



Heide Museum of Modern Art
2009 Annual Report

Heide
Museum of
Modern Art
Heide

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**I. STATEMENT
OF PURPOSE**

Heide aims to offer an inspiring, educational and thought-provoking experience of modern and contemporary art, architecture and landscape.

2. HONORARY APPOINTMENTS

Heide Patrons

Terry Bracks
Barbara Tucker

Heide Fellows

Dr H Norman B Wettenhall AM (1915–2000)	1988
Georges Mora (1913–1992)	1989
Maria Prendergast OAM	1990
Baillieu Myer AC	1992
Loti Smorgon AO	1993
Victor Smorgon AC	1993
Dr Barrett Reid AM (1926–1995)	1994
Dr Tom Quirk	1995
Maudie Palmer AO	1997
Stephen Charles	1998
Christine Collingwood	1999
Albert Tucker AO (1914–1999)	2000
Barbara Tucker	2000
Tom Lowenstein	2002
William J Forrest AM	2005
John Gollings	2006
Inge King	2006
Neil Everist	2007
Mirka Mora	2008
David Walsh	2009

3. CHAIRMAN & DIRECTOR'S REPORT

2009 was a period in which Heide brought several years of capital works redevelopment to conclusion, tested ambitious new exhibition models, and underwent further significant change within its organisational structure and consolidation of its organisational culture.

Senior Management reviewed Heide's existing Vision and Mission Statements and presented a replacement Statement of Purpose (which appears at the beginning of this Report) that was ratified by the Board and adopted by the Museum in December 2009.

2009 was the second year of implementation of the three year Corporate Plan—Heide SMart Strategy 2008–2010. The plan encompasses Heide's long-term commitment to operating as a sustainable art museum through the application of various sustainable methodologies across the Museum's environmental, financial and cultural objectives. 2009 presented significant fiscal challenges as Heide's extensive operations and major capital project proceeded through the unpredictable effects of the Global Financial Crisis.

2009 was also a period of increased activity in the Museum's milestone reporting to Sustainability Victoria against the Museum's 2008 grant provided through the Sustainability Fund. A significant development in Heide's sustainable business practices included the formation of a Sustainability Leadership Forum comprising the Directors and curators of a number of art museums and galleries that share an outer-metropolitan or regional context. With the aim of sharing information about best sustainable

practices, Heide joined Maroondah Art Gallery, McClelland Gallery + Sculpture Park, Monash Gallery of Art, Mornington Peninsula Regional Gallery, and Tarrawarra Museum of Art in a forum focused on the development of strategies to aid each organisation's operational sustainability.

The completion of the new café facility in November 2009 after a construction phase of 10 months initiated a sophisticated major new public amenity for the Museum, and completed major capital works on site for the foreseeable future.

Chris Connell Design provided an elegant structure sensitive to Heide's environment that, through its floor to ceiling glass walls, capitalises on the beauty of the gardens. It is especially pleasing that the architecture of the café sits so easily between the modernist structure of Heide II and the recent redevelopment of Heide III. Project Management was managed expertly by Lateral Projects and Development (LPD), led by Katherine Armstrong. Howard McCorkell of McCorkell Construction, the builder of the facility, was integral to the timely delivery of the café. We also thank the Project Control Group—comprising representatives of Arts Victoria, the Heide Board and staff, private consultants and LPD—for its commitment to ensuring the realisation of the café on time and on budget. From the Heide staff we would like to acknowledge in particular the work of Kirstee Macbeth (Deputy Director, Head of Development & Communications), Paula Greene (Business, Finance & Sustainability Manager) and Paul Galassi (Facilities Manager), each of whom managed essential aspects of the redevelopment.

The partnership between Heide and the Stephanie Alexander Kitchen Garden Foundation (SAKGF) resulted in the Next Generation campaign that raised funds towards the completion of the café and for the vital educational and cultural change to which the SAKGF and Heide are committed. The café redevelopment was funded by many new and existing Heide supporters and we would particularly like to thank Mark & Hyeon-Joo Newman, The Yulgilbar Foundation and the Myer Foundation for their generous support of the café redevelopment.

Among the priorities of the new café—function, form and heritage preservation—was the reinstatement of the carport structure that was an original feature of Heide II. This is now the outdoor courtyard of the café. Additionally, a cornerstone of the redevelopment was the incorporation of Ecologically Sustainable Design initiatives that encompassed the design itself, the construction process through the demolition of existing structures and recycling of appropriate materials, energy consumption efficiencies, and the inclusion of sustainable practices in the ongoing operations of the completed café.

Heide was delighted to appoint Vue de monde, owned and operated by internationally acclaimed chef Shannon Bennett, to operate what is now known as Café Vue at Heide. The café opened for business on 24 November 2009.

Heide proceeded through significant staff changes in 2009. Anna Driffin, Deputy Director, Head of Development & Communications resigned in October

to take up a position in 2010 with the Australia Council. Anna made an outstanding contribution to the Museum over a period of more than six years, and was especially important to the Museum's recent major capital works projects. Kirstee Macbeth replaced Anna as Deputy Director, and has extensive experience in the development of corporate and private partnerships within the museum sector, and a strong focus on brand management and promotion. Head Gardener Nick Harrison resigned in January after five years with Heide and was replaced by Dugald Noyes, a gardener who for the previous ten years worked with National Trust gardens throughout Victoria. Claire Campbell joined us as Heide Store Manager in January, and under the guidance of Kirstee Macbeth and Heide Board Director Craig Kimberley facilitated a total refit of the Store, and a comprehensive review of the operating model and stock in preparation for the reopening of the Heide Store in November 2009.

Despite unavoidable disruption to daily operations imposed by the café construction throughout 2009 Heide researched and delivered a range of outstanding exhibitions, publications, and education and public programs that addressed the core business of the Museum: to present and interpret Heide's nationally significant collection, and wide-ranging modern and contemporary visual cultures. The Museum's programs are detailed in this report. Of particular note was the Museum's demonstrated capacity to deliver two large-scale, whole-of-site exhibitions that relied on imaginative new

exhibition models: *Modern Times: The Untold Story of Modernism in Australia*; and *Cubism & Australian Art*—the most ambitious exhibition organised by Heide.

We are most grateful for the ongoing support of the Victorian Government through Arts Victoria and in particular the support of the Premier, The Hon. John Brumby MP, and for the support of The Hon. Lynne Kosky MP, Minister for the Arts. Minister Kosky joined us on 23 November to officially launch Café Vue at Heide and open *Cubism & Australian Art*.

We were delighted in December to announce Mr David Walsh as the 2009 Heide Fellow. David was a Director of the Heide Board between 1997–2006.

During 2009 ticketed visitation to Heide totalled 31,663 people and a total of 56,993 people visited the Heide site. These figures are 20% below budget targets, and this is due primarily to the construction of Heide Café, the impact of extended closure periods for galleries during whole-of-site exhibition installations, and the real social and economic effects of the global economic downturn. Whilst Heide's 2009 financial results show a surplus, this is predominantly due to non-cash income represented by donations of works of art. In 2009 the limited resources of philanthropic endowments and diminishment in private giving presented ongoing challenges to Heide. The generation of essential financial resources from commercial operations as well as government, philanthropic and business sources to undertake the Museum's core operations remained a primary focus of Senior Management.



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Heide received exceptional support in 2009 from Government Partner Arts Victoria; Principal Partners Design By Pidgeon and Domaine Chandon; Heide Partners Gollings Photography, Gunn & Taylor Printers, International Art Services, Mecca Medialight, Spicers Paper; Education and Public Programs Partner Manningham City Council; Heide Supporters Image On Line, and Splitrock; and Education and Public Programs Supporter Zart Art. We welcome our new partners Aesop, Arnold Bloch Leibler, JCDcaux, Sofitel Melbourne, Space Furniture and Tsar.

We wish to acknowledge the commitment and work of Heide's Board of Directors, who provided expert advice and support to Heide management and staff throughout another year of major redevelopment of the Museum site and within its staff structure.

Heide's professional staff developed and delivered ambitious, scholarly and critically acclaimed exhibitions, education and public programs, maintaining Heide's status as a leading Australian art museum valued for its historical foundations and legacy.

Heide's dedicated volunteers are integral to the life, dynamism and success of the Museum and we thank them very sincerely for their ongoing work in wide-ranging across Visitor Services, Retail,

Curatorial, Development and Communications, Education and Public Programs, Heide's archives and heritage gardens. Our volunteers' standards of excellence in front and back of house roles ensure Heide's reputation as an outstanding cultural destination.

In 2009 Heide completed a long-term building redevelopment program, and implemented new exhibition models and organisational change and strategies, and consolidated its commitment to sustainability in the second year of its three year 2008–10 Corporate Plan. Heide continually aims to position itself at the forefront of contemporary museum practice.

