



HEIDE MUSEUM OF MODERN ART
2016 ANNUAL REPORT

Heide
Museum of
Modern Art
Heide

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**STATEMENT
OF PURPOSE**

Heide offers an inspiring, educational and thought-provoking experience of modern and contemporary art, architecture, gardens and social history.

VALUES

Creativity in cultural programming, audience development and profiling of the Museum

Sustainability of cultural, financial and environmental operations

Integrity in governance, leadership and museum management

2. HONORARY APPOINTMENTS

Patrons

Terry Bracks
Barbara Tucker (1934–2015)
Sir Rupert Hamer AC KCMG (1916–2004)

Fellows

H. Norman B Wettenhall AM (1915–2000)	1988
Georges Mora (1913–1992)	1989
Maria Prendergast OAM	1990
Baillieu Myer AC	1992
Loti Smorgon AO (1919–2013)	1993
Victor Smorgon AC (1913–2009)	1993
Barrett Reid AM (1926–1995)	1994
Tom Quirk	1995
Maudie Palmer AO	1997
The Hon. Mr Justice Charles	1998
Christine Collingwood	1999
Albert Tucker AO (1914–1999)	2000
Barbara Tucker (1934–2015)	2000
Tom Lowenstein OAM	2002
William J. Forrest AM	2005
John Gollings AM	2006
Inge King AM (1915–2016)	2006
Neil Everist (1929–2016)	2007
Mirka Mora	2008
David Walsh	2009
Craig Kimberley AM	2010
Connie Kimberley	2010
Lady Nolan (1926–2016)	2011
Mark Newman	2012
Hyeon-Joo Newman	2012
Joan Clemenger AO	2013
Richard Haese	2014
John Downer AM	2015
Rose Downer	2015



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3. CHAIRMAN & DIRECTOR'S REPORT

In 2016 Heide Museum of Modern Art had a very successful year, with a varied and dynamic series of exhibitions. It finished on a high with our most successful exhibition to date: O'Keeffe, Preston, Cossington Smith: Making Modernism. The year exemplified the diversity and ambition of Heide's exhibition program. It included Australian and international exhibitions that ranged from modernist to contemporary art, across media as diverse as painting and performance, and collection exhibitions that elucidated aspects of the history of modern art associated with John and Sunday Reed. Attendance figures for the year attest to the broad relevance of the program, as well as an increasing engagement with Heide as a site for events and public programs in both the galleries and gardens.

During 2016, the final year of Heide's Strategic Plan 2014–2016, staff activities were again focused within the four key areas: Artistic Leadership, Optimisation of Place, Securing the Future and People Love Heide. Heide's acknowledged excellence in the field of art exhibitions, publishing, education and public programs worked alongside initiatives that aim to optimise the museum's unique characteristics, develop opportunities for ongoing financial support and sponsorship, and build on the esteem in which Heide is so widely held.

In 2016 Heide received funding for the final year of the current triennial funding agreement for the State Government's Organisations Investment Program (OIP). In 2016 the State Government launched a renewed and revised OIP funding program for the 2017–2020 funding cycle. Acknowledging Heide's contribution to Victoria's rich cultural life, the OIP now provides four years of new annual funding

commitment with an increase on current levels of 2.5%, from \$1,370,400 per annum for 2014–16 to \$1,404,660 per annum for 2017–20. There is a strong alignment between Heide's Strategic Plan and the three public benefit areas identified in the State Government's OIP, which highlight benefits to the artistic and cultural sector, as well as social and economic benefits. Heide is therefore well placed to contribute to Government's goals through the continuation and development of its role as a leading organisation within the Victorian museum sector and the contribution it makes to the diversity and vitality of Victoria's Creative State.

Having funded a Strategic Assessment of the museum and its operations in 2015, and against the backdrop of the Strategic Plan 2014–2016, Creative Victoria established a Heide Working Party in 2016 with representatives from Creative Victoria, the Heide Board and Heide executive staff, to resolve land management and organisational sustainability issues, and discuss strategic options to achieve a shared vision for Heide. The Working Party will continue to plan for Heide's long-term sustainability with Heide's incoming director Dr Natasha Cica, from April 2017.

Significant improvements to collection storage facilities, including roof repairs, replacement of art storage racks and the installation of a compactus, were made in 2016 with the support of Creative Victoria.

Heide presented twelve exhibitions in 2016 and these are detailed further in this report. A number of collaborative ventures with other museums, organisations and international colleagues were notable inclusions—the touring exhibition of Michelle Nikou's work, a joint project with NETS Victoria, and the hugely successful Making Modernism project,

a Heide initiative developed in collaboration with the Art Gallery of New South Wales, The Georgia O'Keeffe Museum and Queensland Art Gallery. Both exhibitions drew from major state and national collections. Other exhibitions ranged from the youthful and vibrant *Dancing Umbrellas*, with its experimental online presence and performance program, to the stunning reimagining of the Heide galleries by Natasha Johns-Messenger. Two exhibitions presented very different aspects of Albert Tucker's work, one focusing on his marvellous photographs of fellow artists, and the other on key paintings over five decades. The legacy of Albert and Barbara Tucker's relationship with Heide continues strongly through the Albert & Barbara Tucker Foundation, directed by Darren Jones and Caitlin Graham-Jones, and Heide is grateful for its generous donations and support.

Two printed and five electronic catalogues were published in association with the exhibitions, with the e-catalogues for Alex Selenitsch and Natasha Johns-Messenger exhibitions later printed for wider distribution by the artists.

Heide's commercial operations and development streams contributed substantially to the financial support of day-to-day activities. *Making Modernism* was Heide's most successful exhibition to date with over 17,505 people having seen the exhibition by the end of December, before an even busier period in the new year. Its popularity resulted in Heide exceeding annual budget targets in all areas, including Admissions (up 17%), Retail (up 24%), Membership (up 39%) and Venue Hire (up 31%). In addition, Education and Public Programs tracked 23% above their combined annual target, due to the success of the Visual Thinking Strategies program in Education, and

a streamlined suite of public programs offered in 2016. The launch in November 2016 of the monthly Heide Makers' Market, a collaboration between Heide and The Rose St Artists' Market, resulted in an increase to attendances and earned income, as well as increasing brand awareness, market reach and engaging the local community.

During 2016 *Café Vue* at Heide was sold to Orletto Holdings, a family-owned business with a history in the restaurant industry. It now runs the renamed *Café Heide* and caters for events across the Heide site.

Philanthropy is crucial to Heide and we deeply appreciate the individuals and organisations who support our core activities and special projects. In 2016 we thank the Albert & Barbara Tucker Foundation, and the Stuart Leslie Foundation, and acknowledge the ongoing support of the Gordon Darling Foundation and the Besen Foundation. *Making Modernism* received significant support from the Terra Foundation and the Art Gallery Society of NSW, securing the tour of this ground-breaking exhibition to three Australian capital cities in 2016–17.

With the aim of building the Heide Foundation's donor base and income from philanthropy, the Heide Foundation Board was launched in July 2016. We look forward to an exciting program under its chairman Mark Newman, ex Heide board member and a much-valued principal benefactor. We welcomed new members, Sarah Watts, Karen & Robert Boscarato, and Steven & Lousje Skala to the Director's Circle in 2016. Funds raised through the Heide Director's Circle and the Foundation support major exhibitions and acquisitions, and in 2016 contributed to the purchase of the John Perceval Photographic Archive.

Heide received welcome ongoing support in 2016 from local Government partner Manningham City Council, and from other Heide partners Aesop, Arnold Bloch Leibler, Avant Card, *Broadsheet*, Chapman & Bailey, Cinema Nova, Gollings Photography, Gunn & Taylor Printers, International Art Services, Melbourne Airport, Sanpellegrino and Acqua Panna, Sofitel Melbourne on Collins, Spotlight, *The Saturday Paper*, Space Furniture, Maddocks, Melbourne's Child and *Vault*.


After two years as Heide's director, Kirsty Grant resigned in December 2016, with Linda Michael replacing her as acting director. We thank Kirsty for her significant contribution to Heide, which included the launch of the Director's Circle, the securing of important gifts for the Heide Collection—including a significant suite of works by Brent Harris—and the successful introduction of an employment award for casual staff.

We wish to acknowledge the input and commitment of Heide's Board of Directors. Each director brings valued expertise and provides critical support to Heide management and staff throughout the year. On 1 January 2016 Steven Skala AO joined the Board as chairman. Dr Nancy Underhill also joined the board on that date. During the year we were delighted to host *We Who Love: The Nolan Slates*, an exhibition drawing substantially on works acquired by Nancy when she was the director at the University of Queensland Art Museum.

Heide's reputation for scholarly excellence in its exhibitions, research and publications, its popular tours and workshops for visitors of all ages, and its welcoming, well-informed approach to visitors, is the direct result of the hard work and commitment of its professional

staff. The museum's staff members are supported across various fronts by a team of dedicated volunteers, numbering 193 at the end of 2016. Heide volunteers are invaluable ambassadors for Heide, contributing their time, expertise and passion to the invigilation of exhibitions, the presentation of public and education tours, the maintenance of Heide's gardens and other special projects.

John and Sunday Reed's understanding of the value of contemporary Australian art within local and international histories and contexts continues to guide Heide's approach to its future program. With its renowned cultural and social heritage, beautiful environment, and reputation for creative excellence, Heide is well-placed to build on the successes of 2016 and expand its role and reach within Australian and abroad.

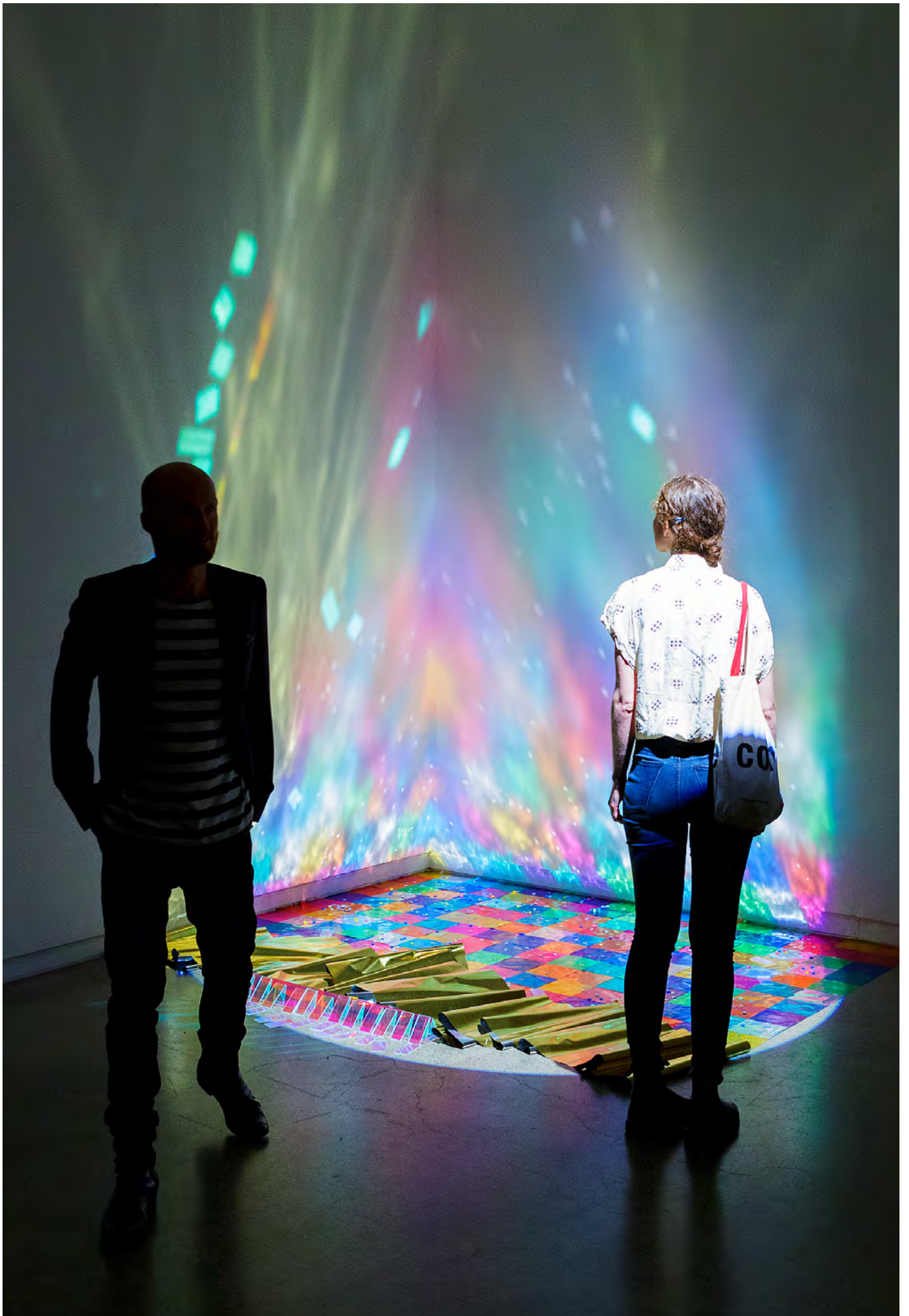


Steven Skala AO
Chairman



Linda Michael
Acting Director & CEO
8 December 2016 – 4 April 2017

March 2017



4. CULTURAL PROGRAMMING

4.1 EXHIBITIONS

Heide presented twelve new exhibitions in 2016, after beginning the year with a suite of five exhibitions that had commenced at the end of 2015, including Aleks Danko's fifty-year survey MY FELLOW AUS-TRA-ALIENS organised in partnership with the Museum of Contemporary Art Australia. The overall program featured single artist surveys and newly-commissioned artist projects, exhibitions celebrating milestones in Heide's history and the broader story of modernism, and a thematic showcase of work by emerging and established contemporary artists.

The first exhibition in Heide's Central Galleries in 2016, Sue Cramer's *Dancing Umbrellas: An Exhibition of Movement, Colour and Light*, presented moving image, performance, painting and object-based works by nineteen Australian artists. The fanciful leitmotif of 'dancing umbrellas', inspired by a two-channel video installation by young Melbourne artist Belle Bassin, introduced the exhibition's performative and theatrical theme, and the playful surreality of many works. Movement and light were variously utilised by the artists to explore ideas about perception and time, and to evoke a sense of otherworldliness or dreams. In creating their imaginative worlds, these artists referenced cultural artefacts and ideas as various as a play by Picasso, 1960s and 1970s counter-culture and fashion, shamanic spiritualism, internet 'selfie' culture, and the romantic sublime as depicted in Japanese anime. Luminous kinetic works and videos were displayed alongside paintings, sculptures and collages to create a layered and multi-dimensional experience for the viewer. Several performances were held at the gallery during the exhibition and were

extremely well attended. Instead of producing a printed catalogue, Heide created a dedicated online portal. This was the first time Heide has used online digital media as a vehicle to extend a project into a virtual realm through images and written material, artist interviews, links to relevant content and integration with social media. This online website was designed by Heide Graphic Designer Ramona Lindsay while Heide Visitor Services Officer Jake Treacy contributed content and assisted in managing the site. *Dancing Umbrellas* included works by A Constructed World, Belle Bassin, Rebecca Baumann, Damiano Bertoli, Peter Cripps, Lesley Eastman, Dale Frank, Briony Galligan, Minna Gilligan, Alexander Knox, James Lynch, Taree Mackenzie, Gabiella Mangano, Silvana Mangano, Viv Miller, Giles Ryder, Michelle Ussher and Justene Williams.

In June Natasha Johns-Messenger transformed the Central Galleries for her exhibition *Sitelines*, curated by Linda Michael, which featured new installations, photographs and light-works that explored the gap between knowledge and perception. For Johns-Messenger, a Melbourne artist now based in New York, the art object is not as important as the experience and observations of the viewer. An important starting point for her work came from her discovering that the stars we see in the night sky may no longer exist. She tries to replicate this sense of wonder by creating spatial and viewing experiences that make us question what is real and what is not. By blurring the divisions between her work and Heide as an exhibition site, her installations for *Sitelines* extended architectural and material features of the galleries, emphasising the existing relationship between the museum's indoor and outdoor spaces. Though three-dimensional, the installations enacted what

2 Installation view
Dancing Umbrellas: An Exhibition of Movement and Light 2016
Photograph: Jeremy Weihrauch



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Johns-Messenger calls 'real-time image-capture', a description that likens them to a periscope or camera lens. They framed sections of the Heide landscape in a way that linked these views to photographs she took around the property. The site-photographs, and a related film, delved into subtler layers of seeing, by uncovering colours, shapes and lines present in the Heide landscape, sometimes at a microscopic scale.

After some four years of planning, the major exhibition O'Keeffe, Preston and Cossington Smith: Making Modernism opened in the Central Galleries in October, and attracted record audiences. Curated by Lesley Harding together with Denise Mimmocchi (AGNSW), Dr Cody Hartley and Dr Carolyn Kastner (Georgia O'Keeffe Museum), and Jason Smith (initiating curator), the exhibition presented for the first time in any depth in Australia the iconic art of Georgia O'Keeffe, one of the most significant American painters of the twentieth century, alongside her pioneering Australian contemporaries, Margaret Preston and Grace Cossington Smith. All born in the late nineteenth century, the three painters came of age during the 1910s and '20s, decades of great social and cultural transition. While they were not connected by personal familiarity or direct correspondence, they were kindred spirits, rejecting the artistic conventions of the past and forging new ways of picturing the changing world. United by their love of nature, O'Keeffe, Preston and Cossington Smith developed subjects from their immediate surroundings into distinct interpretations of place, as well as transforming the traditional still life into a pictorial vehicle more relevant to the modern age. Drawing together around thirty works by each artist from the breadth of their careers, Making Modernism was presented in

partnership with the Georgia O'Keeffe Museum, Santa Fe, the Art Gallery of New South Wales and the Queensland Art Gallery, and supported by the Terra Foundation for American Art, the Art Gallery Society of New South Wales, the Gordon Darling Foundation and the US Embassy, Canberra.

In Heide II Alex Selenitsch's exhibition LIFE/TEXT was followed in April by Michelle Nikou: a e i o u, a national touring initiative developed by Heide in partnership with NETS Victoria. A survey of new and recent work by highly respected Adelaide-based artist Nikou, the exhibition was co-curated by Kendrah Morgan and Melissa Keys, Senior Exhibition Manager, NETS. The modernist former residence of the Reeds provided the ideal venue for Nikou's art, which is grounded in the domestic realm and often re-invents commonplace items as objects of humour, poignancy and marvel. The exhibition revealed Nikou's ability to imaginatively traverse disciplines and blur the boundaries between art and craft traditions through the creation of expressive and tactile pieces in both two and three dimensions. Often working with industrial metals and hands-on processes she has evolved a seemingly anti-aesthetic approach which leaves visible the marks of production and chance, evoking her attempts to articulate emotions that are difficult to put into words. While Nikou's instinctive methods and incongruous combinations of materials, forms and concepts point to Surrealism, connections can be made between her work and Dada, Pop art and *arte povera*, her work remains enigmatic and deliberately left open to multiple interpretations.

The University of Queensland exhibition We Who Love: The Nolan Slates, curated by Dr

Chris McAuliffe, was the final exhibition of 2016 in Heide II. It opened a window into the world of renowned Australian painter Sidney Nolan (1917–1992), reflecting a time in his life of artistic experimentation and personal upheaval. The focus of the display was a series of paintings on slate roofing tiles produced between December 1941 and June 1942. These unusual works reveal a number of key characteristics of Nolan's early art, including a fascination with unorthodox materials; motifs developed across successive paintings; a fast-paced, intuitive approach; and the artist's avant-garde aspirations and literary interests. They also emerged, in John Reed's words, from the essential experience of Nolan's heart, documenting a pivotal period which began with the birth of his daughter Amelda and witnessed the demise of his marriage and escalation of his love affair with Sunday Reed. The backdrop of the war, including the Japanese attack on Pearl Harbour and Nolan's conscription into the army, also had an impact on their rich, metaphorical imagery, forming a painted journal of love and sorrow. Augmented by loans from public and private collections, We Who Love presented the first comprehensive investigation of a unique aspect of Nolan's art. Left with the Reeds when he departed Heide permanently in 1947, the slates were mostly returned to him by Sunday Reed in 1970 then acquired by The University of Queensland in 1977.

