovative ways to reach new, more diverse audiences and provide enhanced experiences

The Gallery will continue to develop and implement innovative approaches to enhance the museum experience and attract Canadians of different ages and from a wide variety of backgrounds.

Performance measures

The Gallery continues to track visitor interviews, attendance numbers, repeat visits and the use of multilingual audioguides and consults with staff and external stakeholders. It continues to develop its strategies accordingly.

STRATEGY 2

Offer an outstanding exhibition and installation program

The Gallery will maintain the quality of its exhibitions, its focus on Canadian art and its mandate to make art accessible to Canadians.

Performance measures

The revised Exhibitions Plan results in a balanced, representative program of exhibitions, which advance knowledge of art history, contain the best works available, are well-documented and appropriately installed. A new process will be implemented to capture lessons learned from past productions.

STRATEGY 3

Present the national collection across Canada and enhance the visibility of Canadian art abroad

The number of venues reached by the travelling exhibitions program, maintain a responsive loans program, enhance on-line access to the collection and increase awareness of, and access to the Gallery's Library and Archives. It also continues to promote Canadian art abroad.

Performance measures

The geographic distribution of the Gallery's travelling exhibitions and extent to which the program responds to the findings of the 2004 client survey. The loans program is maintained at 800-1200 loans annually. The Gallery promotes Canadian art abroad, including at the Visual Art Biennale Exhibition at the Canada Pavilion in Venice. On-line access is enhanced; a target of 3000 images digitized per year is met; and access to the Gallery's Library and archival resources is increased.

STRATEGY 4

Offer an outstanding publishing program in support of the exhibitions program

The program will support the advancement of knowledge of art history by publishing research, exhibition catalogues, electronic material and brochures. The Publications Review Committee will ensure that all proposals for publication are consistent with the Publication Policy.

Performance measures

A publication's quality is measured against peer reviews, the ability to attract co-publishers and sales, depending on the type of publication.

STRATEGY 5

Offer a rich calendar of educational programs

The Gallery will continue to optimize the impact of its school, public and other educational programs, including CyberMuse and audioguides.

Performance measures

Participation in educational programming is measured by participation in educational programs on-site, and virtually, and by the number of audioguides used. Level of satisfaction and feedback is sought from teachers.

STRATEGY 6

Maintain partnerships and collaboration with other institutions and Canadian art museums

The Gallery will collaborate and pursue partnerships with other institutions on exhibitions both at the Gallery and outside the National Capital Region exchange curators and other senior staff, and participate in joint initiatives marking portfolio-wide activities (Heritage Day, Museums Day, etc.).

Performance measures

The number of partnerships, their geographic coverage and impact, the number of staff and curator visits, and the extent of participation with Canadian Heritage Portfolio partners are assessed. At least one exhibition produced by another Canadian gallery is shown in Gallery facilities.

OBJECTIVE 3

To provide direction, control, and the effective development and administration of resources.

In support of the Government's efforts to ensure Canadians receive value for their tax dollars, the Gallery will continue its work to improve its governance practices and its management of human, financial information resources. At the same time, the Gallery will make every effort to increase its net revenues from commercial and fundraising activities.

STRATEGY 1

Strengthen governance

The Gallery will continue to respond to Government measures to improve the governance and accountability of Crown corporations and strengthen monitoring, reporting and risk management processes.

Performance measures

The Gallery's governance practices meet the new requirements. The Gallery's strategic direction is clearly understood and reflected at all levels of the organization and is translated into operating plans and staff goals. Information provided to the Board is meaningful and relevant. Findings from audits are communicated and appropriate action is taken. Cyclical policy reviews are on schedule.

STRATEGY 2

Strengthen the work environment at the Gallery and CMCP

The Human Resources Framework approved by the Board of Trustees in 2005, governing such areas as staffing, classification, training, recognition, etc., will be developed and implemented in consultation with staff and the Gallery's unions. The new classification system covering all employees will be implemented.

Performance measures

The Gallery's human resources policies and practices are consistent with the HR Framework approved by the Board and its classification system permits fair assessment of positions. Results of employee surveys are addressed. Labour relations are enhanced through joint union-management consultative committees.

STRATEGY 3

Increase and broaden the Gallery's revenue base

The Gallery and its Foundation will make every effort to increase net returns from commercial and fundraising activities.

Performance measures

Forecasts for earned revenue and fundraising are met. The Gallery's revenue-generating capacity is optimized and net returns are improved.