Jason Smith
Director & Chief Executive Officer

Trevor Tappenden
Chairman



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4. CULTURAL PROGRAMMING

4.1 EXHIBITIONS

The primary focus of Exhibitions in 2009 was the research and development of *Cubism & Australian Art*, a ground-breaking exhibition on show throughout all Heide galleries until Easter 2010. This exhibition explored the impact of the revolutionary movement of Cubism on Australian art from the 1920s to the present. It uncovered a little-known yet compelling history of the local evolution of ideas over nine decades, through work by over eighty Australian artists and key examples of international Cubism drawn from Australian collections. An accompanying publication co-authored by Lesley Harding and Sue Cramer, with commissioned texts by over 33 writers, was a significant component of the project. As a definitive history of Cubism's presence within Australian art, this book will continue to be a resource for researchers and art lovers.

In 2009 Heide hosted three solo exhibitions of contemporary Australian artists in the Heide III galleries. Kathy Temin was the subject of a twenty-year survey in the Central Galleries, which brought together sculptures, wall-drawings, glass and felt pictures, and films of the artist's performances around the themes of loss and desire, memory, home and childhood. Paul Yore's site-specific installation in the Kerry Gardner & Andrew Myer Project Gallery made inventive use of numerous

throwaway items to create a space of reflection and delight. Narelle Jubelin created an installation especially for the Albert and Barbara Tucker Gallery, taking inspiration from Tucker's photographs of Europe in the 1940s and 50s, the Reeds' modernist house, and Nolan's painting *Boy and the moon* (c.1939–40), to provide a context for her sustained ruminations on modernism.

Tucker's early photography was the primary focus of 1940s Melbourne: *Photographs by Albert Tucker*. His images offered insight into a tumultuous decade in Melbourne, as they documented its characters, the inner city and suburban artist hubs, political and theatrical events. The exhibition was curated in collaboration with the State Library of Victoria, and also drew upon archival material from their collection.

Jubelin's exhibition was the contemporary adjunct to *Modern Times: The Untold Story of Modernism in Australia*, an exhibition toured by the Powerhouse Museum which focused on the popular reception of international modernism in Australia, across the fields of architecture, design and visual arts. Aptly shown at Heide because of Heide's own modernist history, the exhibition showcased additional works from the Museum's Collection.

The literary history of Heide, through John Reed's co-editorship of the cultural journal *Angry Penguins*, was the inspiration for *Ern Malley: The Hoax and Beyond* in Heide II. This exhibition explored the genesis, reception and repercussions of Australia's most famous literary hoax through a range of artworks, archival material, original documents and objects from the realm of popular culture.

Heide also hosted Calin Dan, a Romanian artist living in the Netherlands, who restaged a Wolfgang Sievers' photograph of Sweeney Reed and Pamela McIntosh in Heide II, as the beginning point for his development of a future exhibition.

All Heide-curated exhibitions were accompanied by publications. Heide co-published *Cubism & Australian Art* with The Miegunyah Press, an imprint of Melbourne University Publishing. All other catalogues were supported by Heide Partners, Design By Pidgeon, Gunn & Taylor Printers and Spicers Paper.

Exhibitions were greatly assisted by the work of two interns who assisted staff in 2009 as part of the Heide Programming Internship; four volunteers who undertook focused work on *Cubism & Australian Art*; and other volunteers assisting with the research for future exhibitions.

2 A modernist vision of Australia – the Australian Pavilion at Expo 67 in Montreal, designed by architect James Maccormick. Robin Boyd, selected the exhibits which featured Grant and Mary Featherston's wing sound chairs. Photograph: courtesy National Archives of Australia

3 Robert Rooney
After Colonial Cubism 1993
Heide Museum of Modern Art, Melbourne
Purchased through the Heide Foundation
with the assistance of the Heide Foundation
Collectors' Group and the Robert Salzer Fund 2008



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- 4 Jeff Carter
At the Pasha nightclub, Cooma c.1957-59
gelatin silver photograph
Powerhouse Museum, Sydney
Purchased 2000
- 5 Melinda Harper
Untitled 2000
National Gallery of Victoria, Melbourne
Purchased through the National Gallery of Victoria
Foundation by Robert Gould, Benefactor, 2004

- 6 Sidney Nolan
Ern Malley 1973
Art Gallery of South Australia, Adelaide
Gift of Sidney and Cynthia Nolan 1974
- 7 Narelle Jubelin
Silhouette self portrait (1989),
detail from *Trade delivers people #3 1989-97*
Collection of Sharon Grey & Jeff Hall



8 Daniel Crooks
Portrait #2 (Chris) 2007
Courtesy of the artist and
Anna Schwartz Gallery, Melbourne

9 Sidney Nolan
Sonnets for the Novachord 1974
Art Gallery of South Australia, Adelaide
Gift of Sidney and Cynthia Nolan 1974

10 Kathy Temin
Sideboard Garden 2007
Collection of Lisa and Egil Poulsen
Photograph: Mark Ashkanasy



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Exhibition	Exhibition Dates	Venue	Curator(s)
Hinterlands: Albert Tucker's Landscapes 1960–1975	28 June 2008 – 22 February 2009	Heide III: Albert & Barbara Tucker Gallery	Lesley Harding
Order and Dissent: Works from the Heide Collection	1 July 2008 – 1 March 2009	HII	Kendrah Morgan
Covers: Fiona Abicare	1 November 2008 – 22 February 2009	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Zara Stanhope and Linda Short
The Art of Existence: Les Kossatz	22 November 2008 – 9 March 2009	Heide III: Central Galleries	Zara Stanhope
Narelle Jubelin: Cannibal Tours	28 February – 12 July 2009	Heide III: Albert & Barbara Tucker Gallery and Kerry Gardner & Andrew Myer Project Gallery	Ann Stephen
Modern Times: The Untold Story of Modernism in Australia	21 March – 19 July 2009	Heide II and Heide III: Central Galleries	Ann Stephen
Paul Yore: The Big Rainbow Funhouse of Cosmic Brutality	18 July – 15 November 2009	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Sue Cramer
1940s Melbourne: Albert Tucker's Photographs	18 July – 15 November 2009	Heide III: Albert & Barbara Tucker Gallery	Lesley Harding
Ern Malley: The Hoax and Beyond	22 July – 15 November 2009	Heide II	Kendrah Morgan and David Rainey
Kathy Temin	1 August – 8 November 2009	Heide III: Central Galleries	Jason Smith and Sue Cramer
Cubism & Australian Art	21 April 2009 – 8 April 2010	All of site	Lesley Harding and Sue Cramer

11 Paul Yore
The Big Rainbow Funhouse of Cosmic Brutality Part II 2009
(installation view)
Photograph: John Brash

12 Kathy Temin
The Duck-Rabbit Problem 1991
National Gallery of Victoria, Melbourne
Purchased through the Art Foundation of Victoria with
the assistance of the Rudy Komon Fund, Governor, 1998

Exhibition lenders 2009

John & Cecily Adams	Glen Eira City Council Collection
Richard Aitken	Philip Goad
Justin Andrews	Elizabeth Gower
James Angus	Hamish McKay Gallery, Wellington, New Zealand
Anna Schwartz Gallery, Melbourne	Melinda Harper
Ararat Regional Art Gallery	Samela Harris
Arc One Gallery, Melbourne	Yvonne Harris
Art Gallery of New South Wales	Geoffrey Hassall
Art Gallery of South Australia	Christopher Heathcote
Art Gallery of Western Australia	Holmes à Court Collection, Perth
The Arts Centre, Melbourne	Raafat Ishak
Australian Galleries, Melbourne	Ivan Dougherty Gallery, Sydney
Barber/Cottier Collection, Sydney	Robert Jacks
Benalla Art Gallery	George Johnson
Bendigo Art Gallery	Estate of E.M. Kemp
Gordon Bennett	Inge King
Stephen Bram	Andrew Klippel
Avril Burn	Les Kossatz
Jon Campbell	La Trobe University Art Museum
Eugene Carchesio	Alun Leach-Jones
Melissa Corbett	Amanda Love
Daniel Crooks	Lowensteins Arts Management Collection, Melbourne
Darren Knight Gallery, Sydney	McClelland Gallery + Sculpture Park
Juan Davila	Jan McCulloch
Deakin University Art Collection	Peter McMahon & Jennifer Rice
Ronnie Di Stasio	James Meldrum
A.D.S. Donaldson	Michael Lett, Auckland, New Zealand
John Dunkley-Smith	
Diena Georgetti	

Exhibition lenders 2009 (continued)