In April 2016 a new ongoing series of exhibitions commenced in Heide I to profile the museum's extensive collection and archive. Entitled Making History, this changing display celebrates the influential role of Heide founders John and Sunday Reed in the development of Australian art and culture, examining their network of interests,



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influences and acquaintances from the 1930s until the 1980s. The first presentation, *Making History: The Angry Penguins*, curated by Linda Short, focussed on the extraordinary years of the 1940s, when the Reeds were at the forefront of endeavours to establish a progressive national modernism. As champions of new and testing developments in art, they helped to launch the careers of Arthur Boyd, Joy Hester, Sidney Nolan, John Perceval, Albert Tucker and Danila Vassilieff—all now highly acclaimed figures in the canon of Australian art. Collectively these artists are known today as the Angry Penguins, after the title of the literary journal produced by the Reeds and the poet Max Harris when they were partners in the avant-garde publishing house, *Reed & Harris*, from 1943 to 1946. The exhibition featured iconic works by the artists of the Heide circle during this watershed period, from Boyd's and Tucker's surrealist Melbourne street scenes to Nolan's innovative responses to the rural landscape. These were presented alongside a range of Reed & Harris publications and *Angry Penguins* editions, including the notorious Ern Malley issue which set in motion one of Australia's most controversial literary hoaxes.

Opening in Heide I in November, *Making History: Charles Blackman*, curated by Kendrah Morgan, focused on a key artist in the Heide story acclaimed for his poetic and inventive imagery. Blackman gained the Reeds' support soon after his arrival in Melbourne in 1951 and they became the first collectors of his work. He and Sunday shared a passion for poetry and French literature, which informed the future direction of his painting, and life at Heide provided some source material for his remarkable *Alice in Wonderland* series of 1956. The exhibition traced Blackman's creative

evolution through a number of his signature subjects and motifs, including the realms of childhood, loneliness and the feminine psyche. Many of the works displayed were originally owned by the Reeds, while others were acquired by the museum through the generosity of donors. Archival material from the Charles Blackman papers, a significant donation by the artist in 2013, was also exhibited as well as a representative selection of works by the Angry Penguins artists, whose spirited achievements of the 1940s proved influential on Blackman's contribution to Australian modernism.

Sarah CrowEST: #straponpaintings, curated by Kendrah Morgan, was the first of three project gallery exhibitions in 2016. An interactive installation by Melbourne-based artist Sarah CrowEST, who studied fashion and textiles in London before moving into sculpture and performance video, it featured artworks in the form of apparel. Large 'aprons' made from Belgian artists' linen and painted and appliquéd with diverse designs, fabric fragments and playful texts masqueraded as unstretched canvases hanging on the gallery wall. Some were draped from pegs so that visitors could try them on, take photographs and post the images on social media. Once hung on the body the aprons assumed a sculptural form and the placement of the imagery and text shifted, creating new visual effects and interpretive potential. The addition of three-dimensional headpieces activated a further step in the transition from art to apparel to performance. CrowEST's references to designs that connected with a range of sources—from rare diagrammatic images by the avant-garde Swiss Dadaist Sophie Taeuber-Arp to propaganda posters, fashion logos and artworks in the Heide

Collection—generated a fascinating dialogue between past/present, art/design, the readymade/handmade, stretched/draped, stitched/stuck, painted/stained, and raw/finished.

In *Esther Stewart: How to Decorate a Dump*, curated by Sue Cramer, which opened in the Project Gallery in June, the artist presented a colourful, three-dimensional diorama that continued her enquiry into DIY home renovation and decorating and their relationship to art. Over a model of a grand, old-fashioned room with a fireplace, she painted decorative patterns suggestive of tiles, lattices, marble, and the designs on carpets or wood-panelling. Slightly less than life-size, Stewart's room had the unreality of a theatre-set, while its stylised panels and pop-up fireplace evoked a fold-out dolls house. Inspired by flat-pack furniture, she incorporated hinges and movable parts into her work to make it portable and more easily assembled in the gallery. Stewart's sources include 1960s modernist abstraction, a field dominated by male artists, which she personalises by foregrounding domestic elements that for her are aligned with a feminine sensibility. She also draws upon home-improvement magazines and books, particularly from the 1970s and 1980s. The exhibition's title, for instance, was borrowed from a 1983 home-renovation book by New York interior designer Philip Almeida. Combining her painting and sculptural practice in a new manner, Stewart's fictional architecture plays with our sense of scale, and also speaks to the increasingly out-of-reach Australian dream of home ownership.

The third exhibition in Heide's Project Gallery in 2016, curated by Linda Short, presented the work of Melbourne-based artist, Antonia



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Sellbach. Sellbach's painting practice reflects her interests in abstraction, architecture and language, while alluding to her parallel career as a musician. Structure, arrangement and improvisation are all important to the making of her artworks and to the way she configures them in the gallery. For Antonia Sellbach: *Open Fields*, the artist developed a series of large geometric paintings and an array of brightly coloured painted rods which leant against the gallery walls. She conceived of these objects as pieces of a puzzle, which could be flipped, rotated and tessellated in response to the installation setting to make a colourful abstract scheme. Sellbach took her cue from the mid-twentieth-century philosopher Ludwig Wittgenstein, who famously imagined language as a game. Using line and colour as the building blocks of her vocabulary she drew on Wittgenstein's theories, following self-imposed rules and 'making moves' through compositional decisions.

In the Albert and Barbara Tucker Gallery, the exhibition *Artists at Leisure: Albert Tucker Photographs*, curated by Linda Michael, showed artists from the Heide circle enjoying days at the beach, meals with friends, and other leisurely activities. Albert Tucker photographed the people and places around him as a personal record, from the various leisure pursuits he enjoyed, typically of a theatrical nature—wrestling matches, the circus, dances and plays—to soapbox speeches on the Yarra and May Day marches. Aptly described as the 'accidental historian' of the Heide circle and other artist communities in the late 1930s to mid-1940s in Melbourne, Tucker's natural approach using available light lent itself particularly well to capturing unselfconscious moments, as did his keen eye for composition and dramatic use of light and

shade. Some of his later colour photographs taken at the beach at Aspendale, where John and Sunday Reed had their holiday house, record scenes that became the subject of later paintings, several of which were also on display.

The second Tucker Gallery exhibition, *A Life in Art: Albert Tucker*, was curated by Sue Cramer and traced aspects of the artist's development across the span of his career. The exhibition began with his fierce social commentaries set within 1940s wartime Melbourne, including works from his landmark series *Images of Modern Evil*, 1943–48, and ended with landscapes and portraits of fellow artists painted in the final decades of his life. Tucker left Australia for thirteen years in 1947, famously declaring himself 'a refugee from Australian culture' and thirsty for firsthand experience of European art. Paintings he made in London, Paris, Germany and Italy evidence his absorption of modernism and the technical advancement of the artistic avant-garde: Expressionism, Surrealism, and the built-up, collaged surfaces of Art Informel. In Rome, a visit from Sidney Nolan in 1953 stirred Tucker's nostalgia for Australia, leading to his paintings of Australian archetypes: bushrangers, explorers, and his iconic Antipodean Heads, their craggy textures emblematic of the harsh Australian outback. Returning to Melbourne in 1960, he felt a deeper connection to his homeland, its history and landscape, which underpinned his continuing evocation of Australian myth. In the 1980s, Tucker revisited the urban themes of his early years, as was seen in the final paintings of the exhibition set within the Melbourne suburb of St Kilda.

A further highlight in Cultural Programming in 2016 was the sale of the film rights to the 2015 book *Modern Love: The Lives of John and*

Sunday Reed by Heide curators Lesley Harding and Kendrah Morgan. The book was also shortlisted for the 2016 Victorian Premier's Literary Awards and the Colin Roderick Award, one of Australia's oldest literary prizes, and received a commendation in the Victorian Community History Awards.

Exhibition	Exhibition Dates	Venue	Curator
In Fond Memory: The Barbara Tucker Gift	22 August 2015 – 6 March 2016	Heide III: Albert & Barbara Tucker Gallery	Kendrah Morgan
Modern Love: The Lives of John and Sunday Reed	19 September 2015 – 10 April 2016	Heide I	Lesley Harding and Kendrah Morgan
Alex Selenitsch: LIFE/TEXT	24 October 2015 – 17 April 2016	Heide II	Linda Short
Mitch Cairns: The Reader's Voice	24 October 2015 – 21 February 2016	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Linda Michael
Aleks Danko: MY FELLOW AUS-TRA-ALIENS	7 November 2015 – 21 February 2016	Heide III: Central Galleries	Lesley Harding and Glen Barkley
Sarah CrowEST: #straponpaintings	27 February – 29 May 2016	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Kendrah Morgan
Dancing Umbrellas: An Exhibition of Colour, Movement and Light	5 March – 5 June 2016	Heide III: Central Galleries	Sue Cramer
Artists at Leisure: Albert Tucker Photographs	12 March – 13 November 2016	Heide III: Albert & Barbara Tucker Gallery	Linda Michael
Making History: The Angry Penguins	16 April – 6 November 2016	Heide I	Linda Short
Michelle Nikou: a e i o u	23 April – 28 August 2016	Heide II	Kendrah Morgan
Esther Stewart: How to Decorate a Dump	4 June – 11 September 2016	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Sue Cramer
Sitelines: Natasha Johns-Messenger	23 June – 25 September 2016	Heide III: Central Galleries	Linda Michael
We Who Love: The Nolan Slates	3 September 2016 – 2 April 2017	Heide II	Kendrah Morgan
Antonia Sellbach: Open Fields	17 September 2016 – 26 February 2017	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Linda Short
O'Keeffe, Preston, Cossington Smith: Making Modernism	12 October 2016 – 19 February 2017	Heide III: Central Galleries	Lesley Harding
Making History: Charles Blackman	12 November 2016 – 21 May 2017	Heide I	Kendrah Morgan
A Life in Art: Albert Tucker	19 November 2016 – 18 March 2017	Heide III: Albert & Barbara Tucker Gallery	Sue Cramer



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2016 Exhibition Lenders

A Constructed World	First Floor Gallery	National Gallery of Victoria
Albert & Barbara Tucker Foundation	Dale Frank	Neon Parc
Anna Schwartz Gallery	GAGPROJECTS Greenaway Art Gallery	Newcastle Art Gallery
Art Gallery of Ballarat	Briony Galligan	Michelle Nikou
Art Gallery of New South Wales	Georgia O'Keeffe Museum	Luke Parker
Art Gallery of South Australia	Anna Gerlach	Port Phillip City Collection
Belle Bassin	Minna Gilligan	Queen Victoria Museum and Art Gallery
Rebecca Baumann	H GALLERY	Queensland Art Gallery Gallery of Modern Art
Owen Beaton	Noel Hutchison	Robyn Ravlich
Bendigo Art Gallery	James C Sourris AM Collection	Dick Richards
Damiano Bertoli	Lauris Jephcott	Roslyn Oxley9 Gallery
Alex Bowen	Natasha Johns-Messenger	Giles Ryder
David Brooker	Joyce Nissan Collection	Sarah Cottier Gallery
Patsy Brown	Alexander Knox	Alex Selenitsch
Mitch Cairns	Noel McKenna	Antonia Sellbach
Castlemaine Art Museum	Gabriella Mangano	Shepparton Art Museum
Tony Coleing	Silvana Mangano	Solang Production Paris Brussels
The Commercial	MARS GALLERY	Starkwhite
Peter Cripps	Hugo Michell	Station Gallery
Sarah crowEST	Milani Gallery	Esther Stewart
Daine Singer	Viv Miller	The University of Queensland Art Museum
Aleks Danko	Monash University Museum of Art	The University of Sydney
Darren Knight Gallery	Mosman Art Gallery	The University of Western Australia
Deakin Art Collection and Galleries	Murray White Room	Michelle Ussher
Leslie Eastman	Museum of Contemporary Art Australia	Justene Williams
Nick Edwards & Mandy Hall	Muswellbrook Regional Arts Centre	Allan Willingham
Peter Fay	National Gallery of Australia	Theodore Wohng





Please, please keep running these programs. I love the combination of looking at paintings and then learning about the technical and practical application of paint. And the art history component is fabulous.

– Painting Modernism workshop participant

4.2 PUBLIC PROGRAMS

Heide's public programs offer visitors an opportunity to interact with art and ideas through participation. The story of Heide, its unique role in the development of Australian modernism, the gardens, sculpture park and heritage buildings, in combination with Heide's outstanding exhibition program, allow for an exciting and dynamic range of talks, tours and activities. Through participation in age-specific children's programming, practical workshops for adults, and special public events, Heide's audiences have the opportunity to become immersed in the life of the museum. Public programs play a key role in engaging new audiences and many of its participants are first-time visitors to Heide.

During 2016 public programs offered 517 programs to 10,196 visitors, of which 406 were free programs attracting 8253 visitors. Highlights in Heide's free programming were the series of artist performances run as part of the exhibition *Dancing Umbrellas*, which included a performance by artist duo *A Constructed World*, its only showing in Australia. Exhibiting artists and guest speakers also drew large audiences, especially in connection to the exhibition *Sitelines: Natasha Johns Messenger*. In 2016, 1338 people attended 111 paid public programs, generating an increase in income of 17% from the previous year.

Heide's regular children's programs continued to be popular: Heide Art Bubs, for preschoolers; the school holiday art programs; and Sunday Art Club, for art-loving primary school-aged children. In addition, art-making workshops were introduced as a regular feature, and in 2016 included *Painting Modernism*, a series of four painting workshops; *Drawing Modernism*, a drawing class for adults within the galleries, tutored by Heide's artist educators; and *Mastercaster*, a two-day adult and child casting workshop with artist Michelle Nikou, in which participants sculpted and cast a small metal sculpture.

Demand for Heide Art Bubs consistently outstrips capacity, with some participants travelling from as far as Ballarat and Kyneton to participate. To offer an alternative engagement with Heide for visitors with very young children, a new series of *Sculpture Park* detective trails were developed, including 'Sculpture Shapes', an interactive, free activity for parents and toddlers to complete together.

Heide partnered with local communities in 2016 to host a fiction-writing workshop with Yarra Plenty Regional Library, inspired by the exhibition *Making History: The Angry Penguins*, bringing local writers to Heide to workshop and develop short stories. In partnership with Manningham City Council, Heide presented *Pop*

Up Cinema @ Heide, extending operating hours until 8pm for over 1,000 visitors, who watched the movie *Paper Planes* under the stars, and enjoyed free play activities.

As well as presenting 346 daily tours, Heide's twenty volunteer public program guides researched and presented specialised talks on current exhibitions. Art historian and Heide guide Gay Cuthbert gave a talk expanding the visitors' understanding of the exhibition *Making History: The Angry Penguins*, which was especially well received. In reference to the 'Reds under the Beds' tour a visitor commented: 'That was fantastic, it should be printed!'

Public Programs remains indebted to the time and effort given by the volunteer public program guides.

These sculpture park shapes detective trails are fabulous—we've come back to do it again.

– Heide visitor feedback



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4.3 EDUCATION

Heide's history and collection, exhibitions of modernist and contemporary art, a beautiful natural environment that incorporates an extensive sculpture park make it uniquely suited to offer a diverse range of educational programs.

Heide Education acknowledges the crucial support of the Department of Education and Training through the Strategic Partnerships Program. In 2016, the second year of the triennial partnership, its funding supported the development and delivery of high-quality visual arts programming.

Attendance figures remained consistent in 2016 across student programs, including school excursions for Responding to Art tours and Making Art workshops. Professional development programs were also well attended by primary, secondary and tertiary teachers as well as educators from museums and art galleries. Overall, Education programming engaged 4,193 participants in 2016.

Heide thanks the artists and educators who helped deliver programs: Alex Selenitsch, Michele Davies, Kathy Hendy-Ekers, Natasha Johns-Messenger, Melinda Harper, Lucy Irvine, Julia Powles, Carly Richardson, and Inbar Niv from The Yellow Dance Spot.

Programs for Students

Through inventive, intellectually rigorous, and socially dynamic experiences inspired by Heide's collection and exhibitions, Heide Education provided a broad range of meaningful encounters for students. Heide delivered high-quality education programs that complemented the Victorian Curriculum,

with a focus on visual literacy, critical and creative thinking, and personal and social learning. Responding to Art tours and Art Making workshops provided students with an overview of the museum, exhibitions, artists, its history and the sculpture park. Students were placed at the centre of each learning experience; facilitators encouraged them to look at works of art closely, express personal opinions and develop shared understandings of how art can be interpreted. In teaching students how to negotiate gallery environments and respond to what they see, Heide Education aimed to empower students to experience art and museums in a positive way, and become lifelong learners, visitors and supporters of the arts.

In 2016, teachers continued to recognise the value of including an excursion to Heide as a part of their learning program. 3,696 students visited Heide for exhibition tours, art-making workshops and self-guided programs. Programs offered included: Ways of Looking, Exhibition in Focus, Heide History, Write about Art, Colour Me Green, Visual Thinking Strategies, What is Sculpture? and VCE programs: Art industry Contexts, Inside the Museum, Analytical Frameworks and VCD Design in Practice.

The museum is a highly valued resource for kindergarten to tertiary students and teachers.

Education and Children's Weeks

Welcome funding from the Department of Education and Training enabled Heide to offer free programs to students during Education Week and Children's Week.

For Education Week the free program GIF Me: The Art of Technology was developed to show how contemporary artists make use of technology in the exhibition Dancing Umbrellas. Students became digital art producers: choreographing, recording and producing a digital art GIF.

Heide also celebrated Children's Week, where students were engaged in thinking, responding and making activities that built their confidence and art language skills for discussing sculptures. The workshop component provided an opportunity for kinaesthetic learning where students explored sculptures using their body movements in a choreography workshop led by The Yellow Dance Spot.

124 students from Foundation to Year 6 accompanied by 16 teachers attended Education and Children's Weeks in 2016.

Visual Thinking Strategies

Heide Education continued to develop Visual Thinking Strategies (VTS) programs for students and teachers and develop our partnerships with secondary schools throughout the year.

Epping Secondary College commenced a VTS School Partnership with the museum, supported by an education grant from the CASS Foundation. Year 7 English and Visual Art teachers from Epping undertook Introduction to VTS professional development program at Heide to learn how to facilitate VTS classroom discussions. Teachers explored the questioning and paraphrasing that is essential to this program and developed their understanding of this pedagogical tool. Epping teachers

The Heide Museum of Modern Art was cool. The main thing I liked was Heide III which was Natasha Johns-Messenger's art exhibition. She is called a site artist. Her mirrors were confusing, so confusing that I got lost in the mirror maze and I ended up apologising to myself. I was so excited when I got to meet Natasha and she taught us how it's not our eyes that see, it's our brain that uses our eyes to see. I rated the day 5 out of 5.

— Cynthia 7A

led fortnightly VTS discussions with the Year 7 visual arts students, who also had two visits to Heide exhibitions and to undertake artist-led workshops. The students visited during Sitelines and worked with Natasha Johns-Messenger, exploring the theme *What is Vision?* The Year 7s were excited to meet Natasha and ask her questions about being an artist and her exhibition. Their feedback was overwhelmingly positive.