STRATEGY 4

Ensure the Gallery operates effectively and efficiently

The Gallery will work to ensure efficient and effective operations, with an emphasis on its intellectual assets and related systems and practices.

Performance measures

Key operational policies and procedures are documented, systematically reviewed and available on the Gallery's intranet (InfoMuse). The Collections Management System meets operating requirements and supports the Gallery's operations. Information is managed as a corporate resource, and technology supports users and meets Gallery needs.

OBJECTIVE 4

To provide secure and suitable facilities, which are readily accessible to the public, for the preservation and exhibition of the national collections.

The Gallery will implement strategies aimed at improving security, crisis planning and response, the protection of electronic holdings and ensuring a safe environment for staff and visitors. It will also work to find solutions to its space storages, capital requirements and inflation in its operating costs.

STRATEGY 1

Safeguard the collection and intellectual property, and ensure a safe environment for visitors and staff

The Gallery will continue to improve security, crisis management accessibility and the protection of electronic holdings, and will meet new hazard prevention regulations.

Performance measures

Security and/or injury incidents relating to works of art, visitors or staff are monitored and evaluated; policies and procedures are consistent with the Gallery's Security Policy approved in 2005-06. Surveillance systems are fully installed and operative, and contingency plans are tested and effective. Legislated OHS requirements are met or exceeded. The IT Disaster Recovery Plan is fully implemented and successfully tested as are twice yearly external network security assessments.

STRATEGY 2

Provide safe, suitable and accessible facilities for visitors and staff and for properly housing the collection

A key priority for the Gallery will be to address funding shortfalls in building operations and capital, and to seek private funding to address space shortages for education, exhibitions and storage while optimizing existing storage capacity.

Performance measures

Resolution of funding issues related to building operations, capital infrastructure renewal and space pressures. Gallery expansion and funding for education, exhibition and other requirements are approved, while existing storage space is optimized. Maintenance and capital projects are completed on time and within budget. All buildings are accessible to people with disabilities.

FINANCIAL PLAN; OPERATING AND CAPITAL BUDGETS

The Gallery's Financial Plan for 2006-07 to 2010-11 is based on its appropriations as approved in the 2005-06 Annual Reference Level Update. The Gallery strives to maximize earned revenues and donations.

OPERATING PLAN**Projected Results for 2005-06**

The Gallery is projecting a balanced budget for the year ending March 31, 2006.

Future Years

In 2006-07 the Gallery will receive a one-time transfer of \$1 million from the Department of Canadian Heritage to match the \$1 million donated at the NGC Foundation's Renaissance Ball. This will supplement its outreach, educational and acquisition activities. Modest growth in earned revenues is projected for all years except 2007-08 (the Renoir Landscapes summer exhibitions expected to bring higher revenues) while fundraising will account for 3% of budget over the planning period. While the Gallery expects to receive additional annual funding through Supplementary Estimates to offset some increases in salary costs, these cannot be displayed until they are approved. Apart from funding for salaries, which covers approximately 65% of the actual increase in employee wages and benefits, the Gallery receives no assistance from the Government to cover rising costs, and must reallocate funding each year to address

rising costs. Without further Government support, the Gallery could be forced with reducing its levels of activity in order to balance the budget. While implementing necessary reductions, the Gallery will make every effort to continue to fulfill its mandate and maintain the excellence of its programming.

CAPITAL PLAN

The Gallery's Capital Plan for 2005-06 – 2009-10 contains five investment strategies:

- To maintain safe and secure facilities and to ensure the Gallery's assets are secure;
- To provide suitable facilities for the preservation and exhibition of the collection as well as the delivery of other mandated programs;
- To ensure NGC facilities are readily accessible to public and staff;
- To improve operational efficiencies of the Gallery's capital assets;
- To manage the efficient and effective use of available space within the NGC's real property facilities.

In the development of the Capital Plan, projects were categorized according to seven operational areas: the Sussex Drive building; art display and storage; public areas; interior support space; mechanical and electrical systems; the Canadian Museum of Contemporary Photography; and maintenance of the Venice Pavilion in Italy.

All projects were assigned a priority ranking. A high priority was assigned to mission-critical projects and to those addressing immediate health and safety risks both to the public and to NGC staff. Medium priority was assigned to projects addressing health and safety concerns that do not pose an immediate risk, and projects that are essential to fulfilling the NCG's mandate but can be delayed without compromising its mandate. Low-priority projects are those that are not of an immediate nature and/or have an alternate solution available.