Milani Gallery, Brisbane	Kalli Rolfe Contemporary Art, Melbourne
Monash Gallery of Art, City of Monash Collection	Robert Rooney
Monash University Collection	Roslyn Oxley9 Gallery, Sydney
Mordant Family Collection	Rae Rothfield
Mori Gallery, Sydney	Garry Shead
Museum of Contemporary Art, Sydney	Shepparton Art Gallery
Museum Victoria	Gemma Smith
National Gallery of Australia	State Library of Victoria
National Gallery of Victoria	Madonna Staunton
Newcastle Region Art Gallery	Sutton Gallery, Melbourne
John Nixon	Masato Takasaka
Charles Nodrum	TarraWarra Museum of Art
Charles Nodrum Gallery	Kathy Temin
Orange Regional Gallery	Tolarno Galleries, Melbourne
Lisa and Egil Paulsen	Transfield Art Collection, Sydney
Penrith Regional Gallery & The Lewers Bequest	Barbara Tucker
Carl Plate Estate	Brian Tucker
Powerhouse Museum	The University of Queensland Art Museum
Queensland Art Gallery	Uplands Gallery, Melbourne
David Rainey	Sue Walker
Jacky Redgate	Whitworth/Bruce Collection
Jackie Redlich	Lyn Williams AM
Rex Irwin Art Dealer, Sydney	William Wright Artists' Projects, Sydney
Lee Riley	Paul Yore
RMIT University	Constanze Zikos
Kalli and Brian Rolfe Collection	Numerous private collections in Brisbane, Canberra, Melbourne and Sydney



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4.2 HEIDE PUBLIC PROGRAMS

Public Programs continued its commitment to deliver high-quality, informative programs to complement Heide's exhibition program, gardens, sculpture park, history and architecture. Many of these programs had a 'green' element that dovetailed with Heide's focus on sustainability as outlined by the Heide SMart strategy.

A range of programs—from artist talks and studio visits to workshops and guided tours—targeted the diverse audiences who visit Heide. A total of 373 programs were delivered to 4735 attendees, including 30 feature events, an increase from 14 held the previous year.

New initiatives included 'Celebrity Chat', with the first speaker Judith Lucy giving her personal insight and response into works in Kathy Temin's exhibition to a capacity audience, and 'Possums on the Move', a program for families to learn about caring for wildlife they find in their own backyards.

Heide delivered a number of programs in partnership with other organisations: a walking tour and fitness class with Manningham Council's Healthy Lifestyle Week; three walking tours followed by 'arvo teas' with the Victorian Seniors Festival; and 'Ern Malley—From the Ear to the Eye', a talk presented by Kendrah Morgan and David Rainey as part of the Melbourne Writers Festival.



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The multidisciplinary exhibition *Modern Times: The Untold Story of Modernism in Australia* proved an excellent platform for delivering programs across the fields of architecture, design—furniture, fashion, interior—and visual arts. Phillip Goad, architectural historian and President of the Victorian RAIA, conducted two architectural tours to capacity audiences: 'Modern Times City Walk and Architecture Tour', and 'Modern Classics Robyn Boyd Architecture Tour'. Other eminent specialists in art and design participated in a number of successful lectures and forums including 'Legacies: The Bauhaus, Ludwig Hirshfield-Mack and Harry Seidler' and 'Modern Design Today'.

'Outposts of the Heide Circle'—a tour of the homes and studios of key Heide figures held in association with the exhibition *1940s Melbourne: Photographs by Albert Tucker*—was hosted by art historian Richard Haese and Juliette Peers, Lecturer, School of Architecture and Design at RMIT University.

Capacity audiences visited the studios of Les Kossatz and Kathy Temin, tours organised in conjunction with their solo exhibitions at Heide.

Throughout the year, the seasonal 'Pick & Eat' program was popular, with participants working with Heide gardeners to harvest produce which is then prepared for lunch by guest chefs. The monthly event 'Heide Art Bubs', for parents and carers with young children, has also continued to grow in popularity.

In addition to organising these paid events, Public Programs continued to deliver regular free exhibition tours and talks. Over the year, 281 exhibition tours and programs were conducted by arts professionals, academics, artists and Heide volunteer guides. Regular events were also delivered in Heide's gardens and Sculpture Park, including 'Bee Keeping', 'Sculpture Park Detective' and talks by Heide's gardeners on a variety of subjects.

Public Programs could not have delivered the number of tours in 2009 without the expertise and dedication of the volunteer guides. A 2009 recruitment drive produced an intake of 15 new volunteer guides, taking the total number to 28. New guides completed an intensive two-day induction process and undergo continued training to enable them to provide quality talks on Heide's behalf.



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4.3 HEIDE EDUCATION

In 2009 Heide Education ran a varied and engaging education program that attracted a total of 3,030 participants, representing a continuing steady increase on previous years. A range of public and independent schools attended museum tours tailored for different ages and knowledge levels: from pre-schoolers to tertiary students, teachers and art educators. Several Professional Development sessions for educators gave opportunities for teachers to listen to curators, artists and guest speakers. Heide staff presented a behind-the-scenes look at public museums for senior secondary students in the new program Inside the Museum: Art Industry Contexts. School holiday programs continued to be popular, providing artist-led activities relating to exhibitions, sustainability, gardens and Connie Kimberley Sculpture Park.

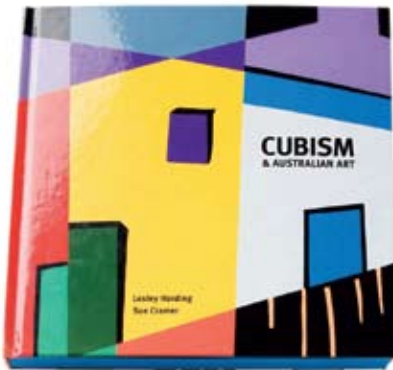
Of the 93 school groups to visit Heide, 44 per cent were repeat visits, demonstrating student and teacher satisfaction with our programs. Fifteen per cent of school groups added value to their exhibition tour by also booking a facilitated workshop, in which they undertook practical activities devised in relation to the exhibition. Three Education Kits were produced as support material for schools: Kathy Temin; Modern Times: The Untold Story of Modernism in Australia; and Inside the Museum: Art Industry Contexts. This last kit was developed to accompany the program and made available for sale in the Heide Store.

Heide's flagship education program Inside the Museum: Art Industry Contexts, triennially funded through the Department of Education and Early Childhood Development, and devised to complement Unit 4: Outcome 3 of VCE Studio Arts, was presented three times. Each day-long session provided a forum for 48 students to listen to and meet with arts industry professionals including curators, registrars, conservators and marketing professionals. The students gained insights into curating, conservation and preservation of artworks, preparing and presenting an exhibition, as well as learning about exhibition design, promotion and marketing.

Programming for teacher professional development continued, with six events attended by 76 teachers. Guest speakers included artist Patricia Piccinini and Marion Strong, Executive Officer, Art Education Victoria.

School holiday activities provided 244 young people with 18 programs throughout the year. Exhibiting artists were among those leading the workshops: Les Kossatz's activity 'Sheep Shape' and Paul Yore's 'Wind Instruments' were presented at the time of their exhibitions at Heide.

Heide Education was greatly supported by a team of twenty specialist Education Volunteers, who contributed 203 hours of assistance. Heide Education values all volunteers and appreciates their commitment and dedication to the Museum.



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5. COMMERCIAL OPERATIONS

5.1 HEIDE STORE

2009 was a year of transformation for the Heide Store with spatial purpose, product strategy and visual merchandising all under review. Operating as a Store and Café until November, the space was both retail and social. With the opening of Café Vue at Heide scheduled for the end of the year, a new approach to the store design and product offering was developed.

From April to October 2009, plans for the new design fit-out of the store were finalised and with the successful application for an ACFM grant through Arts Victoria, work was completed in November. This grant provided the funds needed to implement new lighting, fixtures and signage. The new design featured specific zones including a library, Heide merchandise and Exhibitions to highlight the new range of products.

In June, an extensive review of the current product offering of the Heide Store was undertaken with the results leading to new product development strategy. This approach to product development looked at gaps in opportunity, price points, Heide branded merchandise and buying tactics to maximise visitor purchasing patterns and yield. Heide Store products now incorporate a focus on creativity, sustainability and, wherever possible, the promotion of Australian design and production. 85% of current stock is now either designed or made in Australia.



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Throughout the year, all product displayed was supported by a new, rotational visual merchandising strategy consistent with current Heide exhibitions and programs.

Heide Store returned to full operating capacity on 24 November 2009, timed with the opening of Cubism & Australian Art and the launch of Café Vue at Heide. The reopening was successful for the store, with opening night achieving highest grossing sales driven by the Cubism & Australian Art publication and new range of products.

In 2009, led by the success of the new, defined retail space, new product strategy, Café Vue at Heide, Christmas trade and the hugely successful Cubism & Australian Art, Heide Store delivered both record sales and yield per ticketed admission. The annual sales target for the year was achieved and exceeded by 23% with December exceeding target by 142% supported by sales in the lead-up to Christmas. 2009 also saw the expansion of Heide exclusive merchandise which played a key role in creating a point of difference to other gallery retailers.