Deepened engagement with secondary students is the hallmark of the VTS School Partnership, a program which includes multiple visits to the museum throughout the year and complimentary museum admission for students to visit Heide with their families.

In 2016 Koonung Secondary College completed their third year of the VTS School Partnership program, and participants included Year 9 students who had been part of the inaugural group from Year 7 in 2014. Students engaged with artworks in the classroom at school and at Heide throughout the year. Heide supported Koonung teachers through ongoing professional development including coaching and mentoring of teachers at the school and curriculum materials.

An article about Heide's VTS Schools Partnership Program was included in Zart Extra magazine http://www.zartart.com.au/1/2563/ExtraT316_HeideMuseum.aspx

Programs for Educators

The museum helped to foster a dynamic exchange of ideas between educators, offering a collaborative cultural environment in its teacher professional development programs.

Heide Education provided a diverse range of teacher programs relating to exhibitions and developing effective approaches to teaching. Teachers continued to provide excellent feedback, with many teachers returning to visit Heide with their students and attending additional professional development sessions.

160 educators were involved in teacher professional development programs in 2016. The programs included: The Art of Poetry, Mindfulness & Creativity for Teaching and Learning, Inside the Museum: Behind the Scenes at Heide and Making Connections: Divergent Thinking in the Classroom.

Over 100 educators attended Visual Thinking Strategies professional development programs at Heide in 2016. Carly Grace, Education Manager, also travelled to Warrnambool to deliver VTS training for regional teachers.

Education Resources

Education resources targeting students from pre-school to VCE study were made available online for teachers and students. These free resources included Dancing Umbrellas, Michelle Nikou: a e i o u, O'Keeffe, Preston, Cossington Smith: Making Modernism and Esther Stewart: How to Decorate a Dump.

Heide Education commissioned Moppet Films to document the installation of Natasha Johns-Messenger's exhibition Sitelines. This resource, designed to support VCE Studio Arts Unit 4 Outcome 3 <https://vimeo.com/175785837>, included interviews with the artist, a time-lapse of the exhibition installation and audience responses.

Volunteers

Heide would like to acknowledge and thank the Heide Education Volunteer team whose support, dedication and commitment in assisting with the delivery of programs has been greatly appreciated. 19 specialist Education Volunteers provided 1,350 hours of assistance toward the delivery and administration of the education program. Volunteers continue to successfully manage their availability and training for tours and workshops through the Heide Education Portal.



MARGARET PRESTON

RECIPES FOR FOOD AND ART

LESLEY HARDING

5. COMMERCIAL OPERATIONS

The business areas administered by the Commercial Operations department are visitor services and ticketing, Heide Store, Heide Membership, corporate events and venue hire, and the Volunteer Program.

At the end of 2016, Commercial Operations achieved the following results against annual target: 120% of Admissions (average across attendance and revenue), 132% of Retail, 165% of Membership (average across subscriptions and revenue) and 144% of Venue Hire. Overall, the department generated \$1,458,321 in revenue which was 128% ahead of the combined target.

5.1 HEIDE STORE

In 2016 the Heide Store generated \$531,725 (ex GST) in revenue, which represented 132% of target. Strong sales were generated in the final quarter from Heide exhibition-related publications and merchandise from the O'Keeffe, Preston and Cossington Smith: Making Modernism exhibition.

The Making Modernism catalogue, which was produced in association with the Art Gallery of New South Wales and Queensland Art Gallery, has proven to be the highest grossing catalogue in Heide history. A range of merchandise developed in collaboration with Third Drawer Down and Queensland Art Gallery was also well received by Heide visitors, with the average spend more than doubling in the fourth quarter. External merchandise related to the exhibition performed particularly well in the stationary category, overall resulting in the highest grossing annual retail results to date.

Throughout the year, there were several opportunities to promote the Heide Store outside the existing space. In early May, the store participated in the annual Melbourne Art Book Fair at the National Gallery of Victoria. This three-day event provided the opportunity to showcase and sell Heide catalogues past and present, as well as profile Heide and the upcoming exhibition schedule. In November, the first Heide Makers' Market was held, giving the Heide store a presence in the Heide grounds through a market stall. The Market will be held on a monthly basis, allowing the store to showcase Heide merchandise and seasonal produce including honey harvested on its grounds.

In December, Heide Store participated in the annual Big Design Market at the Royal Exhibition Buildings. This is the fourth year Heide has participated, proving an excellent branding exercise, aligning the Heide Store with Melbourne's best local retailers, wholesalers and makers.

The Heide Store online offers a select range of products for online purchase with an emphasis on Heide exclusive merchandise and publications. Web sales accounted for 6.5% of total retail sales, a 1.5% increase on 2015.

In 2017 the Heide Store will continue to extend the range of art-related gift items, as well as sourcing suppliers for the development of Heide-exclusive product.

5.2 VISITOR SERVICES

As the first point of contact for visitors, members and other key stakeholders, the Visitor Services department is committed to maintaining the highest professional standards in order to meet and exceed the expectations of all who interact with the Museum. Visitor Services staff, supported by Heide Volunteers, work to ensure visitor satisfaction through the delivery of high-quality, pro-active customer service to physical, telephone and on-line visitors.

Visitor Services administers revenue from admissions, Education and Public Programs ticketing, the Heide Store and Heide Membership. The department is also responsible for exhibition invigilation, site safety and security in the public environment, corporate event delivery and the management, maintenance and development of the Volunteer Program at Heide.

Admissions (excluding education and public programs)

Ticketed admissions for 2016 totaled 55,258 with revenue of \$771,485. An additional 40,344 attendees visited the gardens, bringing the total site visitation to 95,602.

Heide Volunteer Program

Visitor Services undertook two volunteer recruitments over the year, resulting in the successful appointment and training of 58 new volunteers across Visitor Services, Education and Gardens. At the end of 2016, the Volunteer Program consisted of 193 Volunteers who contributed a total of 12,723 hours to the Museum.

Heide Volunteer Blog

The Heide Volunteer Blog provides an ongoing resource of exhibition information, training materials, events and Visitor Services roster information for all volunteers, as well as a forum for volunteers to share their activities and achievements with everyone at Heide.

Heide Volunteer Resource Library Project

Three volunteers were appointed as Heide Resource Library Volunteers, to support staff in the day-to-day running of the Library as well as maintaining and developing access to relevant reference books for volunteers and staff for recreation and research purposes.

5.3 MEMBERSHIP

The Heide Membership program reached 2,239 members by year end, a 32% increase on the previous year.

Members enjoyed a diverse range of benefits including free museum admission, discounts on programs, in the Heide Store and Café Heide, and with member partner organisations: Australia Centre for the Moving Image, Robin Boyd Foundation and Lido Cinemas. Exclusive member private-viewing events were staged for each major exhibition in 2016: *Dancing Umbrellas: An Exhibition of Movement and Light*, *Sitelines: Natasha Johns-Messenger and O'Keeffe*, *Preston and Cossington Smith: Making Modernism*.

5.4 VENUE HIRE

The Heide grounds offer a stunning setting for events, weddings, picnics and filming and photography. Venue hire is arranged directly by Heide, or through Café Heide when a catering component is required.

In 2016, Venue Hire generated revenue of \$52,938, a 19% increase on the previous year.

November 2016 saw the inaugural Heide Makers' Market; a collaboration between Heide and The Rose St Artists' Market. This monthly market offers an eclectic mix of art, design and handcrafted goods set in the picturesque grounds of the Heide sculpture park.

5.5 CAFÉ VUE AT HEIDE AND CAFÉ HEIDE

Café Vue at Heide enjoyed a successful year of trade during 2016. The café provided a high standard of food and a comfortable dining experience for visitors. Cross-promotion of the café and the museum continued in a number of marketing opportunities. Vue Events at Heide had continuing success, delivering events throughout the year for external clients and internal Heide events such as openings and public and education programs.

In addition to licence fees generated by rental of the Café premises, hire of Heide grounds and buildings for Café events, particularly the Sidney Myer Education Centre, continues to represent an ongoing valuable revenue source for the Museum.

In November 2016, the café changed hands and the Orletto group took over under the name 'Café Heide'.



DANKO 70 EDITION.

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6. COLLECTION

An upgrade to Heide's on-site collection store was the focus of collections activity throughout 2016. With support from Creative Victoria, Heide was able to undertake roof repairs and replace malfunctioning painting racks with an improved art storage system.

The museum continued to develop the collection with generous support from individuals who donated artworks and contributed resources for new acquisitions and conservation. Heide was delighted to accept donations of artworks by Mary Boyd, Aleks Danko, Louise Forthun, Rosalie Gascoigne, Brent Harris, Rudi Krausmann, David Larwill, James Meldrum, Mirka Mora, Sidney Nolan, and Albert Tucker. In addition, a number of artists generously donated their own work to the collection in accordance with Heide's Collection Policy: Davida Allen, Hany Armanious, Fiona Hall, Melinda Harper, Jan Riske, and Alex Selenitsch.

With the generous support of Alison Inglis, Beverley Jenkins, Philip & Sophia Pavlovski-Ross, and the Heide Foundation, the museum was able to purchase an archive of 69 photographs of John Perceval and his ceramic works by renowned photographers Mark Strizic, Axel Poignant, Gordon De' Lisle and others; a welcome addition to the museum's developing archive of artists' papers.

Heide continued its active program of exhibitions drawn from the collection throughout the year. In Heide I the exhibition, *Modern Love: The Lives of John and Sunday Reed*, was on display from September 2015 to April 2016, followed by *Making History: The Angry Penguins*; and *Making History: Charles Blackman*. The outstanding contribution of the late Barbara Tucker to the museum was celebrated in the exhibition *In Fond Memory:*

The Barbara Tucker Gift, which was followed by *Artists at Leisure: Photographs by Albert Tucker* and *A Life in Art: Albert Tucker*, all on display in the Albert and Barbara Tucker Gallery. A selection of works from the Heide Collection was also included in the major Central Galleries exhibition, *Aleks Danko: MY FELLOW AUS-TRA-ALIENS*; and in Alex Selenitsch: *LIFE/TEXT* and *We Who Love: The Nolan Slates*, both in Heide II.

During 2016, ten works from the collection by Sidney Nolan were on loan for display in the following external exhibitions: *We Who Love: The Nolan Slates*, The University of Queensland Art Museum, 23 April 2016 – 24 July 2016: *Untitled (Girl with Flowers)*, 1942 (2000.122); *Two Figures*, c.1942 (2000.123); *Untitled (Two Figures)*, *Untitled (Flying Figure)*, c.1942 (2000.131); *Untitled (Figure with Flowers)*, c.1942 (2000.136); *Woman and Tree (Garden of Eden)*, 1941 (1982.233); *Bird*, 1941 (1982.231); *Window: Girl and Flowers*, 1942 (2000.117); *Arabian Tree*, 1943 (1997.18); *Le Desespoir a des Ailes (Despair has Wings)*, 1943 (1982.248); and *On the Beach*, Mornington Peninsula Regional Gallery, 11 December 2015 – 28 February 2016: *Bathers*, 1943 (1982.247). A work by Howard Arkley was on display in the exhibition *Howard Arkley (and friends...)*, TarraWarra Museum of Art, 5 December 2015 – 28 February 2016: Howard Arkley, *Suburban Interior*, 1983 (1992.16).

The museum extends its great appreciation to collections volunteer Mary Waters for her ongoing support with special projects including archives cataloguing, record maintenance and publications research.

14 Aleks Danko
Art Stuffing 1970
synthetic polymer paint on paper stuffed hessian bag
86 x 56 x 22 cm
Gift of Noel Hutchison 2016 in memory of Kathrine Hutchison
© Aleks Danko



15

2000.239

Albert Tucker
Armoured Faun 1969
oil and PVA on composition board
122 x 152 cm
Gift of the Albert & Barbara Tucker
Foundation 2016

2016.1

Rosalie Gascoigne
Takeover Bid 1981
found window frames, thistle stems
installation dimensions 200 x 350 x 60 cm
Donated through the Australian Government's
Cultural Gifts Program by the Gascoigne family
2016

2016.2

Aleks Danko
*on a sunny, Sunday afternoon, a little gardening,
and then, a nice cup of tea ...* 1972
synthetic polymer paint on composition board
in found painted timber frame with chrome and
painted timber rail, linen tea towel, perspex
68 x 46 x 12 cm
Donated through the Australian Government's
Cultural Gifts Program by Robyn Ravlich 2016

2016.3

Davida Allen
Child at Door 1989
oil on Belgian linen
101 x 101 cm
Donated through the Australian Government's
Cultural Gifts Program by Davida Allen 2016

2016.4

Davida Allen
Couple 1989
oil on Belgian linen
101 x 101 cm
Donated through the Australian Government's
Cultural Gifts Program by Davida Allen 2016

2016.5

Aleks Danko
Art Stuffing 1970
synthetic polymer paint on paper stuffed
hessian bag
edition 3/7
86 x 56 x 22 cm
Gift of Noel Hutchison 2016 in memory of
Kathrine Hutchison

2016.6

Aleks Danko
MINIMAL DELIGHTS 1971
engraved stainless steel, powder coated steel
bearings, felt, chromed brass, Traffolyte
7.7 x 28.5 x 23.5 cm
Gift of Noel Hutchison 2016

2016.7

Alex Selenitsch
O circle zero 1971
vinyl reinforcement ring on synthetic polymer
paint on canvas stretcher by Trevor Vickers
31 x 31 x 7.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.8

Alex Selenitsch
walkabout HORIZON 2008
vinyl letters on found painted mdf block
21.5 x 27.5 x 4.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.9

Alex Selenitsch
beads and roses 1969
screenprint on card
edition 1/10
76 x 50 cm
Gift of Alex and Merron Selenitsch 2016

2016.10

Alex Selenitsch
1 to 9 as grid 1987
silkscreen on paper (overprint from *The Third
Indulgence*, Faculty magazine, Department of
Architecture, RMIT University)
23.2 x 18 cm (irreg.)
Gift of Alex and Merron Selenitsch 2016

2016.11

Alex Selenitsch
O 2004
correction fluid on found October magazine
1 x 18 x 23 cm
Gift of Alex and Merron Selenitsch 2016

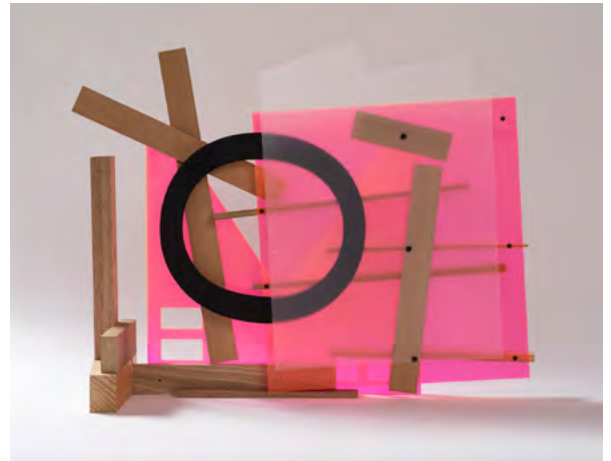
2016.12

Alex Selenitsch
rothko morely vowels x 7 2008
laser prints
7 of 9 parts, each 29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.13

Alex Selenitsch
4 x 1/2 A3 2008
artist's book
cut and folded card covers, photocopied title
pages, cut and folded coloured paper
edition 18/32
21 x 21 cm (closed)
Gift of Alex and Merron Selenitsch 2016

15 Sidney Nolan
Untitled (Abstract Study) 1938
oil on board
34.5 x 27.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2016
© Sidney Nolan Trust



16

2016.14

Alex Selenitsch
4 x ½ A3 on an incline 2008
artist's book
cut and folded card covers, photocopied title
pages, cut and folded coloured paper
edition 18/32
21 x 21 cm (closed)
Gift of Alex and Merron Selenitsch 2016

2016.15

Alex Selenitsch
4 x ½ A3 sinusoidal 2014
artist's book
cut and folded card covers, photocopied title
pages, cut and folded coloured paper
edition 18/32
21 x 21 cm (closed)
Gift of Alex and Merron Selenitsch 2016

2016.16

Alex Selenitsch
4 x ½ A3 horizontal tear 2015
artist's book
cut and folded card covers, photocopied title
pages, cut and folded coloured paper
edition 18/32
21 x 21 cm (closed)
Gift of Alex and Merron Selenitsch 2016

2016.17

Alex Selenitsch
*1 to 9: texts, words, buildings and colour 1987;
seven books of concrete and abstract poems
1998–2009; four 4-colour books 2008–2015* 2015
digital video
duration 00:35:23
Gift of Alex and Merron Selenitsch 2016

2016.18

Alex Selenitsch
ZIGZAG colours #1 2008
found timber assemblage
43.5 x 43.5 x 4 cm
Gift of Alex and Merron Selenitsch 2016

2016.19

Alex Selenitsch
ZIGZAG colours #2 2008
found timber assemblage
31 x 31 x 3.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.20

Alex Selenitsch
ZIGZAG colours #3 2008
found timber assemblage
29 x 23 x 4.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.21

Alex Selenitsch
ZIGZAG colours #4 2008
found timber assemblage
22.5 x 46.5 x 3.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.22

Alex Selenitsch
ZIGZAG colours #5 2008
found timber assemblage
24 x 31.5 x 5.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.23

Alex Selenitsch
ZIGZAG colours #6 2008
found timber assemblage
27 x 43 x 3.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.24

Alex Selenitsch
lines on MATTER 2011
laser prints
open edition
6 of 7 parts, each 29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.25

Alex Selenitsch
Pink square, black O 2013
Perspex, polypropylene, plywood, found timber,
screws
50.5 x 64 x 20 cm
Gift of Alex and Merron Selenitsch 2016

2016.26

Alex Selenitsch
diagonal HORIZON 2000, 2013
laser print
29.7 x 21 cm
edition 2/3
Gift of Alex and Merron Selenitsch 2016

2016.27

Alex Selenitsch
double HORIZON 2006–2008, 2013
laser print
edition 1/3
21 x 29.7 cm
Gift of Alex and Merron Selenitsch 2016

2016.28

Alex Selenitsch
laydown HORIZON 2008, 2013
laser print
edition 2/3
29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016



17

2016.29

Alex Selenitsch
HORIZON (title as an image) 2000, 2013
laser print
edition 3/3
29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.30

Alex Selenitsch
spelling HORIZON 2013
laser print
edition 2/3
29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.31

Alex Selenitsch
veSica c.1980
fibre-tipped pen on tracing paper
29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.32

Alex Selenitsch
infinite S c.1981
acrylic letters on acrylic sheet
1 x 25.5 x 25.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.33

Alex Selenitsch
de/signing the letter S c.1977
silkscreen on paper, coloured pencil
16 x 41 cm (unfolded)
Gift of Alex and Merron Selenitsch 2016

2016.34

Alex Selenitsch
(un)Sun c.1980
torn dye transfer print, ballpoint pen
17 x 20.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.35

Alex Selenitsch
seeing the letter S c.1980
chalk on photocopy of found image
29.7 x 21 cm
Gift of Alex and Merron Selenitsch 2016

2016.36

Alex Selenitsch
S,tair c.1985
Type C photographs on foamcore
18 x 18.5 x 0.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.37

Alex Selenitsch
folded S c.1985
cut and hinged card
25.5 x 15 x 15 cm
Gift of Alex and Merron Selenitsch 2016

2016.38

Alex Selenitsch
Square to Sircle c.1985
melamine plate
2 x 25.5 cm diam.
Gift of Alex and Merron Selenitsch 2016

2016.39

Alex Selenitsch
Overland cover design printer's proof, issue 66,
1977 1977
offset lithograph
29 x 42 cm
Gift of Alex and Merron Selenitsch 2016