The Capital Plan for 2006-07

For 2006-07, the Gallery projects a shortfall of \$3.8 million between its capital requirements and the approved funding. For its facility-related projects, the Gallery's Capital Plan identifies \$3 million high-priority projects, which exceeds by \$2.3 million the capital funding available for facilities. High-priority projects that will proceed in 2006-07 will include phase VIII of the roof replacement, installation of additional art storage racks and replacement of building automation devices. Other high-priority projects will be deferred into 2007-08. IT requirements include e-commerce (online ticketing, educational and other activities), ensuring security of existing equipment and replacing equipment that has reached the end of its life.

Future Years

With the ageing of the facilities, the requirement for significant maintenance, repairs and upgrades will accelerate, significantly compounding the Gallery's financial situation. High-priority projects, critical not only for maintaining environmental controls but also for ensuring the health and safety of visitors and staff, that will have to be deferred include the life-cycle replacement of air handling units and replacement of the Gallery's windows.

The Gallery projects a shortfall of \$3.8 million between its capital requirements and approved reference levels for 2006-07. The shortfall will grow to \$7.8 million in 2007-08 and increase incrementally at an annual rate of approximately \$3.5 million as projects are postponed.

REPORT ON OBJECTIVES FOR THE PREVIOUS PLANNING PERIOD

Highlights of results achieved to December 31, 2005, are presented below.

OBJECTIVE 1

To acquire, preserve, research and record historic and contemporary works of art, both national and international, to represent Canada's visual arts heritage

STRATEGY 1

Acquire works of art of outstanding quality

100% of acquisitions (278 pending or approved), purchases and gifts were made consistent with the Gallery's Acquisitions Policy and were documented according to quality, importance and contribution to the Gallery collection. Acquisitions of art and photographs strengthened both the Canadian and international collections. Among others, they included prints by Christopher Pratt, paintings by Clarence Gagnon, a painting by contemporary Blackfoot artist Joanne Cardinal-Schubert presented by Premier Ralph Klein and European Old Master drawings and paintings. The Gallery received a number of significant gifts, and the value of private contributions and donations more than trebled in 2005-06. The high demand for loans of the Gallery's works demonstrates the quality of its collection.

STRATEGY 2

Maintain and protect the national collection and works of art loaned to the Gallery
All works exhibited, loaned or considered for acquisition were examined and treated if required. As at December 31, 2438 conservation processes were undertaken in relation to the exhibitions and loans programs; of these 841 were treated (735 from the Permanent Collection). Five other works from the Permanent Collection were examined and treated. Conservators began planning a five-year project to conserve film, video and new media collections. The annual Collection Inventory Verification confirmed that the Gallery and CMCP are effectively managing the collections with a high degree of control. The Gallery developed an Action Plan to resolve some outstanding documentation issues has been developed and is well underway. The Gallery completed a full inventory of the 7,000 pieces in the Silver Collection, reviewed the vault access list, and launched the Media Arts collection documentation project, with the support of TD Bank internship program.

STRATEGY 3

Research and document the Gallery and CMCP collections and works on loan to the Gallery

Gallery curators published *British Drawings from the National Gallery of Canada*, the fourth volume of research documenting the permanent collection, exhibitions and art history, on the Gallery's prestigious drawings collection; catalogues in association with all major exhibitions, highlighting original scholarship by NGC/CMCP curators; Volume IV of the *National Gallery of Canada Review* and numerous articles in scholarly journals. They also presented lectures in Ottawa and across the country in support of Gallery exhibitions. The Provenance Research Project continues to investigate works whose provenance during the war years is uncertain.

The Library will reach its target to acquire 2500 current imprints in core collecting areas in 2005-06. The Gallery upgraded the electronic collections management system, enhancing documentation functionality and strengthening documentation of the collections. Collections Management interns completed a pilot project to archive acquisition justifications and research an electronic finding aid to the CMCP's collection of negatives. The Gallery awarded two research fellowships in Canadian art for the 2005-06 academic year; the number, value and scope of fellowships are expected to increase as the result of a change in the maximum award possible and a new endowment.

OBJECTIVE 2

To further knowledge, understanding and enjoyment of the visual arts among all Canadians and to make the collections known both in Canada and abroad

STRATEGY 1

Develop innovative ways to reach new, more diverse audiences and provide enhanced experiences

The Gallery sought input from staff, volunteers, guards and external stakeholders and received over 1,800 suggestions. Some of these have been implemented and market research will be conducted to test others. The Gallery is establishing a “Visitor Experience Team” to develop approaches to enhance the visitor experience. Collection of visitor postal codes is helping the Gallery determine visitor provenance and develop marketing strategies accordingly. Visitor surveys and interviews demonstrate a high degree of satisfaction and a majority of repeat visitors.