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5.2 VISITOR SERVICES

In 2009, Visitor Services administered five of the Museum’s commercial operations revenue streams: Heide Membership, admissions, Education & Public Programs ticketing, event hire and retail (Heide Store and conTEMPORARY CAFÉ). Visitor Services also managed safety, security and the public environment, and collaborated with other departments of the Museum in event management.

Visitor feedback throughout 2009 continued to demonstrate a high level of satisfaction with Heide’s strong team of paid and volunteer Visitor Services staff. As the main point of contact with visitors and Heide Members, Visitor Services is committed to maintaining high professional standards that meet or exceed the expectations of all who interact with the Museum.

A successful Visitor Services Volunteer recruitment campaign was completed in October, with 25 new volunteers joining the team. This brought the total in 2009 to 92 volunteers who collectively contributed to an outstanding 4,556 hours of service to the Museum.

5.3 HEIDE MEMBERSHIP

In 2009, Heide Membership maintained a stable level of growth and retention, despite the closure of the Heide Café for redevelopment. The broad range of benefits and ongoing Member loyalty to the Museum has ensured that even without dedicated campaigns for 2009, Heide Membership achieved a final result ahead of budget.

At 31 December 2009 there were 716 active subscriptions with 972 Members.



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5.4 HEIDE CAFÉ

Following the closure of the Heide Café in April 2008 for redevelopment, the conTEMPORARY CAFÉ operated until mid-November 2009. Located within the existing Heide Store, the café offered a limited menu of packaged sandwiches, salads, hot soup, hot and cold beverages and sweet treats.

In June 2009, Vue de monde was appointed operator of the redeveloped Heide Café after a rigorous tender process. Café Vue at Heide commenced operations on 24 November.



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6. HEIDE COLLECTION

Collection activities during 2009 were primarily oriented towards the extension of onsite access to the Heide Collection from 2010 onwards. This resulted from the decision to reopen Heide I to the public six days a week with a new exhibition program showcasing the Museum Archive and to re-launch Heide II as the venue for the presentation of a series of ongoing exhibitions from the Collection.

Through the generous support of the Ian Potter Foundation and the Sidney Myer Fund, extensive work was undertaken to develop and augment the extant Archive with original documents, photographs and oral histories and to identify the optimal way to present this material in Heide I exhibitions. Conservation priorities were determined and a strategy developed to prepare works on paper for inclusion in Heide I and Heide II exhibitions. This involved professional conservation assessment and the treatment of a number of important Collection works, many of which have not previously been exhibited.

Other key collection management activities included the temporary relocation of Collection works stored off-site, in order to meet the requirements of building rectification works at the Public Record Office of Victoria, and the ongoing improvement of data credibility for the Vernon Collection Management System.

Works from the Heide Collection were featured in almost all of the exhibitions at Heide during 2009 and were also made available to regional and metropolitan audiences through outward loans. Significant works by Albert Tucker were included in the exhibition *The Intruder—The Perfect Allegory*, held at Benalla Art Gallery and Ararat Regional Art Gallery. Other works by Tucker were lent to the City Museum at Old Treasury, Melbourne, for the exhibition *Batmania: Our Founding Father?*

Works from the Collection were also selected for inclusion in three important survey exhibitions: *Making it New: Focus on Contemporary*, featuring the work of Micky Allan at the Museum of Contemporary Art; *Yvonne Audette: Six Decades of Painting*, at The Ian Potter Museum of Art, University of Melbourne; and *John Brack*, at the National Gallery of Victoria.

At the invitation of the Australian Club, Heide presented the exhibition *Heide Comes to Town*, as part of the Club's ongoing series of exhibitions from distinguished public and private collections. Curated by Jason Smith, the Heide exhibition comprised paintings from the Collection spanning six decades, including works by Charles Blackman, James Gleeson and Imants Tillers.

22 Sam Atyeo
Appose 1975–1982
synthetic polymer paint on canvas
91 x 120.5 cm
Gift of Contec Properties Pty Ltd 2009



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Support for the development of the Collection was considerable during 2009. Heide Patron Barbara Tucker donated three significant works by Albert Tucker to the Collection. These were all included in 1940s Melbourne: Photographs by Albert Tucker, a Heide exhibition that celebrated the 2008 generous donation of the Albert Tucker Photograph Collection by Barbara Tucker as a joint gift to Heide and the State Library of Victoria.

The Collection was further augmented in 2009 by the donation of nine works from the Baillieu Myer Collection of the 80s, whose original gift of 93 works was presented to Heide in 1992.

The welcome donation of works by artists Sam Atyeo, George Baldessin and Juan Davila strengthened the representation of these important artists in the Collection.

The Heide Foundation Collectors' Group enabled the purchase of *Lovers* (2008) by Louise Paramor and, with the generous support of the Robert Salzer Fund, contributed to the purchase of *Forget Your Perfect Offering* (2008) and *The Guardian* (2009) by Pat Brassington.



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6.1 ACQUISITIONS

2009.4

Davida Allen
Number 20 1984
oil on canvas
100 x 120 cm
Baillieu Myer Collection of the 80s

2009.1

Sam Atyeo
Appose 1975–1982
synthetic polymer paint on canvas
91 x 120.5 cm
Gift of Contec Properties Pty Ltd 2009

2009.13

George Baldessin
Reclining Figure c.1970
pastel and gouache on paper
73.5 x 100 cm
Gift of Tom Lowenstein 2009

2009.17

Pat Brassington
Forget Your Perfect Offering 2008
pigment print on archival paper
20 x 15 cm (composition)
56 x 37.5 cm (sheet)
Purchased through the Heide Foundation with the assistance of the Heide Foundation Collectors' Group and the Robert Salzer Fund 2009

2009.18

Pat Brassington
The Guardian 2009
pigment print on archival paper
88 x 63 cm (composition),
112 X 87.5 cm (sheet)
Purchased through the Heide Foundation with the assistance of the Heide Foundation Collectors' Group and the Robert Salzer Fund 2009

2009.7

Jon Cattapan
Church Smouldering 1989
oil on linen
182 x 153 cm
Baillieu Myer Collection of the 80s

2009.6

Fred Cress
A Secret Source 1985
oil on canvas
145 x 187 cm
Baillieu Myer Collection of the 80s

2009.15

Juan Davila
The Field 1988
silkscreen, printed in colour,
from four stencils
124 x 80 cm (sheet)
Gift of Irene Sutton 2009

23 Pat Brassington
Forget Your Perfect Offering 2008
pigment print on archival paper
20 x 15 cm (composition) 56 x 37.5 cm (sheet)
Purchased through the Heide Foundation with the assistance of the Heide Foundation Collectors' Group and the Robert Salzer Fund 2009

24 Davida Allen
Number 20 1984
oil on canvas
100 x 120 cm
Baillieu Myer Collection of the 80s



25

2009.16

Juan Davila
Pre-modern Self-portrait 1988
silkscreen, printed in colour,
from four stencils
124 x 80 cm (sheet)
Gift of Irene Sutton 2009

2009.14

Juan Davila
God's Whore 1993
silkscreen, printed in colour, from
six stencils on thick white wove
Arches 400 gsm paper
122 x 160 cm (sheet)
Gift of Irene Sutton 2009

2009.8

Robert Hunter
Untitled c.1986
synthetic polymer paint on board
122 x 244 cm
Baillieu Myer Collection of the 80s

2009.9

Angus Jones
Untitled 1986
synthetic polymer paint on canvas
90.5 x 59.5 cm
Baillieu Myer Collection of the 80s

2009.3

David Keeling
Untitled 1989
oil on wood
90 x 120.5 cm
Baillieu Myer Collection of the 80s

2009.12

Alun Leach-Jones, Sweeney Reed
Poster Poem 1968
screenprint on paper
70.5 x 62 cm
Gift of Barbara Stiebel 2009

2009.10

Geoff Lowe
Organisation 1984–5
synthetic polymer paint on linen
152 x 122 cm
Baillieu Myer Collection of the 80s

2009.5

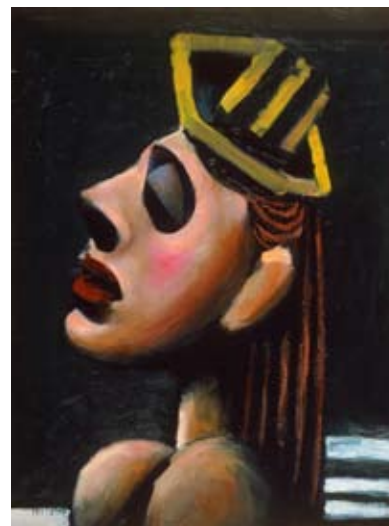
Elwyn Lynn
Salt Lake Shore—Amadeus 1983
synthetic polymer paint, polyvinyl acetate
glue and sand on canvas
151 x 152 cm
Baillieu Myer Collection of the 80s