2016.40

Alex Selenitsch
Overland cover design printer's proof, issue 91,
May 1983 1983
offset lithograph
29.3 x 45.4 cm
Gift of Alex and Merron Selenitsch 2016

2016.41

Alex Selenitsch
Overland cover design printer's proof, issue 102,
April 1986 1986
offset lithograph
26 x 19.5 cm
Gift of Alex and Merron Selenitsch 2016

2016.42

Alex Selenitsch
Overland cover design printer's proof, issue 105,
December 1986 1986
offset lithograph
26 x 18.3 cm
Gift of Alex and Merron Selenitsch 2016

2016.43

Brent Harris
Untitled 1989
aquatint
edition 4/20
image 21.5 x 10 cm; sheet 57 x 38 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

17 Albert Tucker
Armoured Faun 1969
oil and PVA on composition board
122 x 152 cm
Gift of the Albert & Barbara Tucker Foundation 2016
© Estate of Barbara Tucker,
courtesy of Sotheby's Australia



18



19

2016.44

Brent Harris
Untitled 1991
aquatint, etching and chine colle
edition 4/12
image 34.4 x 27.5 cm; sheet 57 x 76 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.45

Brent Harris
Troubled 1995
spit-bite aquatint, soft-ground etching
and foul bite
edition 2/20 state X
image 70.3 x 55.6 cm; sheet 99 x 79 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.46

Brent Harris
On Becoming (Yellow No. 3) 1996
colour screenprint
edition 17/20
image 95 x 51.4 cm; sheet 121.8 x 77.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.47

Brent Harris
On Becoming (Yellow No. 1) 1998
colour screenprint
edition 33/35 (Moggs Creek Edition)
image 42.2 x 56 cm; sheet 49.5 x 69 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.48

Brent Harris
The Untimely (No. 3) 1998
colour woodcut on Japanese paper
edition 16/20
image 60 x 45.5 cm; sheet 74.3 x 53.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.49

Brent Harris
The Untimely (No. 7) 1998
colour woodcut on Japanese paper
edition 16/20
image 60 x 47.4 cm; sheet 74.3 x 53.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.50

Brent Harris
To the Forest 1999
colour screenprint
edition 17/20
image 91.6 x 152.1 cm; sheet 114.9 x 174.3 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.51

Brent Harris
Swamp 1999
aquatint
edition 12/17
image 59.6 x 24.2 cm; sheet 79 x 47 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.52

Brent Harris
Swamp 1 2000
colour aquatint
edition 17/20
image 59.5 x 30.2 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.53

Brent Harris
Swamp 2 2000
colour aquatint
edition 17/20
image 59.5 x 29.3 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.54

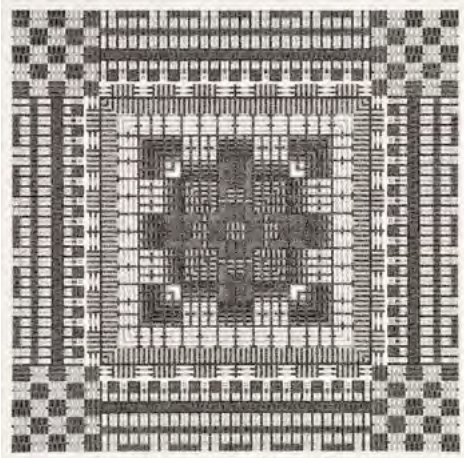
Brent Harris
Swamp 3 2000
colour aquatint
edition 17/20
image 59.4 x 30.2 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.55

Brent Harris
Swamp 4 2000
colour aquatint
edition 17/20
image 59.6 x 29.4 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

18 Brent Harris
The Untimely (No. 3) 1998
colour woodcut on Japanese paper
edition 16/20
image 60 x 45.5 cm; sheet 74.3 x 53.5 cm
Donated through the Australian
Government's Cultural Gifts Program by
Mark Grant 2016
© Brent Harris

19 Brent Harris
The Untimely (No. 7) 1998
colour woodcut on Japanese paper
edition 16/20
image 60 x 47.4 cm; sheet 74.3 x 53.5 cm
Donated through the Australian
Government's Cultural Gifts Program by
Mark Grant 2016
© Brent Harris



20

2016.56

Brent Harris
Swamp 5 2000
colour aquatint
edition 17/20
image 59.4 x 29.2 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.57

Brent Harris
Swamp 6 2000
colour aquatint
edition 17/20
image 59.6 x 30.3 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.58

Brent Harris
Swamp 7 2000
colour aquatint
edition 17/20
image 59.4 x 30.2 cm; sheet 79.6 x 49 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.59

Brent Harris
To the River 2004
colour lithograph
edition 10/30
image 33.5 x 36 cm (irreg.); sheet 53 x 58.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Mark Grant 2016

2016.60

Fiona Hall
Ruin 2015
photo-lithograph
edition 27/150
image 44.3 x 65 cm; sheet 56.3 x 76 cm
Gift of the Australia Council for the Arts 2015

2016.61

Fiona Hall
Mob Rot 2015
potato print and watercolour on paper
artist's proof 3/3
58.5 x 79 cm
Gift of Fiona Hall 2015

2016.62

James Meldrum
Royal Purple 1961
enamel on board
61 x 137 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2016

2016.63

Mirka Mora
Bat Cat 1972
synthetic polymer paint on cotton
27 x 26 x 3 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2016

2016.64

Sidney Nolan
Untitled (Abstract Study) 1938
oil on board
34.5 x 27.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2016

2016.65

Mary Boyd
Untitled (Cat Tile) 1954
underglaze on ceramic tile
10 x 10 cm
Gift of Damian Smith 2016

2016.66

Rudi Krausmann
(Marriage Contract), from the series *Night Poems*
1974
screenprint
edition 3/7
77 x 57 cm
Gift of Charles Nodrum 2016

2016.67

Rudi Krausmann
Happiness, from the series *Night Poems* 1974
screenprint
edition 5/14
77 x 57 cm
Gift of Charles Nodrum 2016

2016.68

Mirka Mora, Lisa Gorman, Gorman
Mirka Dreaming Sheer Dress 2016
shell: 100% silk; trim: 98% viscose 2% elastane
size 10, 130 x 93 cm (laid flat)
Gift of Lisa Gorman 2016

2016.69

Aleks Danko
Ian Bell Will Arrive in London January 3rd, 1974
1973-74
artist book: printed and bound photocopied
pages
edition 2, 18/20
36 x 27 x 3 cm (closed)
Gift of Noel Hutchison 2016



21

2016.70

Jan Riske
Time Field 1984
oil on canvas
120 x 120 cm
Gift of Jan Riske 2016

2016.71

Jan Riske
LLEBOD Graph 1998
pen and ink on paper
120 x 120 cm
Gift of Jan Riske 2016

2016.72

Jan Riske
Scaler Curve 2001
pen and ink on paper
120 x 120 cm
Gift of Jan Riske 2016

2016.73

Hany Armanious
Fountain 2012
marble, cast polyurethane resin, bronze
213 x 183 x 271 cm
Donated through the Australian Government's
Cultural Gifts Program by Hany Armanious
2016

2016.74

David Larwill
People Hoping 1983
oil on linen
182.3 x 153.3 cm
Donated through the Australian Government's
Cultural Gifts Program by Lion Capital P/L 2016

2016.75

Louise Forthun
Leaf 1995
oil on linen
115.5 x 115.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Lion Capital P/L 2016

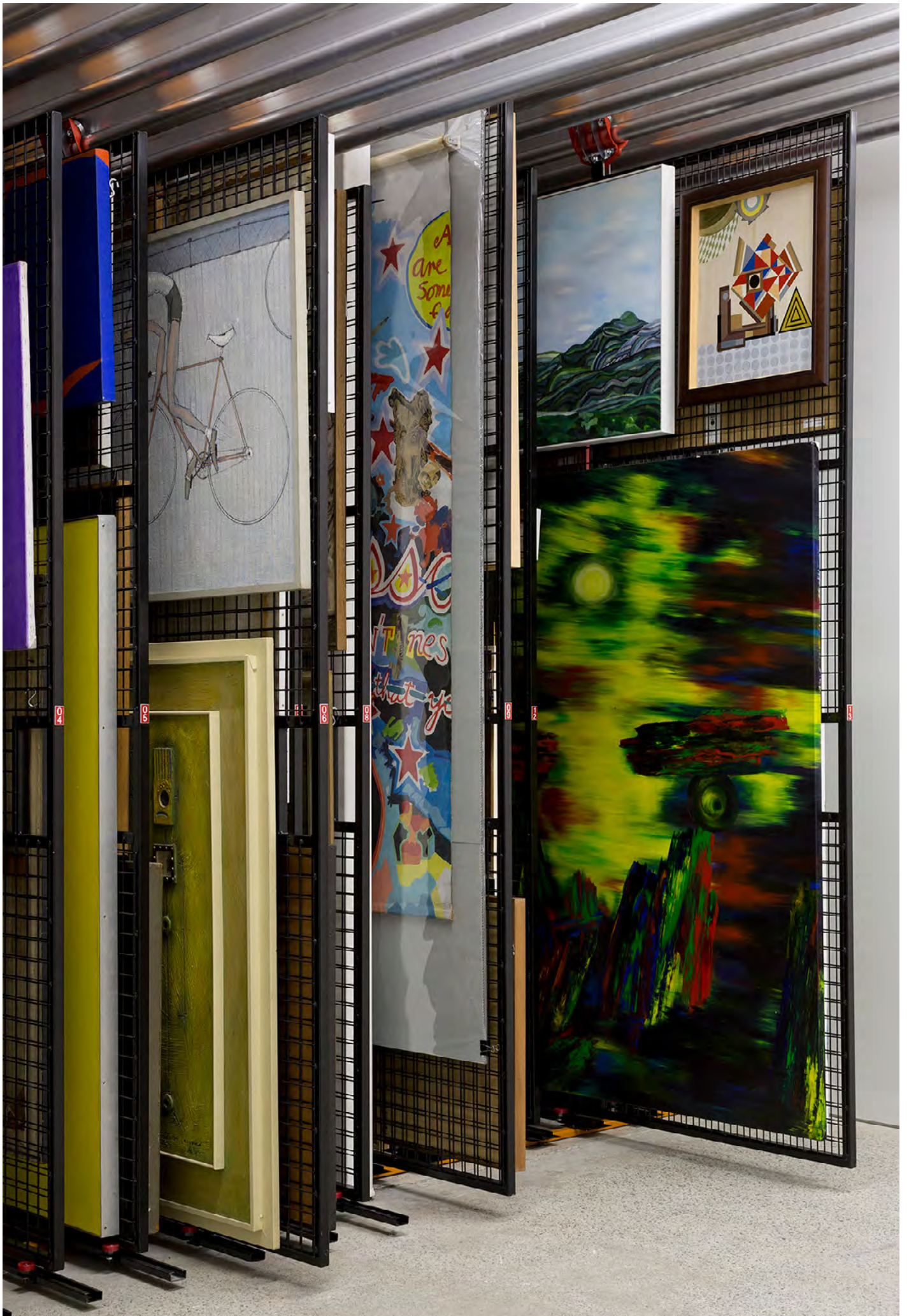
2016.76

Melinda Harper
Untitled 2016
watercolour, screenprinted gouache and
graphite on paper
artist's proof
image and sheet 40.5 x 30 cm
Gift of Melinda Harper 2016

2016.77

Melinda Harper
Untitled 2016
watercolour, screenprinted gouache and
graphite on paper
artist's proof
image and sheet 40.5 x 30 cm
Gift of Melinda Harper 2016

21 Hany Armanious
Fountain 2012
marble, cast polyurethane resin,
bronze
213 x 183 x 271 cm
Donated through the Australian
Government's Cultural Gifts Program
by Hany Armanious 2016
© Hany Armanious



7. FACILITIES

7.1 MAINTENANCE

During 2016 Heide continued to work with Creative Victoria to make strategic investments in line with the long-term capital and maintenance plan outlined in the Asset Services Agreement.

One such project, completed in late 2016, was the installation of a new chiller to replace one that had reached the end of its capacity. After much planning and consultation between Creative Victoria, Heide staff and numerous technical experts to achieve the best long-term solution, the existing outdoor plant area was extended to accommodate a new chiller that can efficiently maintain stringent museum conditions on its own. A new switchboard was installed to accommodate future growth, as were secondary chilled water pumps and control systems. The new chilled water plant is quieter and is also showing promising power cost reductions.

Another important project was the replacement of the recycled art-racking system that had been installed in 2006, parts of which were no longer usable. A top-hanging track system was installed, together with a new fit-for-purpose compactus. The Heide Collection was relocated offsite during these upgrade works,

during which repairs were also made to the box guttering across the Heide III building.

Heide I, the original farmhouse home of the Reeds, underwent detailed repairs and painting to the external timberwork. As funding becomes available during 2017, necessary maintenance of the building's exterior will continue.

The Sidney Myer Education Centre required ongoing maintenance and repair. In October 2016 the large door facing the balcony was extensively damaged during a severe windstorm and will be rebuilt in early 2017. Also scheduled for mid-2017 is the replacement of the timber boardwalk, which has sustained irreparable water damage.

Future priority projects include the glass replacement of the Heide II building, upgrading the building management program, preparing for the NBN service network and resurfacing the lower car park and garden paths.

Heide staff continue to be supported by the team at Creative Victoria, and appreciate the ongoing support and services from a wide range of trades and technical advisors.

7.2 GARDENS

Melbourne enjoyed a reprieve from record-breaking temperatures in 2016, the fourth hottest on record, behind the three previous consecutive years. Autumn, however, was the warmest on record, with 26 consecutive daily minimum temperatures of 15 degrees or above and the first frost arriving only on winter's eve. Rainfall was close to average overall, though May to September was the wettest on record. On 9 October, a severe wind damaged trees across Melbourne, including several at Heide. On 29 December, a flash flood delivered Heide 57.5 mm of rainfall in approximately one hour, causing extensive damage to its network of garden paths.

Garden projects during 2016 included the soft and hard landscaping of the Tony & Cathie Hancy Sculpture Plaza embankment, and remedial garden works associated with the upgrade of Heide's chiller and climate control system. A memorial bench and garden was installed adjacent to the Heide I kitchen garden, in honour of Barbara Coyne, who loved Heide's gardens. The north end of the rill was further restored to improve drainage for the extremely popular Heide Makers' Market, and the heart garden lawn was renovated after extensive earthworks for major plumbing repairs. Plant material from the gardens was supplied to artist Rebecca Mayo for the purpose of dyeing fabrics for her project installation *Habitus*, presented at Heide in association with ART+CLIMATE=CHANGE 2017.

Heide's gardens featured in a Garden Gurus segment 'Bountiful Autumn Harvest', and also on Postcards, both on Channel 9, as well as on 'The Gardenettes' web series. The head gardener appeared in *Yingabeal: The Wurundjeri Scarred Tree at Heide*, a Victorian history education resource, and was later interviewed by Brian Nankervis and Richelle Hunt for 'The Friday Revue' on 774 ABC, in celebration of NAIDOC Week. After more than five years, he concluded his 'Tuesday tips' on Facebook, having posted entries on all of Heide's significant flowering plants, additional to the trees, roses and herbs listed in the book *Sunday's Garden: Growing Heide*.

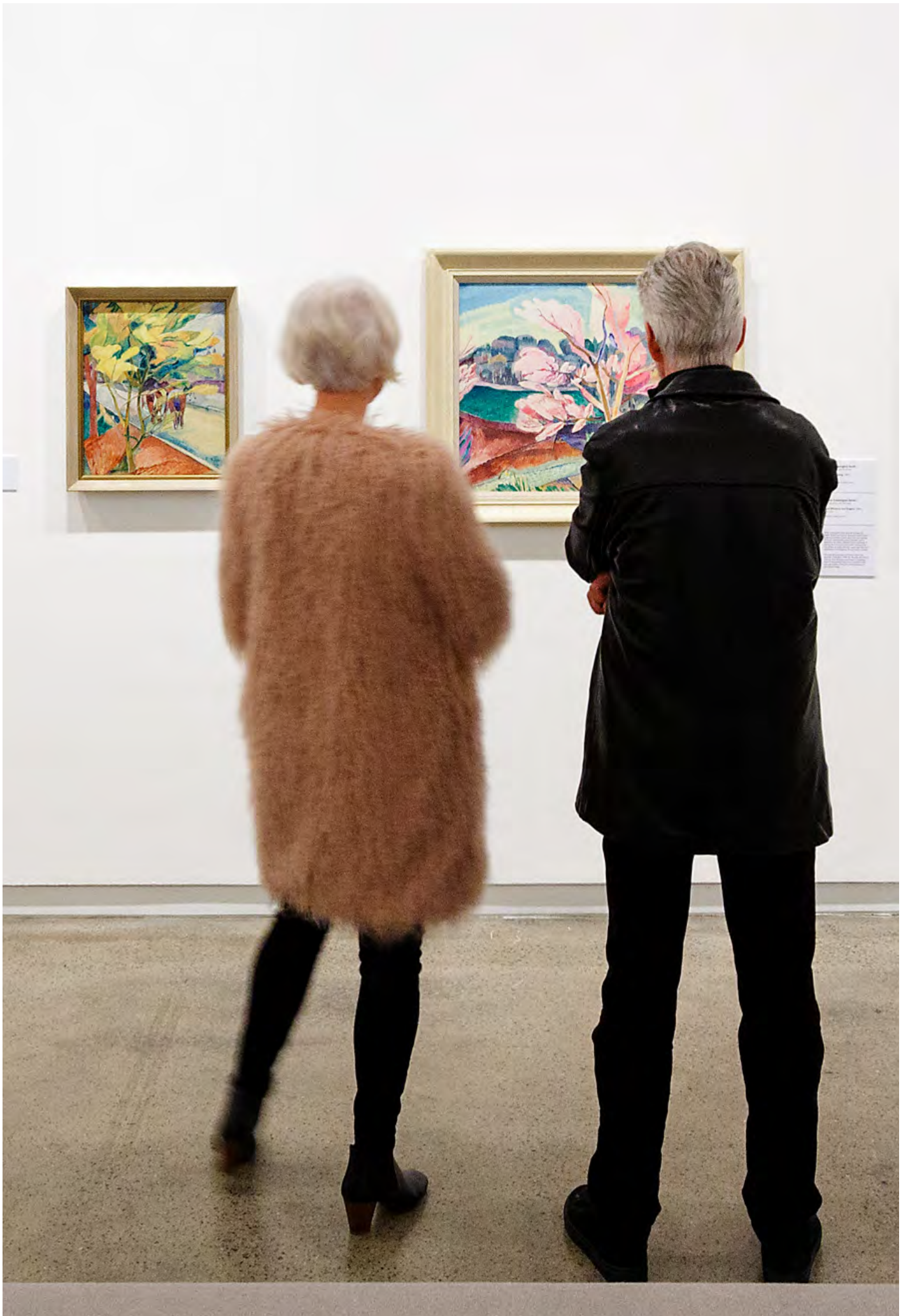
Gardens staff continued to present public programs and tours for visitors, a highlight being the popular 'Camp-out at Heide', at which they hosted an inaugural night tour of the gardens, as well as supplying fresh produce from the kitchen gardens for Café Vue at Heide. The Connie Kimberley Sculpture Park was the venue for the inaugural and well-attended Pop Up Cinema @ Heide, presented in association with Manningham City Council. The gardens also hosted two Internships, one in Urban Horticulture with Karen Stott and another in Applied Horticultural Science with Georgia Hann. Heide's garden volunteers' contribution to the maintenance of its 16 acres is warmly appreciated.

The monthly tree and turf maintenance visits by Recovery Tree Services and Programmed Property Services continued with financial assistance from Creative Victoria.