The Gallery strengthened its collaboration with the tourism industry to develop and promote packages to encourage visitors to Ottawa and the Gallery. Attendance at the *Renaissance in Florence* surpassed expectations. Three new languages, Mandarin, Spanish and German, were added to the permanent collections’ audioguides. Numerous programs, exhibitions and events targeted audiences of different ages, backgrounds and physical and mental abilities. These included the NGC exhibitions *Napachie Pootoogook* and *Norval Morriseau: Shaman Artist*; the CMCP exhibition *Sunil Gupta*, workshops celebrating a wide range of cultural or religious festivals; and special events or programs for people with disabilities. An anonymous gift allowed 65 low-income children and teens to participate in hands-on workshops at the CMCP, while the NGC offered contemporary art camps for underprivileged children and a teen workshop on video and performance art.

STRATEGY 2

Offer an outstanding exhibition and installation program

The Gallery designed its 2004-05 calendar to include exhibitions by Canadian and international artists of diverse backgrounds, working in different media at different times. In addition to a number of installations from the permanent collection, there have been four major exhibitions to date including the *Renaissance in Florence* exhibition, an exhibition of British drawings, *Napachie Pootoogook* and *Christopher Pratt*. The CMCP presented three exhibitions of Canadian photographers – *Michael Semak*, *Sunil Gupta* and *Imprints* – and the off-site exhibition space in Shawinigan housed *Elements of Nature*. The Library and Archives celebrated the 125th anniversary of Gallery publications with a retrospective exhibition of them. Catalogues and other explanatory and educational materials designed for diverse audiences were produced in association with all exhibitions. Overall attendance was lower than projected; however attendance at the *Renaissance in Florence* surpassed expectations.

STRATEGY 3

Present the national collection across Canada and enhance the visibility of Canadian art abroad

The Gallery remains committed to reaching as many venues as possible and maintaining a diversified program. New educational programs to support the Travelling Exhibitions Program and options to help Canadian galleries to meet NGC security standards are being developed, and measures to incorporate findings from the 2004 client survey are being implemented. Gallery exhibitions travelled to three US locations in the first three quarters of the year and the Gallery expects to meet its loans target of between 800 and 1,200 works annually. The Library and Archives responded to 60 loan requests in the first three quarters of the year and public use of their holdings remains steady.

Virtual attendance continues to exceed forecasts; images and core information for all works in the NGC and CMCP collections are available on CyberMUSE. The Gallery also contributes information to Canadian Heritage Information Network’s Artefacts Canada. A new three-year Content Plan for CyberMUSE was approved in 2005 and research to develop content and strategy for all Gallery websites is underway. The year’s target of 3,000 works digitized has already been met.

STRATEGY 4

Offer an outstanding publishing program in support of the exhibitions program

The Gallery produced catalogues in association with all major exhibitions, a variety of brochures in support of travelling and educational programs, including *Inuit Sculpture Now, On Tour* and *Student and Teacher Programs 2005-06*, and four issues of *Vernissage*. The soft-cover, English version of the *Renaissance in Florence* catalogue was sold out in less than three months. The Gallery received two Canadian Museum Association awards for a Canadian art publication, and a Gallery curator received an AAMC essay award.

STRATEGY 5

Offer a rich calendar of educational programs

Participation in school programs remained strong despite labour relations disputes that affected programming in both Ontario and Quebec. A new approach for schools and teachers is now available on CyberMUSE, and the Gallery continues to offer its popular family and Saturday morning programs, including a new program for young artists aged 6 to 12. Programs for adults and seniors featured tours, workshops and talks, including several by artists at both the NGC and CMCP. The Gallery doubled attendance capacity for studio workshops by creating of a second studio space. Audioguides for the permanent collection are now available in five languages and content has been strengthened. Use of audioguides produced for this year’s special exhibitions more than doubled; 27% of visitors to the *Renaissance in Florence* used either adults’ or children’s audioguides. A five-year sponsorship from the RBC Foundation for its School and Teachers Program will enable the Gallery to launch a Teachers’ Advisory Committee for school programs and resources.