2009.19

Louise Paramor
Lovers 2008
oil and synthetic polymer paint on glass
60 x 60 cm
Purchased through the Heide Foundation
with the assistance of the Heide
Foundation Collectors' Group 2009

2009.2

Rosslynd Piggott
Divided Bridge 1997
oil on linen
diptych 60.5 x 84 cm (overall)
Gift of Ralph Renard 2009



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2009.11

Judi Singleton
Sid the Kid 1987
oil on canvas
90 x 120 cm
Baillieu Myer Collection of the 80s

2000.302

Albert Tucker
Malvern Street 1938
oil on board
50.5 x 45.5 cm
Gift of Barbara Tucker 2009

2000.201

Albert Tucker
Leading Lady (also known as *Actress*) 1946
oil on composition board
60.5 x 45.5 cm
Gift of Barbara Tucker 2009

2000.270

Albert Tucker
King Kelly and his Legions 1957
oil, PVA, collaged foil and cardboard
on composition board
96.2 x 130.1 cm
Gift of Barbara Tucker 2009

25 George Baldessin
Reclining Figure 1970
pastel and gouache on paper
73.5 x 100 cm
Gift of Tom Lowenstein 2009

26 Albert Tucker
Leading Lady (also known as *Actress*) 1946
oil on composition board
60.5 x 45.5 cm
Gift of Barbara Tucker 2009



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6.2 OUTWARD LOANS

Benalla Art Gallery
The Intruder—The Perfect Allegory
 Benalla Art Gallery:
 1 June – 10 August 2009
 Ararat Regional Art Gallery:
 10 September – 25 October 2009

2000.264
 Albert Tucker
Explorer and Parrot 1963
 oil on composition board
 89 x 120.5 cm
 On loan from Barbara Tucker 2000

2000.233
 Albert Tucker
Arrival at Coopers Creek 1968
 synthetic polymer paint
 on composition board
 87 x 162 cm
 Gift of Barbara Tucker 2005

2000.268
 Albert Tucker
Explorer and Bird 1968
 oil on composition board
 106.5 x 137.5 cm
 On loan from Barbara Tucker 2000

City Museum at Old Treasury, Melbourne
Batmania: Our Founding Father?
 14 September – 6 December 2009

2000.317
 Albert Tucker
John Batman 1959
 synthetic polymer paint
 and collage on board
 122 x 91 cm
 On loan from Barbara Tucker 2000

2000.368
 Albert Tucker
John Batman & Eliza Callaghan 1971
 synthetic polymer paint on board
 137 x 183 cm
 Gift of Barbara Tucker 2007

The Ian Potter Museum of Art,
 The University of Melbourne
Yvonne Audette: Six Decades of Painting
 29 August – 22 November 2009

2000.8
 Yvonne Audette
Moving Symbols 2 1997–2000
 oil on plywood
 112 x 162.5 cm
 Gift of the artist through the
 Cultural Gifts Program 2000

Museum of Contemporary Art, Sydney
*Making it New: Focus on Contemporary
 Australian Art*
 8 September – 11 November 2009

2007.7
 Micky Allan
Babies 1976
 series of 7, each 11.5 x 11.5 cm (image)
 watercolour and coloured pencil
 on silver gelatin print
 Gift of Peter Corrigan 2007

National Gallery of Victoria
 John Brack
 24 April – 9 August 2009

2005.26
 John Brack
The Fish Shop 1955
 oil on composition board
 60 x 70.8 cm
 Gift of the Trustees of the Museum
 of Modern Art and Design of Australia,
 to the National Gallery of Victoria 1981.
 Transferred to Heide Museum of Modern
 Art by the Council of Trustees of the
 National Gallery of Victoria 2005.

27 Yvonne Audette
Moving symbols 2 1997–2000
 oil on plywood
 112 x 162.5 cm
 Gift of the artist through the
 Cultural Gifts Program 2000

28 John Brack
The Fish Shop 1955
 oil on composition board
 60 x 70.8 cm
 Gift of the Trustees of the Museum of Modern Art
 and Design of Australia, to the National Gallery
 of Victoria 1981. Transferred to Heide Museum
 of Modern Art by the Council of Trustees of the
 National Gallery of Victoria 2005.



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7. FACILITIES

7.1 MAINTENANCE

Heide continued to implement strategic facilities maintenance throughout 2009. Ongoing improvements and maintenance to whole-of-site security and contractor management ensured the continuation of Heide's Gold rating for site risk management awarded in 2008 by the Victorian Managed Insurance Authority.

Essential funding to undertake facilities maintenance was provided by the Victorian Government, through its Arts & Cultural Facilities Maintenance Fund. Maintenance and upgrades included: Federation Way car park lighting; implementation of a model 'green' information technology infrastructure; refurbishment of the Heide Store; replacement of Heide III: Central Galleries skylights; gallery lighting; installation of safety tactile indicators on stairs; purchase of tractor, scissor-lift and utility vehicle; two-way radio communications units for on-site staff safety and event coordination; and a 6,100L water collection tank for the caretaker's cottage.

Heide's commitment towards reducing its carbon footprint and embracing new affordable technology, aligned with the Museum's continuing implementation of the Heide SMart Strategy, was demonstrated in significant enhancements to sustainable operations. Ongoing energy savings were achieved through day to day management and refinement of climate control systems, and computer and mechanical services. Further evidence that Heide is managing its energy at optimum levels were highlighted in the sustainability report conducted by RMIT University. Between August 2008 and August 2009 the Museum reduced gas consumption by 503,592MJ, equivalent to 26 tonnes of CO₂, with power consumption savings of 70,830 kWh during this period, equivalent to 14 tonnes of CO₂ or 21.5 households' annual emissions.



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7.2 GARDENS

Heide's Gardens continue to rely on water diverted from the Yarra River for irrigation, in accordance with the allocation provided by Melbourne Water. With many mature exotic tree specimens on site and summer arriving with its usual severity, the access to this non-drinking water was vital for the ongoing growth of the gardens. Due to prolonged drought, the mains water exemption from stage 3a restrictions for Heide I expired and its renewal is not anticipated. As a result, automatic irrigation was reduced from 16 hours to four hours per week.

2009 was a busy year for projects in the Heide gardens, including: the expansion of the Heide I Vegetable Garden; the installation of landscaping surrounding Café Vue at Heide; planting of a bush foods area and a new garden by artist Fiona Hall; the restoration of the Heide I surrounds including the Heart Garden and an overhaul of the Heide II irrigation system.

The purchase of a new tractor, brush chipper and rotary mower streamlined garden procedures, allowing overgrowth to be pruned, chipped and composted on site, in line with ECLIPs' Sustainability Accreditation by Sustainable Gardening Australia.

The Museum's partnership with Conservation Volunteers Australia recommenced, with teams of between four and six volunteers visiting the site weekly. Their invaluable assistance with many larger jobs over the entire property included the planting out of over 4,000 tube-stocks as part of the Café Vue at Heide landscaping.

Recovery Tree Services continue their invaluable tree maintenance program, though this has been reduced from fortnightly visits to once a month. Possum control in the Gallery has been greatly enhanced with their assistance.



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8. COMMUNICATIONS & MARKETING

2009 was a year of consolidation and celebration for Communications & Marketing with a strong line-up of exhibitions and related programs, a number of exciting new media partnerships, the opening of Café Vue at Heide and the redesign of the Heide Store. All providing new directions and opportunities to attract visitors to Heide.

This year also saw the Communications Manger, Sarah Aitken depart on maternity leave who was replaced by Stephanie Bell, Marketing Manager in May. In September, Stephanie Bell resigned and the decision was taken not to fill the position, instead engaging a consultant and promoting Jade Enge, in recognition of her achievements, from the position of Marketing Assistant to Marketing & Communications Coordinator.

Communications & Marketing continued to raise the profile of the museum, increasing reach into the broader community and within the arts engaged audience segments. Each campaign included single or multiple executions of the following components:

Advertising	Publicity/media
Signage	Events
Distribution & direct marketing	Electronic Direct Marketing
Printed collateral	Online/website

Heide attracts a diverse range of audiences across age, socio-economic, geographic and psychographic profiles. In an attempt to target these audiences, Heide's marketing campaigns are segmented accordingly, using advertising and publicity to raise awareness of the museum offerings. In 2009, exhibition campaigns were focused on encouraging visitation primarily amongst Victorians and secondarily within interstate and international segments.