Volunteers

Janne Bonnett
Alice Crowe
Ronald Deschamps
Lucinda Gow
Pasquale Marinelli
Jemma Stefanou
Margaret Stirkul
Karen Stott







8. MARKETING & COMMUNICATIONS

In 2016 the Marketing & Communications team promoted the Museum’s exhibitions, events and programs through a series of integrated campaigns. Marketing also supported communication campaigns for Education, Public Programs, Retail, Development, Membership and Volunteer Recruitment. Such activity contributed in a meaningful way to build brand awareness, deepen audience engagement and boost overall attendance.

The major marketing campaign this year was for the exhibition O’Keeffe, Preston, Cossington Smith: Making Modernism. The campaign utilised print, broadcast, digital and out of home channels to effectively target the audience, and was boosted by exposure from new marketing partner Melbourne Airport, resulting in an increase in regional and interstate visitors. The campaign generated significant media coverage (over 120 media clips); the online display campaign attracted 550,000 impressions and the video clip was viewed over 20,000 times. Social media reached over 400,000 people during the campaign period.

Digital engagement grew in scope and became more critical than ever across the organisation in 2016. Video was utilised in all major exhibition campaigns, and a purpose-built microsite was initiated for the exhibition

Dancing Umbrellas: An Exhibition of Movement and Light to best convey the video, performative and interactive content of the exhibition.

Heide’s website continued to be a key source of information for visitors with 275,000 sessions (an increase of 28% from 2015), 187,000 users (+28%) and 750,000 page views (+16%). Moreover, website conversions showed strong growth in online purchase of memberships and museum passes.

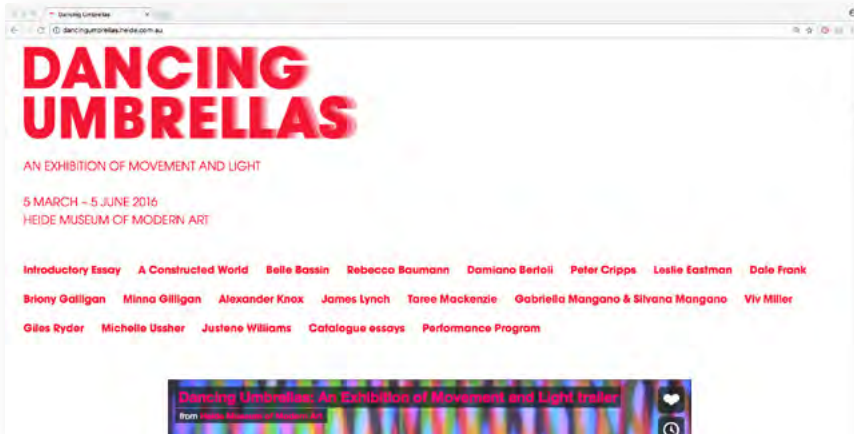
Email marketing remained an effective and direct communication tool, and was used for regular news updates, exhibition invitations and targeted mailings. Subscriber numbers increased by 35% in 2016 and open rates remained above the industry average at 33%.

Social networking channels are playing an increasingly important role in museum marketing and communications, reaching a growing and engaged audience.

Social media growth:

Facebook	+24%	18,000
Twitter	+11%	6,500
Instagram	+165%	25,000

Publications



Curator: Sue Cramer
Title: Dancing Umbrellas: An Exhibition of Movement and Light
Description: Microsite (published on Tumblr) featuring extra content, essays, videos and a live social media stream
Readership: 1,200 unique visitors and 4,329 pageviews



Curator: Lesley Harding & Denise Mimmocchi
Title: O'Keeffe, Preston, Cossington Smith: Making Modernism
Description: Paperback, 206 pages; Essays by Cody Hartley, Jason Smith, Deborah Hart, Lesley Harding, Denise Mimmocchi, Carolyn Kastner, Kathleen Pyne, Robyn Martin-Weber, Cara Pinchbeck, Ann Stephen, Tracey Lock, Rebecca Coates, Deborah Edwards, Kyla McFarlane and Bruce James
Print run: 5,000
RRP: \$39.95



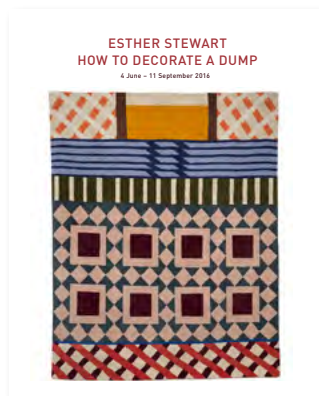
Curator: Melissa Keys and Kendrah Morgan
Title: Michelle Nikou: aeiou
Description: Paperback, 74 pages, Essays by Dr Toby Juliff, Melissa Keys and Kendrah Morgan
Print run: 1,000
RRP: \$12.00
 Published by the National Exhibitions Touring Support, Victoria



Curator: Linda Michael
Title: Sitelines: Natasha Johns-Messenger
Description: 56 page online catalogue
 Essays by Melissa Bianca Amore and Linda Michael
Readership: 1,240 reads, 26,687 impressions



Curator: Linda Short
Title: Antonia Sellbach: Open Fields
Description: 24 page online catalogue
Readership: 559 reads, 2,397 impressions



Curator: Sue Cramer
Title: Esther Stewart: How to Decorate a Dump
Description: 16 page online catalogue
Readership: 612 reads, 3,815 impressions



Curator: Kendrah Morgan
Title: Sarah Crowest: #STRAPONPAINTINGS
Description: 24 page online catalogue
Readership: 594 reads, 4,113 impressions



9. DEVELOPMENT

Heide Museum of Modern Art operates with the generous support of government and philanthropic partners, private individuals and corporate sponsors.

In 2016 the Museum received financial and in-kind support totalling \$1,149,974

This includes:

Discretionary Donations	\$239,511
Heide Director's Circle	\$58,397
Annual Fundraising Dinner	\$169,603
Grants	\$53,358
Local Government Support	\$28,858
Corporate Sponsorship (cash)	\$53,386
Corporate Sponsorship (in-kind)	\$524,997
Exhibition Events	\$21,864

9.1 HEIDE FOUNDATION

Philanthropy has been a constant throughout Heide's development, from the Reeds' bequest of much of their personal art collection in 1981, to the ongoing contributions of private individuals and others who donate works of art and funds to support the diverse activities of the Museum.

Donations totalling \$239,511 were received by the Museum and we are particularly grateful for the generosity of Heide Principal Benefactors Mark Newman and the Albert & Barbara Tucker Foundation for their significant ongoing support. We also thank The Stuart Leslie Foundation for their generosity.

The total for donations includes \$43,023 in response to the 2016 end-of-financial-year campaign. The Museum thanks all campaign donors for their ongoing generosity.

The Heide Collection continued to grow during 2016 through the generous donations of many individuals. A total of 81 works of art were acquired this year with a combined value of \$1,431,134.

Cumulative gifts of cash, artwork and bequests valued in excess of \$1,500 are acknowledged as part of the Heide Foundation in accordance with the giving structure below. The Museum also thanks those who made donations outside the Foundation.

CATEGORY	LEVEL OF GIVING	ACKNOWLEDGEMENT
Principal Benefactor	giving from \$1 million	in perpetuity
Major Benefactor	giving from \$500,000	in perpetuity
Benefactor	giving from \$100,000	in perpetuity
Principal Donor	giving from \$50,000	ten years
Major Donor	giving from \$20,000	five years
Donor	giving from \$5,000	three years
Supporter	giving from \$1,500	one year

2016 Heide Foundation (listed alphabetically)**Principal Benefactor**

Albert & Barbara Tucker Foundation
ANZ Trustees
Mark Newman
Barbara Tucker

Major Benefactor

The Estate of Beverly Brown
Tony Hancy and Cathie Hancy
Craig Kimberley OAM and Connie Kimberley
Loti Smorgon AO
The Yulgilbar Foundation

Benefactor

Rick Amor and Meg Williams
Charles Blackman OBE
Peter Booth
Joan Clemenger AO and Peter Clemenger AO
Jennifer Darbyshire and David Walker
John Downer AM and Rose Downer
Tess Edwards Baldessin
William J Forrest AM
Lindsay Fox AC and Paula Fox AO
Friends of Heide
Kerry Gardner and Andrew Myer
Gascoigne Family
Georges Mora Memorial Fund
Diana Gibson AO
The Graeme Sturgeon Trust
The Ian Potter Foundation
Helen Macpherson Smith Trust

Marjorie M Kingston Charitable Trust
Callum Morton
Baillieu Myer AC
Norman, Mavis and Graeme Waters
Perpetual Charitable Trust
Tom Quirk and Sue Quirk
Andrew Rogers and Judy Rogers
Sidney Myer Fund
Paul Swain
Terry Wu and Melinda Tee

Principal donor

Geoffrey Ainsworth AM
Artbank NSW
Lyell Barry
Besen Family Foundation
Bill Bowness AO
Stephen Charles AO QC and Jennifer Charles
The Copland Foundation
Mikala Dwyer
Erwin Fabian
Diana Fletcher
Michael Gannon and Helen Gannon
Matthys Gerber
Gordon Darling Foundation
Lesley Griffin
John T Reid Charitable Trust
Ben Korman OAM
Elizabeth Laverty
Zen Lucas
Corbett Lyon and Yueji Lyon
Robert Macpherson
Naomi Milgrom AO

John Nixon
William Nuttall and Annette Reeves
Bruce Parncutt AO
Tom Pearce
Rosslynd Piggott
Richard Reed and Vivienne Reed OAM
John Rickard
Denis Savill
Anthony Scott
Alex Selenitsch and Merron Selenitsch
Trevor Tappenden and Christine Tappenden
Mary Teague
Kathy Temin
Peter Tyndall
John Willems
Robyn Wilson

Major donor

Robert O Albert AO and Elizabeth Albert
Davida Allen
Rob Andrew
Arthur A Thomas Trust Equity Trustees
Yvonne Audette
Del Kathryn Barton
Barbara Blackman AO
Norman Bloom and Pauline Bloom
Dean Bowen and Diane Soumilas
Yvonne Boyd
Janet Burchill and Jennifer McCamley
Christine Collingwood and John Collingwood
James Cruthers AO and Lady Cruthers
Neilma Gantner
Mark Grant

Melinda Harper
 Katherine Hattam
 Alison Inglis
 Inge King AM
 Elizabeth Loftus
 Lord Mayor's Charitable Foundation
 Lovell Chen Pty Ltd
 Tom Lowenstein OAM and Sylvia Lowenstein
 Erica McGilchrist OAM
 The Myer Foundation
 Jan Nelson
 Sophia Pavlovski-Ross and Philip Ross
 Stuart Purves AM
 Robert Salzer Foundation
 Dick Roennfeldt and Jill Roennfeldt
 Margaret S Ross AM and Ian C Ross
 Rae Rothfield
 Penelope Seidler AM
 RL Sharwood AM
 Irene Sutton
 Chris Thomas AM and Cheryl Thomas
 David Thomas
 Simon Trumble
 Ralph Ward-Ambler AM
 and Barbara Ward-Ambler
 Judith Wright
 Barbara Yuncken

Donor

Joy Anderson
 Judy Becher
 Kate Bechet and Helen Dick
 Max Beck and Lorraine Beck

Nellie Castan and Olivia Poloni
 Richard Coyne
 Helen Dick
 Lauraine Diggins
 Broderick Ely
 James Fairfax AC
 Louise Forthun
 Gandel Philanthropy
 Sophie Gannon
 Isabella Green OAM and Richard Green
 John Harrison and Margaret Harrison
 Geoffrey Hassall OAM and Virginia Milson
 Siri Hayes
 Gary Hevey
 Leonora Howlett
 Beverley Jenkins
 Kate Jenkins
 Andrea King and Richard King AM
 Vivien Knowles and Graham Knowles
 Peter Lovell and Michael Jan
 John McBride AM
 Paula McLeod and John McLeod
 Rose Nolan
 Axel Osborne
 John Playfoot
 Robyn Ravlich
 Ralph Renard and Ruth Renard
 Diana Ruzzene Grollo
 Dahlia Sable
 Elizabeth Sevier
 Robert Sinclair
 Theo Strasser
 Jenny Strauss

Michael Trovato
 Nancy Underhill
 Leon Velik and Sandra Velik
 Elisabeth Wagner
 Sarah Watts
 Janet Whiting AM and Phil Lukies
 Lyn Williams AM
 Wilson Group

Supporter

John Adams and Cecily Adams
 Adrienne Anderson
 Peter Burns
 Ann Byrne
 Sue Campbell and Alastair Campbell
 Noel Hutchison
 Charles Nodrum
 Norman Rosenblatt and Robin Rosenblatt
 Steven Skala AO & Lousje Skala
 Sylvia Urbach
 Angela Wood and Andrew Wood



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9.2 HEIDE DIRECTOR'S CIRCLE

Established in 2015, the Heide Director's Circle grew to seven members in 2016 as we welcomed Sarah Watts and Karen & Robert Boscarato. This exciting program was established to work alongside the Heide Foundation to attract vital ongoing financial support for the museum.

Funds raised through the Director's Circle are used in two ways: to support major exhibitions, empowering Heide with the confidence to be bold and innovative in its programming; and to enable the acquisition of works of art that will extend the museum's important collection in a strategic and considered way. In 2016 the Heide Director's Circle supported the acquisition of a collection of photographic material originally from the Estate of John Perceval.

The Museum thanks Robert & Karen Boscarato, Jennifer Darbyshire, Mark Newman, Steven Skala, Sarah Watts, Robyn Wilson and Terry Wu for their commitment to this program.

We are also grateful to Patrick McCaughey, Natasha Johns-Messenger, Andrew Browne and Brent Harris for their generous contributions to Director's Circle events held throughout the year.

9.3 GRANTS

We are thankful for the incredible generosity of the Terra Foundation for their support of O'Keeffe, Preston, Cossington Smith: Making Modernism across all presenting partners (Heide Museum of Modern Art, Art Gallery of NSW and Queensland Art Gallery | Gallery of Modern Art). Without their visionary assistance, this beautiful exhibition would not have been possible.

We express our sincere thanks to The Art Gallery Society of NSW, which also provided significant leadership funding for Making Modernism.

The Gordon Darling Foundation generously continued to support the Museum with funding towards the Making Modernism catalogue publication, a continuation of seed funding for this project.

The Embassy of the United States of America, Canberra, also kindly assisted with funding towards Making Modernism and its associated public programs.

We warmly thank the Besen Family Foundation for their funding support of the exhibition *Sitelines*: Natasha Johns-Messenger, and to Hub Furniture for also supporting this exhibition.

We also extend gratitude to the National Exhibitions Touring Support (NETS) Victoria for their generosity with Michelle Nikou: a e i o u.

9.4 DEVELOPMENT COMMITTEE

The work of the Development Committee is driven by a strategic focus on ensuring Heide's financial prosperity and operational sustainability.

We warmly thank each member of the Heide Development Committee, a sub-committee of the Heide Board, for their continued support, guidance and assistance throughout the year.

9.5 HEIDE FOUNDATION BOARD

The Heide Foundation Board was launched in July 2016 to assist in growing the Foundation's revenue and donors. We would like to sincerely thank the Chairman, Mark Newman, for his generous support and leadership. We would also like to thank its members Jono Gelfand, Sophie Gannon, Diana Heggie, Amit Holckner, Alison Inglis, Kerry Phelan, Cindy Sargon, Lousje Skala, Michael Trovato, Linda Wachtel, Erna Walsh, Sarah Watts and Terry Wu for their vision and hard work throughout the year.



9.6 ANNUAL FUNDRAISING DINNER

Now in its fourth year, the Annual Love Heide Fundraising Dinner 2016 was a tremendous success raising \$169,603 from ticket sales, auction lots, donation pledges and limited edition print purchases.

The fourth annual limited-edition print was created by acclaimed contemporary artist, Melinda Harper, and raised \$22,717 from the sale of 21 prints.

There are numerous people and organisations who contributed to the success of this major annual event, including host Geoff Paine, auctioneer Scott Livesey, entertainer Geraldine Quinn and artist Melinda Harper.

Additionally we thank each of the event sponsors for their generous contributions to the success of the evening, including major sponsor Sofitel Melbourne on Collins, Aesop, Mark Newman, Clive Scott, Sanpellegrino, Acqua Panna, Scott Livesey Galleries, Sisko Chocolate, Hub Furniture, Gunn & Taylor Printers and Pearl & Boston Flowers.

We also thank Bill Bowness, *Broadsheet*, Carlton Football Club, Cinema Nova, Cumulus Inc., Evolva Architects, John Gollings Photography, Mark Grant, Hub Furniture, Melinda Harper, Ian Sharp Jewellery Craftmanship, KFive + Kinnarps, Andrew McConnell, Melbourne Theatre Company, Mark Newman, Scott Pickett, Pickett's Deli & Rotisserie, Matthew Scully, Sisko Chocolate, Lousje Skala Design, Sofitel Melbourne on Collins, Nancy Underhill, and Sarah & Ted Watts for their generous contribution towards auction items.

9.7 CORPORATE PARTNERS

Continued and increasing support from the corporate sector is vitally important to the museum, contributing financial and in-kind assistance, as well as providing a diverse range of marketing and promotional opportunities that enable the Museum to extend its reach to a broader audience. We warmly and gratefully acknowledge the contribution of our partners and sponsors to the success of the Museum.

In 2016 long-term agreements continued with Lead Media Partner, *Broadsheet*; Hotel Partner, Sofitel Melbourne on Collins; and Print Partner, Gunn & Taylor Printers.

We also warmly thank our Principal Sponsor, John Gollings Photography along with Major Sponsors Aesop, IAS Fine Art Logistics and Arnold Bloch Leibler.

We gratefully acknowledge Supporters Sanpellegrino, Acqua Panna, Cinema Nova, Spotlight, and Melbourne's Child for their continued generous support of Heide.

In 2016 we welcomed the *Saturday Paper* and *Vault* as new Marketing and Media Partners, along with Exhibition Supporters, Melbourne Airport, and Supporter, Avant Card. We also received pro bono legal assistance from Maddocks.

We thank Neue Luxury and 3deep Media for their support of O'Keeffe, Preston, Cossington Smith: Making Modernism.

We also thank Bed Bath N' Table and Jonathan Dempsey for supporting We who love: The Nolan Slates.

In 2016 total cash support raised was \$53,386 and in-kind support of \$524,997.

9.8 LOCAL GOVERNMENT SUPPORT

We extend sincere thanks to Manningham City Council for their ongoing support of the museum through the current 2015–2019 Community Partnership Grant as well as a Small Grant award to assist with marketing for the Heide Makers' Market.

2016 HEIDE PARTNERS AND SPONSORS

GOVERNMENT PARTNERS



MAJOR EXHIBITION SPONSORS

LEAD MEDIA PARTNER



HOTEL PARTNER



PRINT PARTNER



PRINCIPAL SPONSORS



MAJOR SUPPORTERS



SUPPORTERS



MARKETING AND MEDIA PARTNERS



9.9 SPONSORED EXHIBITIONS

DANCING UMBRELLAS: AN EXHIBITION OF MOVEMENT AND LIGHT

LEAD MEDIA PARTNER

HOTEL PARTNER

PRINT PARTNER



MICHELLE NIKOU: A E I O U

IN PARTNERSHIP WITH

SUPPORTED BY

PUBLICATION SPONSOR



SITELINES: NATASHA JOHNS-MESSENGER

LEAD MEDIA PARTNER

HOTEL PARTNER

PRINT PARTNER



SUPPORTERS



The artist has been supported by the Australia Council for the Arts, the Australian Government's arts funding and advisory body.



WE WHO LOVE: THE NOLAN SLATES

IN CONJUNCTION WITH

SUPPORTED BY



9.9 SPONSORED EXHIBITIONS

ANTONIA SELLBACH: OPEN FIELDS

SUPPORTERS

The artist has been supported by the Australia Council for the Arts, the Australian Government's arts funding and advisory body.