STRATEGY 6

Increase partnerships and collaboration with other institutions and Canadian art museums

The NGC and CMCP collaborated extensively with institutions in Canada and internationally and with Canadian Heritage Portfolio partners, including the National Art Centre, national and local museums, the National Capital Commission, the Canadian Heritage Information Network and Heritage Canada. The Gallery partnered in exhibitions with institutions in 22 Canadian cities, and two exhibitions produced by other Canadian galleries were shown in Gallery facilities. NGC/CMCP staff visited institutions across Canada in a variety of support and information-sharing activities.

STRATEGY 7

Play a leadership role in strengthening the capacity of art institutions across Canada
The TD Bank Financial Group sponsored four paid interns in 2005-06, bringing the number of interns and apprentices to 18. A guest curator was selected from among a large number of applicants to the guest curator program. Eighteen museum professionals from across the country participated in a best-practices orientation week, which also examined how the Gallery can assist Canadian institutions, while Gallery staff offered expertise in support of many other Canadian galleries.

OBJECTIVE 3

To provide direction, control, and the effective development and administration of resources

STRATEGY 1

Strengthen governance

The Minister's feedback on last year's Plan noted the Gallery's clear and innovative strategies and the strength of linkages to activities and indicators. The 2006-07 – 2009-10 Plan is based on significant environmental scanning and the Board's evaluation on key challenges and opportunities for the Gallery. The Gallery provided information on the Plan to all staff. Information and orientation sessions continued for new employees. A performance appraisal process will link individual goals with Plan objectives and strategies. While trustees are satisfied, a new reporting format will strengthen the Gallery's reporting on the objectives established in the Corporate Plan.

STRATEGY 2

Strengthen the work environment at the Gallery and CMCP

Implementation of the action plan responding to the 2004 Human Resources audit is on schedule and significant progress in enhancing union-management relations has been made. The Board to Trustees approved the new Human Resources Strategic Framework and a review of all human resources policies. New policies will be presented to the Board's Human Resources Committee early in the next fiscal year. The new classification system, covering all employees and ensuring internal equity, should be implemented in 2006-07.

STRATEGY 3

Increase and broaden the Gallery's revenue base

The Gallery expects to exceed targets for commercial revenues and donations by \$1.8 million as a result of higher than expected attendance at the *Renaissance in Florence* exhibition. Sponsorship income for the period was also greater than anticipated, thanks to the efforts of the NGC Foundation, which also exceeded its fundraising targets for the year, notably through the Renaissance Ball. Sponsorship from local French and English media enabled the Gallery to increase its visibility and promote exhibitions and activities.

STRATEGY 4

Ensure the Gallery operates effectively and efficiently

This Gallery has almost completed the cyclical review of Board-approved operational policies. A major project to migrate data to the new version of the Collections Management Systems software (Mimsy XG) was completed in November 2005, and the Gallery updated its collection management system on an ongoing basis to meet operational requirements. A consulting firm has been hired to work with the new Information/Knowledge Management Committee to develop a three- to five-year information management plan by May 2006. A five-year Strategic Plan to address technological growth and maintenance has been developed and a study is underway to examine server consolidation and a server-based system.

OBJECTIVE 4

To provide secure and suitable facilities, which are readily accessible to the public, for the preservation and exhibition of the national collections