2009 saw the opening of three key exhibitions in the Museum's main exhibition space, Heide III: Central Galleries—Modern Times: The Untold Story of Modernism in Australia, Kathy Temin and Cubism & Australian Art—each incorporating a strategic marketing and advertising campaign. Individual opening events were held for each suite of exhibitions, including the simultaneous media preview and opening of Café Vue at Heide and Cubism & Australian Art exhibition in November by The Hon. Lynne Kosky, Minister for the Arts & Public Transport.

Partnerships continued to be a focus for the marketing team to help generate awareness and encourage visitation; Connex Melbourne continued their support as an exhibition Presenting Partner for Modern Times and 774 ABC Melbourne joined them as an Exhibition Media Supporter extending the advertising campaign to banners, posters, radio airtime and podcasts. In November, Cubism & Australian Art saw JCDecaux join Heide as Exhibition Support Sponsor enabling the advertising campaign to reach audiences in the Melbourne CBD on the highly visible and sought after Citylight panels at tram and bus stops.

31 Cubism & Australian Art
JCDecaux Citylight panel,
Collins St, Melbourne



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Tourism Victoria also offered their support of the visual arts and Melbourne's public institutions, with online listings and the use of the Tullamarine Freeway banner in November to support the Cubism & Australian Art exhibition.

Smaller publicity driven marketing campaigns were staged for exhibitions held in other areas of the Museum, including 1940s Melbourne: Photographs by Albert Tucker, Ern Malley: The Hoax and Beyond in Heide II and Paul Yore: The Big Rainbow Funhouse of Cosmic Brutality.

Advertising and publicity campaigns were also developed to support Heide's Gardens, Public Programs, Collection, Heide Store, Café Vue at Heide and Heide Membership. Corporate marketing campaigns consisted of profiling Heide staff and recruitment, development of corporate materials and release of the biannual publication Heide Magazine.

Media coverage remains one of the most effective and efficient tools in Heide's marketing mix for attracting new and existing audiences. Highlights for coverage in 2009 included:

Print:

Art & Australia; Art Monthly; Art World; Artlink; Beat Magazine; The Canberra Times; Gourmet Traveller; Green Magazine; Inside Out; Landscape Architecture; Qantas Magazine; The Sydney Morning Herald; Vogue; The West Australian; and regular, extensive coverage in *The Age, The Australian, The Australian Financial Review, Herald Sun* and local press.

Television:

ABC TV programmes *Can We Help?* and *Sunday Arts*, and Channel 31.

Radio:

Interviews on 774 ABC Melbourne, ABC Radio National, Joy FM, PBS FM, SBS Radio and regular segments on 3MBS and 3RRR.

Online:

Interviews, listings and reviews on an ever-growing number of art and design local, national and international websites.

Market research is fundamental to understanding Heide's audiences and in 2009 Heide took part in the Museum & Galleries of NSW *Guess Who's Going to the Gallery* strategic audience evaluation. With core project funding from the Australian Council for the Arts, the study set out to

provide benchmark information on gallery audiences, their demographics, actions, attitudes, limitations and needs. Research was undertaken in 10 galleries in the Sydney Metropolitan region and a pilot study in Victoria at Heide. The survey period was 30 March – 31 May 2009. The research found that 78% of Heide visitors were from Greater Melbourne and nearly a third were first time visitors. Heide is considered a social outing with 50% of visitors attending with family and friends with Artist Talks the most preferred program. Atmosphere, space and gardens are the core strength of the gallery experience receiving the highest proportion of 'terrific' ratings (73%) with painting, photography and celebrated works by Australian artists being the most popular types of exhibitions.

After much planning, a new site signage plan was developed and put into manufacture in 2009. This signage provides visitors with greater ease in navigating the Heide site in addition to the promotion of key information to visitors. Promotional signage at the Museum's main entrance at 7 Templestowe Road continues.



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9. DEVELOPMENT

In 2009, the Development team continued to seek financial support in order to secure a broad and committed funding base. Support was sought across philanthropic, Government and corporate sectors to allow Heide to complete major capital works, deliver an expanded exhibition program and enabled the growth of the Heide Collection.

Although a challenging financial year with external economic and social factors continuing to place pressure on all aspects of Heide's operations, with the generous support of Heide Foundation and Heide Partnership total Development income for 2009 was 8% of total operating income, including philanthropic donations and cash. Donations of artworks and cash to support acquisitions in 2009 exceeded \$960,000.

This year also saw Jacqui Williams, Senior Development Manager leave Heide in June. Kathy Lazanas was appointed Senior Development Manager and commenced the position in September.

9.1 HEIDE FOUNDATION

The Heide Foundation relies upon the generous support of its donors who, via donations, annual pledges and bequests, contribute to the overall success of the Museum.

In 2009, the Ian Potter Foundation provided essential support in the reopening of Heide I through a successful grant application. This funding will assist in the preparation of Heide I's interior and exterior as well as the fabrication of bespoke exhibition furniture and interpretive signage. This \$70,000 grant is one of the largest single grants received by Heide since establishment of the Heide Foundation in 2004 and was developed in close liaison with Claire Rimmer from the Ian Potter Foundation.

Other significant donations in 2009 came from the Besen Family Foundation and Gordon Darling Foundation, for the support of the Kathy Temin and Cubism & Australian Art exhibition publications, and from Mark & Hyeon-Joo Newman towards the café redevelopment.

The Next Generation Campaign

Early in 2009, the Museum, in conjunction with the Stephanie Alexander Kitchen Garden Foundation, launched The Next Generation campaign. The partnership aimed to engage visitors and raise awareness for future generations on the importance of gardening, enjoying fresh produce, and environmental sustainability. Donors were encouraged to purchase a chair and name it for future generations and in turn raise money for the café redevelopment.

Heide Foundation Collectors' Group

Two Collectors' Group events were held in 2009 with members invited to a White Glove Tour at Heide in June and a private viewing of the newly opened Lyon Housemuseum in October. This extraordinary private collection and gallery is owned by Foundation donors Corbett & Yueji Lyon and includes works by key contemporary artists including Howard Arkley, Callum Morton, Patricia Piccinini and Daniel von Sturmer.



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Heide Foundation donors**Life Benefactor****(giving from \$500,000)**

Kate Béchet
 Tony & Cathie Hancy
 Craig & Connie Kimberley
 Victor Smorgon AC & Loti Smorgon AO
 Barbara Tucker
 The Yulgilbar Foundation

Benefactor**(giving from \$100,000)**

William J Forrest AM
 Lindsay Fox AC & Paula Fox
 Kerry Gardner & Andrew Myer
 Georges Mora Memorial Fund
 Diana Gibson AO
 Helen Macpherson Smith Trust
 The Ian Potter Foundation
 James Kenney
 Mark & Hyeon-Joo Newman
 Dr Tom Quirk & Sue Quirk
 Andrew Rogers
 Sidney Myer Fund
 Truby & Florence Williams Trust,
 ANZ Trustees

Principal Donor**(giving from \$20,000)**

Robert O Albert AO & Elizabeth Albert
 Rick Amor
 Arthur A Thomas Trust, Equity Trustees
 Max & Lorraine Beck
 Besen Family Foundation
 Norman & Pauline Bloom
 Dean Bowen
 Yvonne Boyd
 Stephen & Jenny Charles
 Joan Clemenger & Peter Clemenger AM
 Christine & John Collingwood
 James & Rachel Colquhoun

Sir James Cruthers AO
 Helen Dick
 Lauraine Diggins
 John Downer AM & Rose Downer
 Diana Fletcher
 Graeme Sturgeon Trust
 Richard & Isabella Green
 Lesley Griffin
 Melinda Harper
 John T Reid Charitable Trusts
 Andrea & Richard King
 Inge King
 Elizabeth H Loftus
 Corbett & Yueji Lyon
 The Myer Foundation
 Norman, Mavis and Graeme Waters
 Perpetual Charitable Trust
 Parncutt Family Foundation
 Sophia Pavlovski-Ross & Philip Ross
 Tom Pearce
 Stuart Purves AM
 John Rickard
 Dick Roennfeldt
 Trevor & Christine Tappenden
 Chris & Cheryl Thomas
 Robyn & Gary Upfield
 Ralph Ward-Ambler AM &
 Barbara Ward-Ambler
 Ross & Robyn Wilson

Donor**(giving from \$5,000)**

Peter & Sam Andersen
 Charles Blackman
 Bill Bowness
 Dr Joseph Brown AO OBE
 Peter D Cole
 DAMP Artists' Collective
 Jennifer Darbyshire & David Walker
 Andy Dinan
 Neilma Gantner

Dr Alison Inglis
 Ivor Ronald Evans Foundation,
 Equity Trustees
 Lily Kahan
 Julie Kantor
 Michael & Sylvia Kantor
 Gordon Kennett
 Tom & Sylvia Lowenstein
 McLeod Family Foundation
 Dame Elisabeth Murdoch AC DBE
 Nellie Castan Gallery
 William Nuttall & Annette Reeves
 Dr Richard Reed & Vivienne Reed
 Ralph & Ruth Renard
 Robert Salzer Foundation
 Margaret S Ross AM & Dr Ian C Ross
 Rae Rothfield
 Penelope Seidler
 Sherman Foundation
 Irene Sutton
 Trust Company Ltd, as Trustee for
 the Fred P Archer Charitable Trust
 Velik Charitable Trust
 David & Margaret Walsh
 Janet Whiting & Phil Lukies
 The William Angliss (Victoria)
 Charitable Fund
 Lyn Williams AM
 Dr Leith Woodgate
 Barbara Yuncken
 Anonymous (3)

Supporter**(giving from \$1,500)**

Stephanie Alexander
 Inara Bush & Alice Bailey
 Jim & Libby Cousins
 Louis W Partos
 Carol & Alan Schwartz
 Meridian Sculpture
 Anonymous (2)

9.2 HEIDE PARTNERSHIPS

Heide continues to operate with the generous assistance of Government and Corporate Partners.