O'KEEFE, PRESTON, COSSINGTON SMITH: MAKING MODERNISM

MAJOR PARTNERS



PRESENTING PARTNERS



LEAD MEDIA PARTNER



HOTEL PARTNER



PRINT PARTNER



SUPPORTED BY



29 Mirka Mora, Lisa Gorman, Gorman
Mirka Dreaming Sheer Dress 2016
shell: 100% silk; trim: 98% viscose 2% elastane
size 10, 130 x 93 cm (laid flat)
Gift of Lisa Gorman 2016
Photograph: Ben Glezer
Stylist: Lisa Gorman
Hair and Makeup: Victoria Martin



10. GOVERNANCE

Heide Park and Art Gallery (trading as Heide Museum of Modern Art) is a company limited by guarantee. It is a not-for-profit entity formed in 1981 for the purposes of operating and managing the assets of Heide, which were purchased by the State Government on behalf of the people of Victoria. Its objectives and purposes are outlined in its constitution and include acting as a Committee of Management under the Crown Lands Reserve Act 1978 (Vic) with respect to the property known as Heide II, Heide III and surrounding parks and gardens. The company owns, in its own right, the property known as Heide I.

Company members as at 31 December 2016:

Helen Alter
Justin Bown
Janine Burke
Ken Cato AO
Stephen Charles AO QC
Joan Clemenger AO
Christine Collingwood
Jennifer Darbyshire
John Downer AM
Jeff Floyd
Kerry Gardner
Jono Gelfand
Alison Inglis
Kate Jenkins
Craig Kimberley OAM
Julia King AM
John Lee
Tom Lowenstein OAM
Sarah McKay
Ian McRae AO
Bryce Menzies
Mark Newman
Tom Quirk
Michael Roux
Ken Ryan AM
Steven Skala AO
Dr Nancy Underhill
David Walsh
Terry Wu
Sharni Zoch



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10.1 BOARD

The Board of Heide Museum of Modern Art recognises the value of good corporate governance in ensuring the Museum's purpose. The Heide Board works to determine and apply the most appropriate governance practices to safeguard stakeholder interests, to optimise operational viability and provide sound asset management. The Heide Board is committed to protecting and enhancing Heide Museum of Modern Art and conducting the Museum's business ethically and in accordance with the highest standards of corporate governance. It views this cornerstone in managing the assets and operations as a fundamental part of its responsibility to government and the people of Victoria.

The Board's role is to provide leadership within a framework of prudent and effective controls, which enables risks to be assessed and managed. The Board, working with senior management, is responsible for Heide's overall business performance. The Board's ultimate responsibility is to approve the museum's goals and directions, strategic plans and performance targets. The Board ensures that appropriate policies, procedures and systems are in place to manage risk, optimise business performance and maintain high standards of ethical behaviour and legal compliance.

The Board has delegated the responsibility for Heide's operation and administration to the executive team led by the Director & CEO. The executive team is responsible for delivering the strategic direction and achieving the Board's goals.

The Heide Board meets for 6 Board Meetings per year.

The corporate governance functions, strategic direction responsibilities and business management oversight of the Board include:

- Providing strategic direction and approving business strategies and objectives
- Approving policies for managing business risks, occupational health and safety, community engagement and environmental sustainability
- Monitoring operational and financial performance and position
- Identifying principal risks and ensuring that appropriate control and monitoring systems are in place to manage the impact of these risks
- Ensuring that financial and other reporting mechanisms result in adequate, accurate and timely information being provided to the Board
- Ensuring that government is informed of all material developments in relation to the
- Company and its core business
- Appointing and — where appropriate — removing the chief executive officer, approving other key executive appointments and planning for executive succession
- Overseeing and evaluating the performance of the chief executive officer and other senior executives
- Reviewing and approving executive remuneration.

Board Composition

The Heide Board is required to have no less than four Directors. The Minister for the Arts is entitled to appoint two Directors. At the end of 2016, there were six Company-appointed Directors and two ministerial appointments. The Board considers relevant experience, professional skills, arts and museum sector knowledge, and diverse perspectives when nominating and appointing new Directors.

Details of each Director's skills and experience are set out in a latter section of this report.

Re-election

In accordance with the Company's constitution, Directors are subject to re-election by rotation at Annual General Meetings at least every three years, to a maximum term of nine years.

Board meetings

During 2016, the Heide Board met six times. Typically Board meetings are held bi-monthly.

The Director & Chief Executive Officer and the Chairman meet regularly to discuss business and strategic issues and to agree on board agendas.

Board Committees

Five Board Committees operated during 2016:

- Governance and Human Resources Committee
Board Directors:
Kate Jenkins (Chair)
Justin Bown
Heide Senior Management:
Kirsty Grant (CEO) (to December)
Linda Michael (Acting CEO from December)
Anouska Phizacklea



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- Finance, Audit and Risk Management Committee
Board Directors:
Sharni Zoch (Chair)
Justin Bown
Heide Senior Management:
Kirsty Grant (CEO) (to December)
Linda Michael (Acting CEO from December)
Anouska Phizacklea
- Development Committee
Board Directors:
Jono Gelfand (Chair)
Terry Wu
Heide Senior Management:
Kirsty Grant (CEO) (to December)
Linda Michael (Acting CEO from December)
Katrina Allen
- Investment Committee
Board Directors:
Justin Bown
Heide Senior Management:
Kirsty Grant (CEO) (to December)
Linda Michael (Acting CEO from December)
Anouska Phizacklea
- Heritage Committee
Board Directors:
John Lee
Heide Senior Management:
Kirsty Grant (CEO) (to December)
Linda Michael (Acting CEO from December)
Paul Galassi

Access to information

Directors are entitled to access all information required to discharge their responsibilities.

In addition to the Board Papers, Directors are in regular contact with the Director & Chief Executive Officer on significant issues. Senior managers also make presentations at each Board meeting to assist Directors in developing an in-depth knowledge of the Company's operations and activities. Most Board meetings are held on-site at the Museum in Bulleen to

enhance Directors' knowledge of the Museum's assets and operations. Board meetings may occasionally be held off-site at other cultural institutions to broaden sector-specific knowledge.

Conflict of interest

Declaration of conflict of interest is a standard Board Agenda item. Directors are required to continually monitor and disclose any potential conflicts of interest. The Corporations Act (2001) requires directors to disclose any conflicts of interest and to generally abstain from participating in any discussion or voting on matters in which they have a material personal interest. A director who believes he or she may have a conflict of interest or material personal interest in a matter is required to disclose the matter in accordance with Corporations Act requirements.

Review of Board performance

The Board has a formal process for reviewing its performance and that of its committees, individual directors and executive management. The Board meets once a year to consider these issues.

Annual General meetings

The Board views Annual General Meetings as an important opportunity to communicate with Company Members and sets aside time at these meetings for Company Members to ask questions of the Board. All members of the Board are encouraged to attend and a representative of Heide's auditor, Seward Dawson, is invited to be available to respond to questions about the audit preparation and content of the audit report. The Director & Chief Executive Officer and the Chairman deliver presentations on the Company's performance over the year and respond to questions.

10.2 HEIDE BOARD SUB-COMMITTEES

Finance, Audit & Risk Management Committee (FARM)

Risk Management is a key element of effective corporate governance. Heide has a comprehensive Risk Management policy and framework based on the Australian Standard for Risk Management (AS/NZS4360:2004). In 2016 the Museum maintained comprehensive risk management plans and specific procedures for managing the organisation's financial, asset, operational and project risks.

The FARM Committee comprises two independent directors, with accounting and financial skills, and general business expertise. Heide management (Director & CEO and Business, Finance & Human Resources Manager) attend the meetings by invitation, as well as other staff as deemed necessary.

FARM meets six times per annum and provides assistance to the Board of Directors in fulfilling its governance and oversight responsibilities in relation to:

- the integrity of the company's annual financial statements and financial reporting;
- exposure to and management of legal, business and operational risks;
- compliance with all statutory requirements;
- the effectiveness of the audit function;
- the adequacy and effectiveness of financial controls, internal controls and management systems;
- the overall effectiveness and adequacy of Heide's risk management framework, policies and processes, and compliance therewith;
- providing adequate education for directors and management regarding their responsibilities in the aforementioned areas.



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Governance and Human Resources Committee (GHR)

Governance and Human Resources Committee (GHR) comprises two independent directors of the Board. Heide management (CEO and Business, Finance & Human Resources Manager) attend the meetings by invitation, as well as other staff as deemed necessary. The GHR is responsible for:

- monitoring and reviewing Heide's governance framework, HR policies and procedures as contained in the HR Policy & Procedures Manual
- assisting the Board with the performance review of the CEO including holding preliminary performance outcome conversations
- assisting the Board in its oversight of the remuneration packages of the CEO and other senior executives who report directly to the CEO having regard to the circumstances of Heide and the performance of the individuals concerned
- reviewing the Director & CEO recommendations in relation to key executive appointments and executive succession planning
- reviewing and monitoring changes to Heide's standard Contract of Employment
- performing other duties and activities that it or the Board considers appropriate in the context of this Charter; and
- reporting and submitting recommendations to the Board on these matters as and when required.

Development Committee

The Development Committee is responsible for assisting the CEO, Finance and Development staff in the setting of yearly fundraising targets, the development of fundraising campaigns, and overseeing and reviewing the implementation of such campaigns. In addition, the Committee:

- assists to identify and target key individuals and philanthropic organisations
- assists to identify, target and introduce potential corporate partners and sponsors
- perform other duties and activities that it or the Board considers appropriate in the context of this Charter; and
- reports and submits recommendations to the Board on these matters as and when required.

Investment Committee

In August 2016 the Investment Committee was established by the Heide Board to assist the Board in the discharge of its statutory, regulatory and fiduciary responsibilities in relation to the prudent management and investment of the assets of Heide.

The Committee:

- i. approves the:
 - a) asset class investment strategy and asset allocation;
 - b) investment manager reviews; and
 - c) liquidity management requirements.
- ii. reviews and recommends the appointment of investment managers, and oversees the transition and implementation processes;
- iii. approves the investment policy for ratification by the Board;
- iii. has oversight of:

- a) the performance of investment managers against previously established benchmarks;
- b) compliance with the terms of the manager mandates;
- c) any terminations of investment managers;
- d) the performance of the asset consultant; and
- e) compliance with Heide's investment policies;
- f) as and when necessary, reports to the Board on any exceptions to satisfactory performance and the action taken or proposed to be taken to remedy the situation; and
- g) has such other functions as requested by the Board.

Heritage Committee

Heritage Committee was constituted in 2016 and is responsible for providing advice and recommendations to the Board and assisting the Director/CEO in relation to:

- heritage matters relating to the management and preservation of Heide buildings and gardens
- the conservation of Heide buildings, including original furniture and furnishings, and gardens
- future developments or proposals which impact on Heide's buildings and gardens and the broader heritage responsibilities of the property

10.3 BOARD DIRECTORS & SENIOR MANAGEMENT PERSONNEL

Directors

Steven Skala AO (Chairman)

Mr Steven Skala AO joined the Board in January 2016 and was appointed Chairman. Mr Skala is a banker and company director, and previously practiced law for many years. He is Vice Chairman, Australia of Deutsche Bank AG, Chairman of BlueChilli Technologies Pty. Ltd., Deputy Chairman of the General Sir John Monash Foundation and a Director of the Centre for independent Studies. A former Chairman of both the Australian Centre for Contemporary Art (ACCA) and Film Australia, Mr Skala also has been a Director of the Australian Ballet, the Australian Exhibitions Touring Agency and the Walter & Eliza Hall Institute of Medical Research, and retired in 2015 from the Board of the Australian Broadcasting Corporation where he served for 10 years. A Member of the International Council of the Museum of Modern Art (MoMA) in New York since 2003, Mr Skala was appointed an Officer of the Order of Australia for his service to the arts, education, business and commerce in 2010.

Justin Bown

Justin Bown joined the Board in June 2012. He is founder and director of Pinnacle Group Australia, a consulting firm that provides strategy and people development services. Prior to this, Justin worked with the Boston Consulting Group and Nous Group in Australia and abroad. Previous board experience includes working as a senior manager and executive board member with an Australian not-for-profit organisation.

Justin holds a Master of Business Administration from Melbourne Business School. He also holds a Bachelor of Arts (Hons) from the University of Melbourne and is a registered psychologist (organisational psychology).

Jono Gelfand

Jono Gelfand joined the Board in December 2011. Jono has over twenty five years' experience in the retail marketing industry and general management having held senior positions at SRG International, specifically across the two major retail brands of Spotlight Stores and Anaconda Stores. Currently COO and Co-owner Ishka Retail Stores, Jono manages the company's retail operations, marketing, logistics, and online divisions. Ishka specialises in unique and handcrafted gifts, homewares, fashion, jewellery and furniture sourced from all over the world. With over 40 stores Australia wide, the rapidly growing retail and online business continues to build on the company's 47 year history and heritage.

Previously Jono was the General Manager Marketing for the Spotlight Group, directly responsible for loyalty marketing, mass marketing, e-commerce and philanthropic activities for this major international retail and property group based in Melbourne. In 2012 he assumed the Chair of the Development Committee of the Board.

Kate Jenkins

Kate Jenkins joined the Board in April 2013. Kate was appointed to the position of Federal Sex Discrimination Commissioner in April 2016. Kate is also on the Board of Carlton Football Club.

From 2013 to 2016 Kate was the Victorian Equal Opportunity and Human Rights Commissioner. Prior to 2013, she was the lead partner of Herbert Smith Freehills' Australian equal opportunity law practice and an experienced employment lawyer and educator. Kate holds honours degrees in Law and Arts.

John Lee

John Lee joined the Board in April 2013. John is a Registered Architect, Fellow of the Australian Institute of Architects and the Director of the Melbourne office of McGlashan Everist Architects. McGlashan Everist is one of Victoria's oldest architectural firms, operating in all sectors of architectural practice for more than sixty years. The practice has been recognised with many architectural awards including the RIAA Bronze Medal for the Best Building in Victoria for Heide II in 1968 and the Enduring Architecture Award for Heide II in 2015. John is a regular awards juror and member of the Association of Consulting Architects Australia and a member of Learning Environments Australasia and the Deakin University School of Architecture and Built Environment Education Advisory Board.

Terry Wu

Dr Terry Wu joined the Board in April 2013. Terry is a specialist plastic, reconstructive and aesthetic surgeon. He is a member of the Australian Society of Plastic Surgeons, the American Society of Plastic Surgeons, the Australasian Society of Aesthetic Plastic Surgeons, and fellow of The Royal Australasian College of Surgeons. Terry is a consultant specialist at Peter MacCallum Cancer Centre, Box Hill Hospital and Monash Health. Terry is the Supervisor of Training for plastic surgery at Peter MacCallum Cancer Centre and specialises in microsurgery and major head and neck cancer reconstructions.

Terry is a keen supporter of contemporary Australian art. By collecting and being an active advocate, Terry endeavours to materially contribute to the wellbeing of artists and visual art in Australia. In addition, Terry serves as a Board Member at the Australian Centre for the Moving Image and the National Association for the Visual Arts and supports institutions and events including the Biennale of Sydney and the Australian Pavilion in Venice. In 2014 Terry established John Street Studios to provide quality affordable studio spaces for artists in inner-city Melbourne.



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Dr Nancy Underhill

Dr Nancy Underhill joined the Board in January 2016.

Dr Underhill is an author, curator and art historian. Educated at Bryn Mawr College and the Courtauld Institute she was Foundation Head of Art History and Inaugural Director of the University Art Museum at the University of Queensland. She has served on the Visual Arts Board of the Australia Council, chaired the Art Association of Australia and the Museums Association of Australia, been a Visiting Fellow at the Humanities Research Centre at ANU, and the Centre of Australian Studies, Kings College, London. Her books include *Sidney Nolan: A Life* (2015), *Nolan on Nolan: Sidney Nolan in his Own Words* (2007), *Letters of John Reed* (co-edit 2001), and *Making Australian Art 1916–1949* (1991). She is currently Deputy to Lisa Gasteen AO for the Lisa Gasteen National Opera School.

Sharni Zoch

Sharni Zoch joined the Board in April 2013. Sharni is a partner in KPMG's Risk Consulting practice with over twenty years' audit and risk management experience working in corporate and Big 4 professional services environments with large, multi-national clients. During her career, Sharni has worked in Melbourne, New York, London and Asia. Sharni has a Bachelor of Commerce from the University of Melbourne and is a Chartered Accountant.

Senior management

The Senior Management Team comprised three members in 2016, whose qualifications and experience is detailed below. This group meets weekly to review operational priorities, develop strategy, plan projects and resolve problems. Decisions and issues are discussed at regular staff and departmental meetings.

**Kirsty Grant: Director / Chief Executive Officer BA (hons)
Postgraduate Diploma in Art Curatorial studies (to December)**

Kirsty joined Heide in January 2015 as Director & Chief Executive Officer. Previous positions include Curator of Prints and Drawings and Head of Australian Art at the National Gallery of Victoria, Melbourne.

**Linda Michael: Deputy Director / Senior Curator
Acting Director and CEO (from December)
BA (first class honours)
Postgraduate Diploma (Editing and Publishing)**

Linda joined Heide in November 2008. Previous positions include Senior Curator, Monash University Museum of Art, Melbourne, and Senior Curator, Museum of Contemporary Art, Sydney. Linda was an independent curator for exhibitions including Patricia Piccinini: *We Are Family*, 2003 Venice Biennale and 21st Century Modern: 2006 Adelaide Biennial of Australian Art, and in 2015 curated Fiona Hall: *Wrong Way Time*, for the Australian Pavilion at the 2015 Venice Biennale.

**Anouska Phizacklea: Business, Finance & Human Resources Manager
BA (hons) (Professional writing and literary studies)
MA (Fine and Decorative Arts)
MCom (Accounting), CPA, GAICD**

Anouska joined Heide in November 2015. Previous Financial and Operational Management positions held include Finance & Operations Manager at the Australian Centre for Contemporary Art (ACCA). Anouska previously held positions in art research, collection valuations, logistics and administration in commercial galleries and auction houses in the UK and Australia.