STRATEGY 1

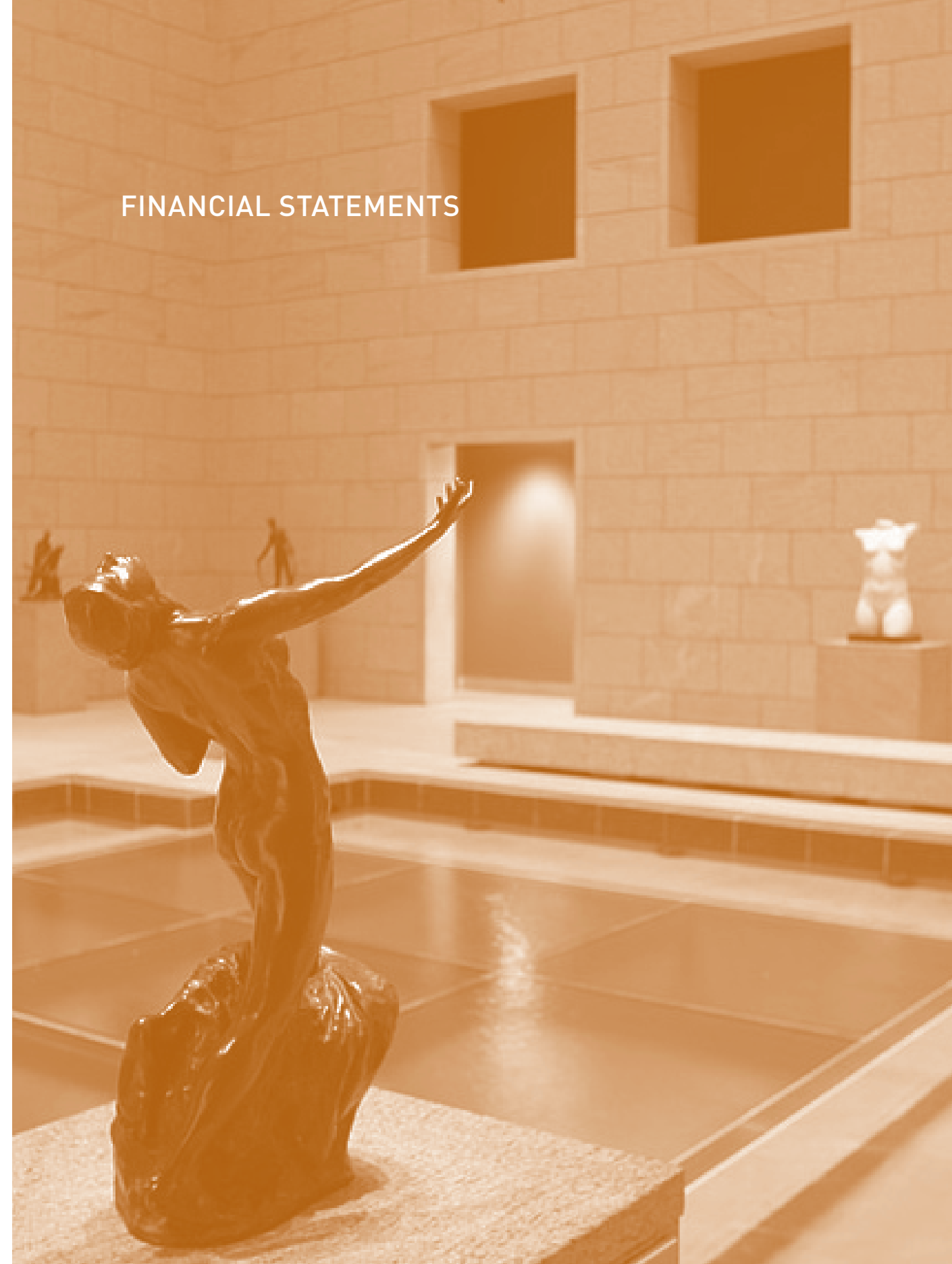
Safeguard the collection and intellectual property; ensure a safe environment for staff and visitors

There were no incidents of theft of cultural property or vandalism of works of art; the only security incidents reported were one of stolen office material and two of graffiti on exterior walls. Workplace and visitor injuries were fewer than last year and all minor in nature. The Gallery updated its security systems in conjunction with cyclical maintenance schedules and expects to complete installation work in galleries and storage locations on schedule. There were nine Occupational Safety and Health committee meetings during the period and a Policy Committee was created which now meets regularly. All NGC/CMCP facilities were inspected and an Industrial Accident Prevention Association gap analysis was completed in preparation of pending hazard prevention regulations. The Gallery submitted all annual reports on health and safety Human Resources Canada, and all required training would have been completed by the end of the fiscal year. Contingency and crisis plans have been tested and found effective, and minor recommendations are being implemented. The Disaster Recovery Plan for IM/IT systems has been partially successful and server consolidation is being explored to improve efficiency and reduce complexity. The Gallery is currently developing a comprehensive Information Technology Security Policy.

STRATEGY 2

Provide safe, suitable and accessible facilities for visitors and staff and for property housing the collection

The Gallery is studying the potential for expanding on the existing property. Phase II of its five-year strategy to optimize the use of art storage spaces is 75% complete. This involved reorganizing and relocating 300 paintings and 1,000 crates of art in off- and on-site storage spaces; work is paused pending resolution of a major water leak at the off-site location. The Gallery continues to work with the Department of Canadian Heritage on a solution to capital budget shortfalls. Eleven approved maintenance and capital projects were completed within budget as at the end of December and thirteen more will be completed by May 2006. All Gallery exterior doors and four doors from the Great Hall into permanent collection galleries are now fully automated, and a design process for the remaining doors will be initiated by the end of this fiscal year. Accessibility issues at the CMCP will be addressed in 2006-07.