Government Partnerships

Heide's State Government Partner, Arts Victoria, continued to provide operational funding and support through its Indemnification Scheme for Heide's 2009 exhibitions *Modern Times: The Untold Story of Modernism in Australia and Cubism & Australian Art*.

Heide also continued to deliver the Heide SMart strategy, as funded by the Victorian Government Sustainability Fund. This partnership enabled Heide to review its current operations and implement a range of measures aimed at reducing the organisation's carbon footprint across the Museum. The project continues to position the Museum as a 'green' model within the gallery and museum sector.

Manningham City Council continued its support of Heide through an annual Service Agreement. This support enables the Museum to create and deliver ongoing, innovative and instructional public and education programs to the local and wider community.

**ARTS
VICTORIA**



**Sustainability
Fund** Managed by
Sustainability Victoria



MANNINGHAM

Corporate Partnerships

Corporate partnerships form an integral part of Heide’s day-to-day operations and the aim is to partner with organisations which share Heide’s passion, philosophy and desire to be innovative.

In 2009, a full review of the Partnership Model and Framework was undertaken and subsequent changes to the structure were implemented. The most significant change was the introduction of a tiered system that referenced Partners (based upon annual deals) and Sponsors (based upon short term projects).

The Development Team continued to work with key corporate partners that have supported the Museum’s activities, both financially and in-kind, for more than five years. Additionally, the latter half of 2009 saw Heide’s Development team refine and strategically source new annual partners that align with the Museum’s current and future interests.

2009 saw the introduction of six new Annual Partners and the ongoing support of ten existing Partners.

2009 Heide Partners



Heide Supporters

Image On Line Splitrock & TIRO Beverages Zart Art

2009 Exhibition Partners

Modern Times: the Untold Story of Modernism in Australia

Presenting Partner



Exhibition Partner



Exhibition Supporters



Exhibition Media Supporter



Exhibition Affiliate



Kathy Temin

Government Partner



This project has been assisted by the Australian Government through the Australia Council for the Arts, its art funding and advisory body

Cubism & Australian Art

Exhibition Supporters



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 at 31 December 2009:

Helen Alter
Fiona Bennett
Janine Burke
Ken Cato
Stephen Charles
Joan Clemenger
Christine Collingwood
James Colquhoun
Patricia Cross
Jennifer Darbyshire
John Downer AM
Jeff Floyd
Kerry Gardner
Alison Inglis
Craig Kimberley
Julia King
Tom Lowenstein
Sarah McKay
Ian McRae
Bryce Menzies
Mark Newman
Dr Tom Quirk
Michael Roux
Ken Ryan
Deryk Stephens
Trevor Tappenden
David Walsh

10.1 BOARD

The Board of Directors of Heide Park and Art Gallery is committed to adopting benchmark corporate governance policies and practices, ensuring delivery of its mission, accountability for operations and stewardship of assets within a sound risk management framework. The Board manages resources responsibly and seeks to provide a high level of transparency in reporting to Company Members and stakeholders.

The Board, working with the Senior Management Team, is responsible for the delivery of Heide's Mission and overall business performance. Its roles and responsibilities include:

- evaluating, approving and monitoring the strategic and financial plans and performance targets
- evaluating, approving and monitoring major capital expenditure
- appointing, monitoring and evaluating the Director & Chief Executive Officer
- approving and monitoring the risk management strategy, internal controls and reporting systems
- maintaining the highest standards of ethical behaviour and legal compliance
- communicating with Company Members

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 2009, there were seven Company-appointed Directors. The Board considers relevant experience, diverse perspectives and complementary arts and museum knowledge and business skills 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 of nine years.

Board Changes

At Annual General Meeting held on 21 April 2009, Mark Newman offered himself for re-election for three years and was re-elected unanimously.

Board Meetings

During 2009, the Heide Board met five 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

Two Board Committees operated during 2009, meeting at least three times a year, and included:

- Remuneration and Human Resources Policy Committee, comprising Jennifer Darbyshire (Chair) and Alison Inglis
- Audit and Risk Management Committee, comprising Fiona Bennett (Chair) and John Downer

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.

Conflicts of Interest

The Corporations Act (2001) requires Directors to disclose any conflicts and to generally abstain from participating in any discussion or voting on matters in which they have a material personal interest.

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 HUMAN RESOURCES

The purpose of the Remuneration and Human Resources Policy Committee is to:

- assist the Chairman with the performance review of the Director & Chief Executive Officer including holding preliminary performance outcome conversations
- assist the Board in overseeing the remuneration packages of the Director & Chief Executive Officer and other senior executives who report directly to the Director & Chief Executive Officer having regard to the circumstances of Heide and the performance of the individuals concerned
- monitor and review Heide's Human Resources policies and procedures as contained in the Human Resources Policy & Procedures Manual
- review the Director & Chief Executive Officer's recommendations in relation to key executive appointments and executive succession planning
- review and monitor changes to Heide's standard Contract of Employment
- perform other duties and activities that it or the Board considers appropriate
- report and submit recommendations to the Board on these matters as, and when, required

10.3 RISK MANAGEMENT

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/NZS 4360:2004). In 2009 the Museum further and refined developed risk action plans and specific procedures for managing the organisation's financial, asset, operational and project risks.

The purpose of the Audit and Risk Management Committee is to assist 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 adequacy and effectiveness of financial management;
- the overall effectiveness and adequacy of HEIDE's corporate governance and risk management framework, policies and processes, and compliance therewith;
- providing adequate education for directors and management regarding their responsibilities in the aforementioned areas.

Heide undertakes an update of the Strategic Risk Assessment on an annual basis and reports on Risk Management activities through the Audit & Risk Management Committee are made to the Board on a quarterly basis. The Heide Board and Senior Management Group establish a strong tone and ownership over Risk Management, which flows on to the whole of the Heide team and provides for the integration of Risk Management within the Museum's day-to-day operations, particularly in the areas of corporate planning, Visitor Services, volunteer training, facilities management and event management.

Key priorities for Heide in Risk Management include:

- Occupational Health and Safety
- Strategic facilities and gardens planning & maintenance
- Emergency response and disaster management planning
- Human resource management
- Financial management and internal control
- Security
- Event risk management

In 2007, Heide's insurers, the Victorian Managed Insurance Association (VMIA), performed an assessment of the quality, comprehensiveness and maturity of Heide's Risk Management Framework, issuing a positive rating of 'Good.' The framework is expected to be reviewed in 2010. Heide holds a 'Gold' rating for the VMIA's site risk assessment.

10.4 BOARD DIRECTORS & SENIOR MANAGEMENT PERSONNEL

Directors

Trevor Tappenden Chairman

Trevor Tappenden joined the Board in 2002, taking up the position of Chairman in August 2002. Trevor is an independent Company Director, Chartered Accountant (ACA), Fellow of the Australian Institute of Company Directors and a former Managing Partner of Ernst & Young (Melbourne). He is currently a Councillor of RMIT University and holds Director roles with RMIT Vietnam, CEDA, VITS Language Link, Dairy Food Safety Victoria, Turtlehouse Corporation, and VisionGATEWAY. For many of those organisations he is Chairman of the Audit and Risk Management Committee. Trevor holds other positions as an independent expert on the Audit and Risk Committees of Southern Rural Water and Haileybury College, as well as a Trustee of the Ernest Heine Family Foundation.

Fiona Bennett

Fiona Bennett joined the Board in 2008. Fiona is a senior executive with six years experience as a Director of various entities, including Bayside Health, Institute of Chartered Accountants in Australia, WPC Group Limited and Girl Guides Victoria. Fiona has worked at senior executive level in two major corporations and implemented difficult strategic change initiatives to derive successful and profitable outcomes. Fiona holds a degree in Arts (BA [Hons]) and is a Fellow of the Australian Institute of Management and the Institute of Chartered Accountants in Australia and is a Member of the Institute of Internal Auditors.