SARAH CROWEST
#STRAPONPAINTINGS



11. STAFF & VOLUNTEERS**STAFF****Senior Management Team**

Kirsty Grant (to December)
Director / Chief Executive Officer

Linda Michael
Deputy Director / Senior Curator
Acting Director / Chief Executive Officer (from December)

Anouska Phizacklea
Business, Finance & Human Resources Manager

Curatorial & Programming

Sue Cramer
Curator

Lesley Harding
Curator

Kendrah Morgan
Curator

Linda Short
Assistant Curator

Katarina Paseta
Collections Manager

Jennifer Ross
Registrar

Samantha Vawdrey
Exhibition Manager

Carly Grace
Education Manager

Rebecca Renshaw (to March)
Public Programs Manager

Julia Powles
Volunteer Guide and Public Programs
Coordinator (to March)
Public Programs Manager (from March)

Marketing & Communications

Sue Curwood
Marketing & Communications Manager

Claire Miovich
Marketing & Communications Coordinator

Ramona Hamilton-Lindsay
Graphic Designer

Development

Nicole Gooch (to February)
Development Manager

Katrina Allen (from June)
Philanthropy, Partnerships and
Special Events Manager

Finance & Administration

Shona Kohler (to April)
Finance Coordinator

Isabelle Parker (from April)
Finance Assistant and Office Administrator

Facilities & Gardens

Paul Galassi
Facilities Manager

Dugald Noyes
Head Gardener & Caretaker

James Dodd (to August)
Gardener

Katie Nettlebeck
Gardener

Natalie Simmons (to August)
Gardener

Sally Haebich (from August)
Gardener

Commercial Operations

Maria Davies
Commercial Operations Manager

Bianca Dresdon
Commercial Operations Coordinator

Kasey Lack
Administrative Assistant (casual) (from July)

Claire Campbell
Retail Manager and Buyer

Monica McKean
Retail Coordinator

Stephanie DiBattista (to March)
Visitor Services and Volunteer Program Manager

Greg Bricknell (from March)
Visitor Services and Volunteer Program Manager

Carly Richardson
Education Assistant (from February to July)
Education and Public Programs Coordinator (from July)

Senior Visitor Services Officers

Alice Dickins

Lili Belle Birchall

Carly Richardson

Sigourney Jacks

Visitor Services Officers

Karen Adams (from May)

Greg Bricknell (to March)

Michelle Hambur

Melanie Hartigan (from November)

Karen Hinde

Kasey Lack

Seren Little

Nola Orr (from June)

Jennifer Papas

Kevin Pearson

Penelope Peckham

Jessica Pitcher

Jake Treacy

Education and Public Programs Officers

Fiona Cabassi

Melanie Hartigan (from November)

VOLUNTEERS

Heather Adam

Jessie Adams

Karen Adams

Anthea Andrews

Jan Andrews

Ana Maria Antunes

Gila Arab

Alessandra Azzone

Tegan Baker

Louis Balis

Emma Barnes

Jan Beynon

Lula Black

Janne Bonnett

Archie Bourtsos

Kylie Bowden

Katy Bowman

Jessica Bradley

Andrew Bretherton

Jude Bridges-Tull

Hannah Brooksbank

Lizzie Brown

Elyssia Bugg

Alessandra Burato

Rosemary Burdett

Samantha Burton

Stephanie Carroll

Ron Chapman

Min Chen Chen

Caterina Chng

Marie Christodoulaki

Emily Churchill

Jane Clark

Gill Coleman

Mary Collings

Neil Coverdale

Stephanie Cowey

Alice Crowe

Lynne Curtis

Gay Cuthbert

Stephanie D'Alessi

Chiara Dalla Costa

Catherine Dattner

Judy Davies

Bec Davies

Jaimi Dawson

Laura De Neeffe

Adrian Del-Re

Ronald Deschamps

Ann Dickey

Mary-Liz Dore

Tanis Douglas

Miranda Downie

Matthew Ducza

Elizabeth Dufty

Sandra Dunne

Sue East

Helen Efthimiou

Jan Eldred

Erin Ellis	Leona Haintz	Christine Lavender	Adriana Milevoj	Nasrin Rasoulzadeh	Deborah Thompson
Andrea Esnouf	Maria Halkias	Natalie Lawson	Kay Miller	Vivienne Reed	Emma Thomson
Sharon Evans	Lynne Halls	Nicola Lay	Judy Milne-Pott	Jude Reilly	Genevieve Trail
Lynley Exton	Elle Hansen	Christina Lemonis	Sepideh Minagar	Jo-Ellen Robilliard	Jocelyn Tribe
Marianthi Fadakis	Cathy Harrison	Elena Leong	Jeremy Mitchell	Courtney Ruge	Heather Trotter
Tony Fagioli	Mel Hartigan	Christina Lew	Man Mohd Said	Maryam Safinia	Hsin-Hui Tsai
Susan Fahey	Diane Haskings	Nini Li	Jasmine Moston	Kym Salt	Gina Tsarouhas
Imogen Fairweather	Melissa Healy	Petrina Lie	Helen Murray	Nadija Saluwadana	Margaret Van de Walle
Judy Ferguson	Melinda Hilton	Swe Lie Lim	Michelle Nicholson	Jessemyn Schippers	Bianca Varbaro
Kayla Flett	Ashlee Hope	Jennifer Louey	Jill Nicol	Alana Seal	Jonathan Vyssaritis
Clare Flynn	Heather Howes	Sue Lowe	Lesley Nisbet	Meg Sheehan	Jenni Walker
Melanie Flynn	Judith Hughes	Mark Lowrey	Emma Nixon	Megan Smart	Kate Wallace
Bianca Fox	Sarah Humphery	Mara Lythgo	Katja Novakovic	Pirjo Smyth	Lorraine Wallis
Elena Fragapane	Allan Innocent	Catherine Mahoney	Philippa O'Brien	Jessica Soly	Megg Walstab
Charlie Freedman	Penny Jackson	Natalie Mammarella	Jodie O'Keefe	Katie Stackhouse	Garry Walters
Eliza Freeman	Ali Jafari	Joanne Marchese	Leanora Olmi	Julie Stagg	Mary Waters
Jeanette Fry	Chloe Jones	Pasquale Marinelli	Nell Olsson-Young	Virginia Staggs	Lola Wenn
Taryn Gater	Chloe Jones	Patricia Martin	Nola Orr	Jemma Stefanou	Saskia Wetter
Ruth Gazzola	Rachel Jones	Ivan Masic	Pauline O'Shannessy-Dowling	Stuart Steinfort	Tiffany Willenberg
Michelle Gearon	Eliza Jung	Brenda Mason	Laurie Paine	Anne-Katrin Sterling	Emma Williams
(Filitsa) Garifalia Giannopoulos	Lynette Kalms	Cynthia McAfee	Tim Panaretos	Helen Stewart	Heika Williams
Bill Gillies	Diesel Kang	Michael McCosker	Maria Panettieri	Rhonda Stewart	Bec Wisby
Lena Glass	Hana Karas	Janine McGuinness	Murray Pearce	Margaret Stirkul	Wendy Wong
Lucy Gow	Anita King	Fiona McIntosh	Cynthia Pereira	Lynne Stockdale	Benice Woolley
Heather Grafton	Lucy Kingsley	Zara Mckenzie	Cynthia Pereira	Elisa Stone	Anne Wynn
Bev Gray	Lucinda Knight	Anne Mclachlan	Danielle Pezzi	Bryony Stringer	Jess Xuan
Rosanne Green	William Kogoi	Marg McRobbie	Dianne Phillips	Joan Syme	Barbara Yuncken
Tom Greenaway	Jan Kozak	Faye Meldrum	Roslyn Prato	Sze Hui Tan	Winnie Zhu
	Isobel Lake	Katherine Meredith	Cathy Price	Louise Tate	
	Ashlee Lala	Irene Messer	Sophie Prince	Helen Thomas	

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DIRECTORS' DECLARATION 85

DIRECTORS' REPORT

The directors present this report on Heide Park and Art Gallery (the company) for the financial year ended 31 December 2016.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Justin Bown
Jono Gelfand
Kate Jenkins
John Lee
Steven Skala
Nancy Underhill
Terry Wu
Sharni Zoch

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the company during the financial year were to research and deliver outstanding exhibitions, publications, education and public programs that profiled artists central to Heide's history and contemporary art practice, and that displayed and interpreted Heide's nationally significant collection.

There have been no significant changes in the nature of these activities during the year.

Short-term objectives

Heide's short-term objectives are:

- Artistic leadership—as an art museum to further develop its reputation as a leader of standards of excellence, innovation and outreach through presentation of exhibition programs embracing modern and contemporary art drawn from its Collection and external sources
- Optimisation of Place—expand on operational integration of Heide's three discrete exhibition buildings with the sculpture park and gardens and public amenities; through events and programs, present Heide as a whole-of-site, diverse experience for visitors
- Securing the Future—ensure financial operational and environmental sustainability through asset maintenance and by diversifying sources of income across commercial operations, corporate and private philanthropy
- People Love Heide—expand brand awareness and enhance engagement and communication with staff, volunteers, partners, supporters and the general public.

Long-term objectives

The company's long-term objectives are:

- Continue to offer an inspiring, educational and thought-provoking experience of modern and contemporary art, architecture, gardens and social history
- Maintain the facilities of a major museum and heritage site through financial, operational and environmental sustainability
- Integrate Heide's four strategic focus areas with the three public benefit areas of the Victorian Government's Organisations Investment Program (Artistic and Arts Sector Benefits, Social Benefits, Economic Benefits).

Strategy for achieving short and long-term objectives

To achieve these objectives, the company has adopted the following strategies:

- Present a diverse program of exhibitions that promotes Heide as a major cultural venue
- Develop the Heide Collection and optimise public and education access to acquired art works
- Optimise Heide's unique story and spaces to increase local, national and international audiences
- Develop financially sustaining partnerships and long-term relationships with the Government to support core operations and asset maintenance
- Maintain strong governance, and compliance with financial and risk management requirements
- Attract and retain quality staff and volunteers committed to offering high standards of customer service to engage a broad, diverse audience

Directors' Profiles

Justin Bown	Director, Pinnacle Group Australia
Qualifications	BA (Hons), MBA, Registered Psychologist
Special Responsibilities	Finance, Audit and Risk Management Committee, Governance and Human Resources Committee, Chair: Investment Committee
Jono Gelfand	COO and Co-owner Ishka Retail Stores
Qualifications	BEcon, EMBA
Special Responsibilities	Chair: Development Committee, Foundation Board
Kate Jenkins	Federal Sex Discrimination Commissioner
Qualifications	BA (Hons), LLB (Hons), GAICD
Special Responsibilities	Chair: Governance and Human Resources Committee
John Lee	Director, McGlashan Everist Pty Ltd Architects
Qualifications	B.Arch, Registered Architect Victoria, FRAIA
Special Responsibilities	Heritage Committee

Steven Skala AO	Vice Chairman Australia, Deutsche Bank AG
Qualifications	BA LLB (Hons) (Qld), BCL (Oxon)
Special Responsibilities	Chairman
Nancy Underhill	
Qualifications	BA summa cum laude Bryn Mawr College, MPhil. Courtauld Institute, U of London, Phd (Melb.)
Terry Wu	Plastic, Reconstructive and Aesthetic Surgeon, Peter MacCallum Cancer Centre
Qualifications	MBBS (Melb.), FRACS (Plast.)
Special Responsibilities	Development Committee, Foundation Board
Sharni Zoch	Partner, KPMG Australia
Qualifications	BComm, Chartered Accountant
Special Responsibilities	Chair: Finance, Audit and Risk Management Committee

Meetings of Directors

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director, is as follows:

AGM & Board meetings

	Number eligible to attend	Number attended
Justin Bown	7	6
Jono Gelfand	7	7
Kate Jenkins	7	6
John Lee	7	7
Steven Skala	7	7
Nancy Underhill	7	4
Terry Wu	7	7
Sharni Zoch	7	7

Committee Meetings

	Number eligible to attend	Number attended
Justin Bown	9	7
Jono Gelfand	0	0
Kate Jenkins	2	2
John Lee	0	0
Steven Skala	0	0
Nancy Underhill	0	0
Terry Wu	0	0
Sharni Zoch	6	6

Contribution in winding up

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the company. At 31 December 2016 the total amount that members of the Company are liable to contribute if the Company wound up is \$1,500 (2015: \$1,500).

Signed in accordance with a resolution of the Directors.



Sharni Zoch
Director

Reporting obligations

As a company limited by guarantee the entity is now registered with the Australian Charities and Not-for-profits Commission. The consequences of this registration are that (1) the previous reporting obligations under the Corporations Act 2001 no longer apply, and (2) the company now needs to comply with the various reporting requirements contained in the Australian Charities and Not-for-profits Commission Act 2012.



Justin Bown
Director

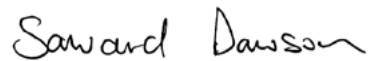
Dated on the 5th day of April 2017

Auditor's Independence Declaration

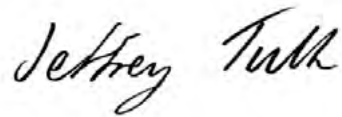
A copy of the Auditor's Independence Declaration as required under Division 60.40 of the Australian Charities and Not-for-profits Commission Act 2012 is included as page 4 of this financial report and forms part of the Director's Report.

**AUDITORS' INDEPENDENCE
DECLARATION TO THE
DIRECTORS OF HEIDE
PARK AND ART GALLERY**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016 there have been no contraventions of any applicable code of professional conduct in relation to the audit:



Saward Dawson Chartered Accountants



Jeff Tulk
Partner

Blackburn VIC
Dated 5th April 2017

	Note	2016 \$	2015 \$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the year ended 31 December 2016			
Operating Activities			
Revenue from operating activities	2	4,672,733	4,023,768
Programming expenses		(401,154)	(332,380)
Marketing expenses		(750,315)	(543,190)
Collection expenses		(155,963)	(158,656)
Commercial operations expenses		(45,729)	(17,883)
Costs of goods sold		(296,808)	(215,909)
Repairs and maintenance		(217,706)	(231,769)
Grounds and gardens		(47,641)	(44,935)
Utilities		(138,307)	(132,007)
Insurance		(83,867)	(105,446)
Depreciation, amortisation and impairment	3 ; 8	(393,114)	(410,469)
Employee benefits expense		(2,074,389)	(2,223,685)
Other expenses from operating activities		(165,499)	(213,211)
Total operating expenses		(4,770,491)	(4,629,540)
Net Surplus (deficit) from operating activities		(97,758)	(605,772)
Investing Activities			
Gain on sale of investments	3	82,664	-
Brokerage costs		(625)	-
Net surplus (deficit) from investing activities		82,039	-

	Note	2016 \$	2015 \$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont)			
For the year ended 31 December 2016			
Capital activities			
Donated works of art (at market value)	2	1,431,134	1,279,345
Net surplus (deficit) from capital activities		1,431,134	1,279,345
Net surplus for the year from all activities		1,415,415	673,573
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on available-for-sale financial assets		74,322	(141,247)
Revaluation gain/(losses) from Works of Arts		(197,037)	311,645
Revaluation gain/(losses) from Land and Buildings		(4,405,234)	-
Items that have been reclassified subsequently to profit or loss:			
Realised gain from available-for-sale financial assets		(82,664)	-
Total comprehensive income		(3,195,199)	843,971

	Note	2016 \$	2015 \$
STATEMENT OF FINANCIAL POSITION			
As at 31 December 2016			
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	959,853	623,710
Trade and other receivables	5	867,832	632,420
Inventories	6	86,330	101,668
Other current assets	9	126,172	138,213
Current financial assets	7	87,524	-
TOTAL CURRENT ASSETS		2,127,711	1,496,011
NON-CURRENT ASSETS			
Financial assets	7	757,681	891,641
Property plant and equipment	8	8,131,223	12,907,638
Other non-current assets	9	57,749,542	56,505,901
TOTAL NON-CURRENT ASSETS		66,638,447	70,305,180
TOTAL ASSETS		68,766,157	71,801,191
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,370,165	1,162,363
Borrowings	11	5,418	2,602
Provisions	12	221,503	258,095
TOTAL CURRENT LIABILITIES		1,597,087	1,423,060
NON-CURRENT LIABILITIES			
Provisions	12	14,525	28,387
TOTAL NON-CURRENT LIABILITIES		14,525	28,387
TOTAL LIABILITIES		1,611,612	1,451,447
NET ASSETS		67,154,546	70,349,744
EQUITY			
Accumulated surpluses		9,999,669	10,052,375
Reserves		57,154,877	60,297,370
TOTAL EQUITY		67,154,546	70,349,744

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Donated Artworks Reserve \$	Financial Assets Revaluation Reserve \$	Equipment Replacement Reserve \$	Total \$
2016						
Balance at 1 January 2016	10,052,375	35,141,544	24,768,006	307,820	80,000	70,349,744
Surplus for the year	1,415,415	-	-	-	-	1,415,415
Revaluation increment / (decrement)		(4,602,271)	-	(8,343)		(4,610,614)
Transfers to and from reserves						-
Donated artworks reserve	(1,431,134)		1,431,134	-		-
Equipment Replacement Reserve	(36,987)				36,987	-
Balance at 31 December 2016	9,999,669	30,539,273	26,199,140	299,477	116,987	67,154,546

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Donated Artworks Reserve \$	Financial Assets Revaluation Reserve \$	Equipment Replacement Reserve \$	Total \$
2015						
Balance at 1 January 2015	10,698,147	34,829,899	23,488,661	449,067	40,000	69,505,774
Surplus for the year	673,573	-	-	-	-	673,573
Revaluation increment / (decrement)	-	311,645	-	(141,247)		170,398
Transfers to and from reserves						-
Donated artworks reserve	(1,279,345)		1,279,345	-		-
Equipment Replacement Reserve	(40,000)				40,000	-
Balance at 31 December 2015	10,052,375	35,141,544	24,768,006	307,820	80,000	70,349,744

STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Cash from operating activities:			
Receipts from customers donations and sponsorship		1,812,705	2,058,080
Payments to suppliers and employees		(3,904,172)	(4,198,866)
Grant receipts		2,264,340	1,760,792
Dividends received		65,062	77,668
Interest received		6,111	17,223
Net cash provided by (used in) operating activities	17	244,046	(285,103)
Cash flows from investing activities:			
Proceeds from sale of investments		208,280	-
Acquisition of property, plant and equipment		(21,932)	(24,955)
Acquisition of other non-current assets		(9,545)	(55,000)
Proceeds from sale of property, plant & equipment		-	-
Net cash provided by (used in) investing activities		176,803	(79,955)
Cash from financing activities:			
New short term borrowings drawn/(repaid)		2,817	(4,429)
Net cash provided by (used in) financing activities		2,817	(4,429)
Net increase (decreases) in cash held		336,143	(369,487)
Cash and cash equivalents at beginning of year		623,710	993,197
Cash at end of financial year	4	959,853	623,710

The accompanying notes form part of the financial statements.

13. NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards — Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report covers Heide Park & Art Gallery as a company limited by guarantee, incorporated and domiciled in Australia, and a not-for-profit entity for financial reporting purposes.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

b. Income Tax

No current or deferred income tax assets or liabilities have been raised by the company as it is exempt from income tax under Division 50 of the Income Tax Assessment Act. The company has been endorsed by the Australian Taxation Office as a Charitable Institution and able to access various tax concessions including Income Tax Exemption.

The company is also registered with the Australian Charities and Not-for-profits Commission.

c. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

d. Inventories

Inventories of goods for resale are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

e. Property Plant and Equipment

Land and buildings

Freehold land and buildings are held at fair value. Leasehold improvements are held at fair value. It is the policy of the company to have an independent valuation every three years, with annual appraisals being made by the directors. The company's directors review the depreciated replacement cost of the buildings on an annual basis to ensure that the carrying values are not in excess of the valuation, as required by AASB 136 Impairment of Assets.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset class are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Leasehold improvements

The company acts as a government appointed committee of management with respect to the property known as Heide Park and Art Gallery. The directors are of the opinion that the custodianship over Heide Park is permanent in nature and therefore they believe that it is appropriate to value the leasehold improvements on a basis consistent with AASB 116 Property, Plant and Equipment. The value of capitalised leasehold improvements will be amortised over their expected useful life.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Buildings	2.5%
Plant and Equipment	20%
Computer Equipment	40%
Leasehold improvements	2.5%

Impairment

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

g. Financial Instruments**Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available-for-sale financial assets

All of the company's investments are classified as available-for-sale financial assets.

Fair value

Available-for-sale financial assets are reflected at fair value and determined based on current bid prices for quoted investments. Fair value is based on the ASX closing market bid value at balance date. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

h. Works of Art

The company undertook an independent valuation of the works of art in full as at 31 December 2014. The valuation was conducted by Charles Nodrum Gallery on 23 December 2014. Further details of the valuation are provided as part of Note 9. Works of art are valued at fair market value and any changes to the market value of works of art held are reflected in Other Comprehensive Income.