FINANCIAL STATEMENTS

BALANCE SHEET

(in thousands of dollars)	04-05 Actual	05-06 Budget	05-06 Forecast	06-07 Budget	07-08 Budget	08-09 Budget	09-10 Budget	10-11 Budget
Assets								
Current:								
Cash and investments	7,801	8,545	9,042	9,142	9,267	9,492	9,692	9,892
Restricted cash and investments	2,336	1,101	1,009	1,054	1,079	1,104	1,129	1,154
Accounts receivable	1,691	575	600	650	700	725	750	775
Inventories	728	750	803	878	928	903	903	903
Prepaid expenses	1,448	1,400	1,473	1,498	1,523	1,548	1,573	1,598
	14,004	12,371	12,927	13,222	13,497	13,772	14,047	14,322
Collection	1	1	1	1	1	1	1	1
Capital assets	105,204	108,872	100,629	95,731	90,933	86,235	81,637	77,039
	119,209	121,244	113,557	108,954	104,431	100,008	95,685	91,362
Liabilities								
Current:								
Accounts payable and accrued liabilities	6,849	6,000	6,849	6,849	6,849	6,849	6,849	6,849
Unused appropriations for the purchase of objects for the Collection	1,009	0	0	0	0	0	0	0
Unused appropriations for the purchase of capital assets	323	0	0	0	0	0	0	0
	8,181	6,000	6,849	6,849	6,849	6,849	6,849	6,849
Accrued employee termination benefits	1,814	2,304	2,064	2,314	2,564	2,814	3,064	3,314
Deferred contributions	751	868	776	801	826	851	876	901
Deferred capital funding	104,582	108,250	100,007	95,109	90,311	85,613	81,015	76,417
	115,328	117,422	109,696	105,073	100,550	96,127	91,804	87,481
Endowments	116	116	116	116	116	116	116	116
Equity of Canada								
Balance at beginning of year	3,706	3,706	3,765	3,765	3,765	3,765	3,765	3,765
Excess of revenues over expenses	59	0	0	0	0	0	0	0
Balance at end of year	3,765	3,706	3,765	3,765	3,765	3,765	3,765	3,765
	119,209	121,244	113,577	108,954	104,431	100,008	95,685	91,362

STATEMENT OF OPERATIONS

(in thousands of dollars)	04-05 Actual	05-06 Budget	05-06 Forecast	06-07 Budget	07-08 Budget	08-09 Budget	09-10 Budget	10-11 Budget
Expenses by activity								
Collections								
Operations	6,226	6,120	6,411	6,496	6,402	6,361	6,364	6,381
Art acquisitions	8,707	7,400	8,409	7,400	7,400	7,400	7,400	7,400
Total Collections and Research	14,933	13,520	14,820	13,896	13,802	13,761	13,764	13,781
Outreach	14,095	14,077	14,513	14,705	14,494	14,400	14,408	14,445
Accommodation	19,861	19,213	20,450	20,721	20,423	20,291	20,303	20,354
Corporate Management	9,915	9,818	10,208	10,344	10,195	10,129	10,136	10,161
Total expenses	58,804	56,628	59,991	59,666	58,914	58,581	58,611	58,741
Revenue and contributions	7,184	7,300	8,685	8,150	8,318	8,085	8,215	8,345
Net cost of operations before government funding	51,620	49,328	51,306	51,516	50,596	50,496	50,396	50,396
Parliamentary appropriations								
For operating and capital on a cash basis	37,393	36,469	37,399	38,618	37,798	37,798	37,798	37,798
Appropriations deferred for the purchase of depreciable capital assets	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Amortization of deferred capital funding	6,048	5,859	5,898	5,898	5,798	5,698	5,598	5,598
Total on an accrual basis	42,441	41,328	42,297	43,516	42,596	42,496	42,396	42,396
For the purchase of objects for the collection on a cash basis	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Drawn from prior years	2,247		1,009					
Deferred to future years	(1,009)		0					
Total on an accrual basis	9,238	8,000	9,009	8,000	8,000	8,000	8,000	8,000
Total appropriations on an accrual basis	51,679	49,328	51,306	51,516	50,596	50,496	50,396	50,396
Excess of revenues over expenditures	59	0	0	0	0	0	0	0

STATEMENT OF CASH FLOWS

(in thousands of dollars)	04-05 Actual	05-06 Budget	05-06 Forecast	06-07 Budget	07-08 Budget	08-09 Budget	09-10 Budget	10-11 Budget
Operating activities								
Excess of revenues over expenses	59	0	0	0	0	0	0	0
Items not affecting cash and investments								
Amortization	6,048	5,859	5,898	5,898	5,798	5,698	5,598	5,598
Accrued employee severance benefits	10	250	250	250	250	250	250	250
Loss on disposal of capital assets	(1)	0	0	0	0	0	0	0
Net internally restricted transactions	(20)	0	0	0	0	0	0	0
	6,096	6,109	6,148	6,148	6,048	5,948	5,848	5,848
Increase in non-cash working capital components	(507)	0	991	(150)	(125)	(25)	(50)	(50)
	5,589	6,109	7,139	5,998	5,923	5,923	5,798	5,798
Financing activity								
Capital funding – Program Integrity	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Capital funding – Other	1,104	37	323	0	0	0	0	0
Amortization of deferred capital funding	(6,048)	(5,859)	(5,898)	(5,898)	(5,798)	(5,698)	(5,598)	(5,598)
	(3,944)	(4,822)	(4,575)	(4,898)	(4,798)	(4,698)	(4,598)	(4,598)
Investing activities								
Purchase of capital assets	(2,104)	(1,037)	(1,323)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Proceeds from disposal of capital assets	1	0	0	0	0	0	0	0
	(2,103)	(1,037)	(1,323)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Increase in cash and investments during the year	(458)	250	1,241	100	125	225	200	200
Cash and investments at beginning of year	8,259	8,295	7,801	9,042	9,142	9,267	9,492	9,692
Cash and investments at end of year	7,801	8,545	9,042	9,142	9,267	9,492	9,692	9,892

SCHEDULE OF OPERATING AND CONTRIBUTION REVENUE

(in thousands of dollars)	04-05 Actual	05-06 Budget	05-06 Forecast	06-07 Budget	07-08 Budget	08-09 Budget	09-10 Budget	10-11 Budget
Operating revenue								
Bookstores and publishing	2,232	2,300	2,317	2,330	2,485	2,365	2,370	2,375
Admissions	864	950	1,509	1,200	1,363	1,200	1,225	1,250
Parking	554	600	639	650	675	650	650	650
Interest	257	300	260	270	280	290	300	310
Sponsorship in cash	646	425	781	425	425	425	425	425
Traveling exhibitions	250	200	208	225	225	225	225	225
Rental of public spaces	686	600	700	725	750	775	800	825
Art loans-recovery of expenses	114	125	128	125	130	135	140	145
Memberships	433	450	500	500	525	550	575	600
Audio guides	98	100	181	125	150	125	125	125
Food services	26	30	30	30	30	30	30	30
Educational services	220	200	225	225	235	245	255	265
Other	62	20	23	20	20	20	20	20
	6,442	6,300	7,501	6,850	7,293	7,035	7,140	7,245
Contributions								
From National Gallery Foundation	430	550	747	850	550	575	600	625
From annual giving (membership)	172	250	206	250	275	275	275	275
From others	140	200	231	200	200	200	200	200
	742	1,000	1,184	1,300	1,025	1,050	1,075	1,100
Total revenue	7,184	7,300	8,685	8,150	8,318	8,085	8,215	8,345

CAPITAL BUDGET

(in thousands of dollars)	04-05 Actual	05-06 Budget	05-06 Forecast	06-07 Budget	07-08 Budget	08-09 Budget	09-10 Budget	10-11 Budget
Unused appropriations for the purchase of capital assets at beginning of year	1,426	37	323	0	0	0	0	0
Capital appropriations	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Capital funding available	2,426	1,037	1,323	1,000	1,000	1,000	1,000	1,000
Purchase of capital assets	2,103	1,037	1,323	1,000	1,000	1,000	1,000	1,000
Unused appropriations for the purchase of capital assets at end of year	323	0	0	0	0	0	0	0
Capital assets								
Net book value at beginning of year	109,148	113,694	105,204	100,629	95,731	90,933	86,235	81,637
Capital additions	2,104	1,037	1,323	1,000	1,000	1,000	1,000	1,000
	111,252	114,731	106,527	101,629	96,731	91,933	87,235	82,637
Less amortization:								
Amortization of building	3,898	3,759	3,898	3,898	3,898	3,898	3,898	3,898
Amortization other	2,150	2,100	2,000	2,000	1,900	1,800	1,700	1,700
	6,048	5,859	5,898	5,898	5,798	5,698	5,598	5,598
Net book value at end of year	105,204	108,872	100,629	95,731	90,933	86,235	81,637	77,039