The directors have determined that where the works of art are owned by the company or provided to the company under an enduring stewardship arrangement, their value should be disclosed as assets of the company. Works of art on loan or provided to the company under a non-enduring stewardship arrangement are not disclosed as assets of the company. Industry standards stipulate that the company must maintain and insure all works of art held.

i. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at present value. The company has accounted for on costs on these provisions. Employer contributions to employee superannuation are charged as expenses when incurred.

j. Deferred Income

Deferred income shown in the accounts will be recognised over the service delivery period based on the percentage of completion method. For further details refer to the revenue recognition policy that follows.

k. Revenue

Donated works of art are recognised as revenue at market value at the time the works are donated.

Government grants are recognised as income as they are earned. Where grants relate to activities not yet undertaken, and there is an obligation to repay those funds if they are not spent for the approved purpose then such funds are recognised as deferred income until such time as the funded activities are undertaken.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Donation income is recognised when it is received. Bequests are recognised when the legacy is received.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

l. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

m. Graeme Sturgeon Memorial Trust

The Graeme Sturgeon Memorial Trust is a trust established to promote the creation and appreciation of Australian contemporary sculpture. The trust funds are administered by Heide Park and Art Gallery but are excluded from the financial statements as the funds must be appropriated in accordance with the deed of trust. The financial statements of the trust have not been audited as at 31 December 2016. The unaudited financial statements of the trust disclose net available assets of \$1,721 (2015: \$1,721).

n. Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of a change in accounting policy.

o. Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use or where appropriate depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of profit or loss.

p. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Land and building valuation

Heide I land and buildings are held by Heide and classified under Freehold Land and Buildings. Heide II and III are situated on land owned by the State Government and the buildings are classified under Leasehold Improvements. The State Government conducted an independent valuation of Land and Buildings at 5-7 Templestowe Road in November 2016, for the year ending 30 June 2017. The valuation method adopted by the Government's valuer establishes the Fair Value of the property on behalf of Creative Victoria for Financial Reporting purposes and Heide has determined that all Freehold Land, Buildings and Leasehold Improvements are to be revalued in accordance with the report. The Government's valuation uses a market based valuation technique for land and a depreciated replacement cost for buildings.

The adoption of the Government's valuation will require a change in Heide's valuation method for buildings and leasehold improvements to depreciated replacement cost. The change in valuation method will ensure consistency with the approach taken in valuing all Land and Buildings under Heide's control and will align with the Government's Valuation methodology and timeframes. This is appropriate as Heide acts as the Government's Committee of

Management for 7 Templestowe Rd. This is also consistent with the social value approach.

The change in valuation method for buildings and leasehold improvements will result in a revaluation down by net \$4.4 million over all land, buildings and leasehold improvements which will be taken to the Asset Valuation Reserve and other Comprehensive Income at balance date. This amount will be offset against prior revaluations upwards of Land and Buildings.

Land is held at fair value as determined by the revaluations. Building and leasehold improvements are held at fair value which has been determined as depreciated replacement cost value and are depreciated at a rate of 2.5%. The current use is considered the highest and best use. There are no other factors that would lead Heide to believe that any of the assets have been significantly impaired.

Works of Art valuations

Heide's collection of works of art is held at fair value. Purchased works of art are initially carried at cost and subsequently revalued at fair value. Donated works of art are carried at fair value. Works of art are not depreciated as they do not have a finite useful life. Heide's collection is revalued in accordance with Heide's collection policy as detailed at Note 20: Fair Value Measurements.

q. Change in Accounting Policies

A number of new and revised accounting standards became effective for the first time to annual periods beginning on or after 1 January 2016. The standards did not have a material impact on the company.

The future impact of AASB 9, AASB 15 and AASB 16 has not been assessed.

NOTE 2: REVENUE

		2016 \$	2015 \$
Operating activities			
Sale of goods		531,725	425,314
Admissions		771,485	517,610
Government grants	A	1,625,427	1,699,239
Donations and sponsorship	B	1,067,758	781,432
Interest and dividends	(a) ; (b)	71,173	94,891
Other		605,164	505,283
Total Revenue from Operating Activities		4,672,733	4,023,768

(a) Dividend revenue from other corporations	65,062	77,668
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(b) Interest revenue from other persons	6,111	17,223
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Significant Revenue

The following significant revenue items are relevant to explaining the financial performance:

Donated works of art (at market value)	(c)	1,431,134	1,279,345
Triennial State Funding	A	1,370,400	1,370,400
VIC State Grants	A	172,811	242,153
Local Government Grants	A	28,858	38,686
Donations and sponsorship (cash)	B	542,762	505,432
Donations and sponsorship (gifts in kind)	B	524,997	276,000

(c) Donated works of art are recognised in other comprehensive income

	2016 \$	2015 \$
NOTE 3: SURPLUS FOR THE YEAR	Surplus / (Deficit) for the year has been determined after:	
(a) Expenses from Ordinary Activities		
Depreciation of property, plant and equipment	75,126	91,032
Amortisation of leasehold improvements	317,988	319,437
Rental expense on operating leases	15,872	28,430
(b) Revenue and Net Gains		
Net gain on disposal of investments	(82,664)	-
	2016 \$	2015 \$
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	16,605	16,573
Cash at bank	943,248	607,137
	959,853	623,710
	2016 \$	2015 \$
NOTE 5: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	875,282	639,870
Provision for doubtful debts (a)	(7,450)	(7,450)
	867,832	632,420
(a) Provision for doubtful debts		
Past experience indicates that no impairment allowance is necessary in respect of trade debtors 'past due 0 – 30 days'. The movement in the provision for doubtful debts has been determined after a review of amounts outstanding at 31 December 2016. The provision for doubtful debts relates to a corporate sponsor that entered into administration in November 2015 was liquidated in 2016. A formal proof of claim form was submitted October 2016, outcome at balance date was unknown.		
Balance at 1 January 2016	(7,450)	(7,450)
Increase to doubtful debts	-	-
Balance at 31 December 2016	(7,450)	(7,450)

	2016 \$	2015 \$
NOTE 6: INVENTORIES		
CURRENT		
Goods for resale - at cost	86,330	101,668

	2016 \$	2015 \$
NOTE 7: FINANCIAL ASSETS		
Available-for-sale Financial Assets		
Equity investments - ASX listed entities	757,681	891,641

Fair value is based on the ASX closing market bid value at balance date.

Current Financial Assets

Term deposit	87,524	-
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The Café Heide Performance Bond is held in Trust and has been invested in a term deposit that expires within a year.

	2016 \$	2015 \$
NOTE 8: PROPERTY PLANT AND EQUIPMENT		
Land and Buildings		
<i>Freehold land at fair value</i>		
Independent valuation - 2016	2,950,000	
Independent valuation - 2011		1,758,080
Total land	2,950,000	1,758,080
<i>Buildings at fair value</i>		
Independent valuation - 2016	449,000	
Independent valuation - 2011		1,200,000
At cost - 2011	-	34,709
Less accumulated depreciation	-	(177,276)
Total buildings	449,000	1,057,433
Plant and Equipment		
<i>Plant and equipment</i>		
At cost	1,518,532	1,496,600
Less accumulated depreciation	(1,393,309)	(1,318,819)
Total plant and equipment	125,223	177,781
<i>Computer software</i>		
At cost	21,654	21,654
Less accumulated depreciation	(21,654)	(21,019)
Total computer software	(0)	635
Leasehold improvements		
Independent valuation in 2016	4,607,000	
Independent valuation in 2011		11,280,180
At cost in 2011	-	19,537
Less accumulated depreciation	-	(1,386,009)
Total leasehold improvements	4,607,000	9,913,708
Total property, plant and equipment	8,131,223	12,907,638

NOTE 8: PROPERTY PLANT AND EQUIPMENT (cont)

Movements in Carrying Amounts

	Freehold land \$	Buildings \$	Plant and equipment \$	Computer software \$	Leasehold improvements \$	Total \$
2016						
Balance at the beginning of year	1,758,080	1,057,433	177,781	635	9,913,709	12,907,638
Additions	-	-	21,932	-	-	21,932
Disposals	-	-	-	-	-	-
Depreciation expense	-	(34,721)	(74,490)	(635)	(283,267)	(393,114)
Revaluation increment/(decrement)	1,191,920	(573,712)			(5,023,442)	(4,405,234)
Transfers	-				-	-
Carrying amount at the end of year	2,950,000	449,000	125,223	(0)	4,607,000	8,131,223

NOTE 9: OTHER ASSETS

	2016 \$	2015 \$
Current		
Prepayments	46,258	47,476
Accrued income	79,914	90,737
	<u>126,172</u>	<u>138,213</u>
Non-Current		
Works of art	57,749,542	56,505,901
	<u>57,749,542</u>	<u>56,505,901</u>
Directors' basis of valuation:		
Donations received based on independent valuation	1,234,096	1,590,990
At independent valuation	56,505,901	54,859,911
Acquisition at cost	9,545	55,000
	<u>57,749,542</u>	<u>56,505,901</u>

In addition to the works of art owned by the company or subject to enduring stewardship arrangement disclosed above, the value of works of art on long-term loan to the company or subject to non-enduring stewardship arrangements total \$7,304,900 which has not been recorded as an asset of the company.

NOTE 10: TRADE AND OTHER PAYABLES

	2016 \$	2015 \$
Current		
Unsecured liabilities		
Trade payables	435,449	320,028
Other payables		
• Deferred income – government grants	730,542	720,000
• Other payables (GST)	69,629	70,567
• Employee accruals	47,020	51,768
Café Heide Performance Bond (held in Trust) (ii)	87,524	-
	<u>1,370,165</u>	<u>1,162,363</u>

(ii) On 22 November 2016, Café Vue assigned the café lease to new operators. The Cafe is now managed by Orletto Holdings operating as Café Heide. The Café Heide performance bond is held in trust and refundable at the expiration of the café agreement or if the terms of the lease agreement are contravened in accordance with the contract.

	2016 \$	2015 \$
NOTE 11: BORROWINGS		
Current		
Credit card amounts payable	5,418	2,602
	<u>5,418</u>	<u>2,602</u>

	2016 \$	2015 \$
NOTE 12: PROVISIONS		
Opening balance at 1 January 2016	286,482	235,370
Additional provisions raised during year	124,402	171,944
Amounts used	(174,855)	(120,832)
Balance at 31 12 2016	<u>236,029</u>	<u>286,482</u>

Analysis of Total Provisions

Current	221,503	258,095
Non-Current	14,525	28,387
	<u>236,029</u>	<u>286,482</u>

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

NOTE 13: CAPITAL AND LEASING
COMMITMENTS

	2016 \$	2015 \$
a. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable—minimum lease payments:		
• not later than 12 months	8,280	28,430
• later than 12 months but not later than five years	30,360	27,863
• greater than five years	-	-
	<u>38,640</u>	<u>56,293</u>

The operating leases relate to the following equipment:

- The lease for a photocopier and 3 laser printers due to expire May 2018 was renegotiated due to ageing equipment. A 60 month contract to supply a new photocopier and 3 laser printers at a lower rate was agreed (contract expires September 2021).

NOTE 14: RESERVES

	2016 \$	2015 \$
a. Asset Revaluation Reserve		
Records revaluations of non-current assets	30,539,273	35,141,544
b. Donated Artworks Reserve		
Represents the value of works of art donated or bequeathed to the company. Subsequent revaluations of the Works of Art are recognised in the Asset Revaluation Reserve.		
	26,199,140	24,768,006
c. Financial Asset Revaluation Reserve		
Records the unrealised gain on financial investments	299,477	307,820
d. Equipment Replacement Reserve		
Represents the joint contribution of the company and licenced operator of the Café Operator (Orletto Holdings trading as Café Heide) to fund replacement of café equipment.		
	116,987	80,000

NOTE 15: ECONOMIC DEPENDENCE

The company is dependant upon the ongoing receipt of State and Local Government grants and community and philanthropic donations to ensure the ongoing continuance of its exhibition, education and public programs. At the date of this report management has no reason to believe that this financial support will not continue.

NOTE 16: RELATED PARTIES**a. Key Management Personnel**

Key management personnel are determined to be the Board of Directors, Director, Chief Executive Officer, Deputy Director and the Business, Finance & Human Resources Manager.

b. Transactions with Key Management Personnel**i. Loans to Directors**

During 2016, there were no loans to directors.

ii. Compensation for Key Management Personnel

Directors of the Company have not been remunerated for the financial year. Other key management personnel compensation comprised the following:-

	2016 \$	2015 \$
Short term benefits	291,688	305,227

Compensation of the Company's key management personnel includes only salaries. Key management personnel do not receive any non-cash benefits, contributions to a post-employment defined benefit plan or other termination benefits. Key management personnel may receive long-term employment benefits when the requisite continuous service period of 7 years is attained.

iii. Key Management Personnel

The Company's related parties include its Board directors as described below.

The names of the persons who were Directors of the Company for all or part of the financial year are listed below.

Justin Bown	Jono Gelfand
Kate Jenkins	John Lee
Steven Skala	Nancy Underhill
Terry Wu	Sharni Zoch

Certain director related transactions occur within a normal customer or supplier relationship on terms and conditions no more favourable than those with which it is reasonable to expect the Company would have adopted if dealing with the director or director-related entity at arm's length in similar circumstances.

NOTE 16: RELATED PARTIES (cont.)

The aggregate value of transactions related to key management personnel and entities over which they have control or significant influence were as follows:

Key Management		2016 \$	2015 \$
Personnel	Transaction		
Directors	Donations (cash)	10,545	19,425
Directors	Donations (in-kind)	-	-
Directors	Purchase of goods and services	36,451	86,071

NOTE 17: CASH FLOW INFORMATION

Reconciliation of cashflow from operations with surplus for the year

	2016 \$	2015 \$
Net surplus for the year	1,415,415	673,573
Non-cash flows in surplus:		
Depreciation and amortisation of non-current assets	393,114	410,469
Loss (Profit) on disposal of investments	(82,664)	-
Works of art (donated)	(1,431,134)	(1,279,345)
Provision for Doubtful Debts	-	7,450
Changes in assets and liabilities:		
(Increase)/decrease in trade and term receivables	(224,589)	(666,526)
(Increase)/decrease inventories	15,338	(39,480)
(Increase)/decrease in other assets	1,219	16,195
Increase/(decrease) in trade payables and accruals	114,483	6,867
Increase/(decrease) in other grants and advance	93,318	534,582
Increase/(decrease) in provisions	(50,454)	51,112
	<u>244,047</u>	<u>(285,103)</u>

NOTE 18: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2016 \$	2015 \$
Financial assets		
Cash and cash equivalents	959,853	623,710
Trade and other receivables	867,832	632,420
Term deposit	87,524	-
Available-for-sale financial assets		
Equity investments	757,681	891,641
	<u>2,672,891</u>	<u>2,147,771</u>

In August 2016 an Investment Committee was established by the Heide Board to assist the Board in the discharge of its statutory, regulatory and fiduciary responsibilities in relation to the prudent management and investment of the assets of Heide. In October 2016 the Committee oversaw the sale of \$208,281 available-for-sale equity investments with the proceeds to be reinvested in 2017.

Financial Liabilities

Financial liabilities at amortised cost

Trade and other payables	482,469	1,162,363
Borrowings	5,418	2,602
	<u>487,888</u>	<u>1,164,965</u>

Net Fair Values

(i) For listed available-for-sale financial assets the fair values have been based on closing quoted bid prices at the end of the reporting period.

NOTE 19: CONTRA SPONSORSHIP

Heide receives sponsorship in the form of graphic design, printing, catering, photography and advertising and pro bono legal advice in exchange for promoting the provider as a corporate supporter of the gallery. The value of contra sponsorship included in the financial statements at Note 2 Revenue: Donations and Sponsorship (gifts in kind) is \$524,997 (2015: \$276,000).

NOTE 20: FAIR VALUE MEASUREMENTS

The company has the following assets as set out in the table below that are measured at fair value on a recurring basis after their initial recognition. The Company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are remeasured at fair value on a non-recurring basis as per AASB 13.

		2016 \$	2015 \$
Recurring fair value measurements			
Financial assets			
Available-for-sale financial assets			
Shares in listed corporations	(i)	757,681	891,641
Property, plant and equipment			
Freehold land at fair value	(ii)	2,950,000	1,758,080
Buildings at fair value			
Independent valuation in 2016		449,000	
Independent valuation in 2011			1,200,000
At cost in 2011		-	34,709
Less accumulated depreciation		-	(177,276)
Total buildings		449,000	1,057,433
Leasehold improvements			
Independent valuation in 2016		4,607,000	
Independent valuation in 2011			11,280,180
At cost in 2011		-	19,537
Less accumulated depreciation		-	(1,386,010)
Total leasehold improvements		4,607,000	9,913,709

(i) For investments in shares, the fair values have been determined based on closing bid prices at the end of the reporting period.

(ii) For freehold land and buildings, the fair values are based on the State Government's valuation undertaken in 2016, which used comparable market data for similar properties.

NOTE 20 FAIR VALUE MEASUREMENTS
(cont'd)**Works of Art**

Heide's collection of works of art is held at fair value. Purchased works of art are initially carried at cost and subsequently revalued at fair value. Donated works of art are carried at fair value. Works of art are not depreciated as they do not have a finite useful life. Heide's collection is revalued in accordance with Heide's collection policy.

Every three years Heide undertakes a full valuation of the collection. At minimum this entails:

- a) All works over \$100,000 to be independently valued. Independent valuation may refer to a process of outsourcing all valuation research, documentation and review, to an external party or undertaking research and documentation in-house with an external review of revised valuations.
- b) In addition, 20 works will be selected for independent re-valuation from those with individual values less than \$100,000, listed in descending order of value. A system of random selection will add the values of works on the list until their cumulative value reaches 5% of the total value of the works listed. At this point a work will be selected and the process repeated down the list until 20 works have been selected.

The average inflation rate calculated through the revaluation of this random selection of works is applied across the entire collection, with the exception of those works revalued under point a), or works acquired and valued during the year of valuation.

On an annual basis curatorial staff review any extraordinary issues arising which may reasonably be expected to affect possible impairment or escalation of value of works of art (e.g. damage, change in circumstances of the artist, market fluctuations etc.) and obtain additional valuations to address such circumstances as appropriate

All works donated within the year are subject to valuation and presented to the Board in an Acquisition Proposal as part of the acquisition process.

Charles Nodrum, an approved valuer under the Cultural Gifts Program, undertook a valuation of the collection in 2014 and valued the collection at \$54,859,911. Subsequent to the valuation date an adjustment of \$311,645 which was recognised in 2015 to account for additional works received in 2014 but which had not been valued by year end and an adjustment down of \$197,038 in 2016 post consolidation of the database records. In 2016 Heide received donated works of art at a value of \$1,431,134. This is reflected in the collection valuation (Note 9 Other Assets).

NOTE 21 COMPANY DETAILS

The registered office of the company is:

Heide Park and Art Gallery
7 Templestowe Road
Bulleen VIC 3105

DIRECTORS' DECLARATION

In the opinion of the Directors of Heide Park and Gallery:

(a) The financial statements and notes of Heide are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- (i) Giving a true and fair view of its financial position as at 31 December 2016 and of its performance for the financial year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Act 2012; and

(b) There are reasonable grounds to believe that Heide will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Sharni Zoch
Director



Justin Bown
Director

Dated the 5th day of April 2017



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEIDE PARK & ART GALLERY

Report on the financial report

Opinion

We have audited the financial report of Heide Park & Art Gallery (the company), which comprises the statement of financial position as at 31 December 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the financial report of Heide Park & Art Gallery has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- i. giving a true and fair view of the company's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standard. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEIDE PARK & ART GALLERY (cont.)

Auditor's responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement if it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



**INDEPENDENT AUDITOR'S
REPORT TO THE
MEMBERS OF HEIDE
PARK & ART GALLERY
(cont.)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Saward Dawson Chartered Accountants

Jeffrey Tulk
Partner
Blackburn VIC
Dated: 5th April 2017