Jennifer Darbyshire

Jennifer Darbyshire joined the Board in 2006. Jennifer has a corporate legal and executive background with extensive transactional, governance and regulatory experience. Jennifer joined the National Australia Bank in 2006, her current role being Legal Australia's Head of Corporate and Operations. She has previously worked in private legal practice in Melbourne and London and in major Australian corporations. Jennifer holds degrees in Arts (BA) and Law (LLB [Hons] and LLM) and a Grad Dip in Company Secretarial Practice. In addition to her role on the Heide Board, Jennifer is a director of St Vincent's & Mercy Private Hospital and is a member of the Board Quality & Risk Committee.

John Downer AM

John Downer joined the Board in 2004. A consulting engineer with a degree in engineering (BE [Hons]) he was Chief Executive of the international Maunsell Group from 1993 to 1998 and subsequently Chairman. John is a Fellow of the Institution of Engineers Australia, Institution of Engineers (UK), and Institution of Engineers (Hong Kong). In 2001 John was made a Member of the Order of Australia for service to engineering and international trade.

Dr Alison Inglis

Dr Alison Inglis joined the Board in 2006. Alison is a Senior Lecturer and Head of the Art History program at the University of Melbourne. She is also the course co-ordinator for the MA Art Curatorship program. Alison has been a member of several museum boards, including the Council of Trustees of the National Gallery of Victoria and the Donald Thomson Collection Committee of the Melbourne Museum. She holds a PhD from the University of Melbourne and her key research areas include the art of nineteenth-century Britain and the history of art museums and collecting in Australia.

Craig Kimberley

Appointed to the Board in 2003, Craig is the founder and former Chairman of the Just Jeans Group and has been in the clothing and textile industry for over forty years. He is the founding Chairman of the Melbourne Fashion Festival, a former Commissioner of the Australian Football League and a current Board member of Gazal Corporation Limited.

Mark Newman

Mark Newman joined the Board in 2005. Mark is Executive Officer, CIO and co-founder of Melbourne-based K2 Asset Management. Mark has twenty years experience in financial management and advisory services around the Asia/Pacific and Middle East. Mark is also involved in the Kardinia Park Sports Foundation.

Senior Management

The Senior Management Team comprises four members, 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 weekly staff and unit meetings.

Anna Draffin
Deputy Director,
Head of Development
& Communications
(maternity leave from April – October)

BA, BCom

Anna joined Heide in 2003 as the Marketing & Development Manager. Previous positions include marketing/development/project management consultant to Melbourne Fashion Festival, St Kilda Festival and St Kilda Film Festival.

Paula Greene
Business & Finance Manager

BS (Hons), Postgrad. Cert. (Art History),
US CPA

Paula Greene joined Heide in December 2006. Previous positions include Chief Financial Officer of Holden New Zealand Ltd, Business Risk Manager of General Motors Holden Australia Pty Ltd and Account Director of Enterprise Risk Services for Deloitte with clients in various industries including the Victorian Arts Sector.

Kirstee Macbeth
Deputy Director,
Head of Development
& Communications
(from April)

Kirstee Macbeth joined Heide in April 2009. With 16 years experience in the UK and Australian event and entertainment industries, Kirstee specialises in strategic marketing and commercial development. Previous roles include Director, Corduroy Brand Consultancy; Marketing & Sponsorship Manager, National Gallery of Victoria; Senior Marketing Consultant, Sky Active, London and Media Strategist and Account Manager, Channel 4 Television, London.

Linda Michael
Deputy Director, Senior Curator
(from November)

BA (First Class Hons), Postgrad. Cert.
(Editing & Publishing)

Linda joined Heide in November 2008. Previous positions include Senior Curator, Monash University Museum of Art; Senior Curator, Museum of Contemporary Art, Sydney; and independent curator of exhibitions including Patricia Piccinini: We Are Family, Venice Biennale 2003 and 21st Century Modern: 2006 Adelaide Biennial of Australian Art.

Jason Smith
Director & Chief Executive Officer

BA (Vis Arts), Postgrad. Cert.
(Museum Studies)

Jason joined Heide in June 2008 as Director & Chief Executive Officer. Previous positions include Curator, Contemporary Art, National Gallery of Victoria and Director, Monash Gallery of Art.

11. STAFF & VOLUNTEERS**Staff**

Jason Smith
Director & Chief Executive Officer

Curatorial & Programming

Anna Caione
Education Officer (to September)

Sue Cramer
Curator

Lesley Harding
Curator

Christine Healey
Education Coordinator (from November)

Linda Michael
Deputy Director & Senior Curator

Kendrah Morgan
Curator

Katarina Paseta
Exhibitions & Collection Manager

Rebecca Renshaw
Public Programs Coordinator (maternity leave from November)

Jennifer Ross
Registrar (returned from maternity leave September)

Linda Short
Assistant Curator (maternity leave from January)

Laura Stedman
Registrar (to August)

Samantha Vawdrey
Education Officer & Archives Assistant (from March)
Education Officer & Public Programs Coordinator (September – November)
Public Programs Coordinator (from November)

Communications & Development

Sarah Aitken
Communications Manager (maternity leave from May)

Effie Belbin
Senior Visitor Services Officer (to May)

Stephanie Bell
Marketing Manager (May – September)

Fiona Cabassi
Senior Visitor Services Officer

Claire Campbell
Heide Store Manager

Maria Davies
Visitor & Membership Services Manager

Anna Draffin
Deputy Director, Head of Development & Communications (maternity leave from April – October)

Jade Enge
Marketing Assistant (to September)
Marketing & Communications Coordinator (from September)

Kirstee Macbeth
Deputy Director, Head of Development & Communications (from April)

Nick Hays
Development Manager

Kathy Lazanas
Senior Development Manager (from September)

Jacqui Williams
Senior Development Manager (to June)

Fiona Wilson
Visitor Services Officer (to June)
Senior Visitor Services Officer (from June)

Visitor Services Officers

Emma Agius
 Alice Bennett
 (to March)
 Carol Cardoso
 (from August)
 Danny Djurovic
 (to August)
 Tom Greenaway
 Esther Gyorki
 Stacy Jewell
 Roisin Murphy
 Zoe Partington
 (to June)
 Penny Peckham
 Brian Pieper

Business Services

Paul Galassi
Facilities Manager
 Paula Greene
*Business, Finance &
 Sustainability Manager*
 Margaret Swallow
*Finance & Office
 Administrator*

Gardens

Nick Harrison
Head Gardener
 (to March)
 Danae Jeanes
Gardener
 (to June)
 Dugald Noyes
Head Gardener
 (from April)
 Anna White
Gardener
 (July – November)

Volunteers**Curatorial & Programming
Volunteer Guides 2009**

Jan Andrews
 Valma Angliss AM
 Jenny Anson
 Lynne Curtis
 Gay Cuthbert
 Shirley Daffen
 Judy Davies
 Bridget Dwyer
 Gordon Ennis
 Susan Fahey
 Viona Fung
 Bill Gillies
 Rosanne Green
 Esther Gyorki
 Elle Hanson
 Susan Heffernan
 Patty Hodder
 Judith Hughes
 Kate McLaren
 Kelly Madigan
 Judy Milne-Pott
 Jill Nicol
 Olivia Porter
 Jane Robinson
 Bianca Rohjle
 Helen Stewart

Volunteers & Interns

Justine Grace
Helen Hughes
Stacy Jewell
Genevieve Osborn
Jo Sapir
Mary Waters
Letitia Prunetti

Education Volunteers

Judith Bridges
Jo Campbell
Irene Cook
Bronte Cullis
Jane Dyer
Diane Goetze
Megan Hill
Marita Kelly
Priscilla Lane
Grace Longato
Kerry Lucas
Rochelle Matthews
Jackie Moss
Lesley Nisbet
Jill Nicol
Cathy Price
Michela Sirianni
Gail Southwell
Magdalena Vaiopolous

**Visitor Services
Volunteers**

Heather Adam
Libby Austen
Margaret Belcher
Andrew Black
Lula Black
Katy Bowman
Caitlin Breare
Margaret Breare

Emma Brown
Sallie Butler
Ron Chapman
Jane Clark
Annie Cleveland
Lisa Collins
Katrina Collins
Catherine Copley
Erin Davidson
Meredith Dellar
Clare Diamond
Ann Dickey
Clare Dunne
Brent Edwards
Tony Fagioli
Sita Fatchen
Jeanette Fry
Robin Gibson
Bev Gray
Charlotte Haigh
Leona Haintz
Cathy Harrison
Del Heaton
Karen Hinde
Heather Howes
Caroline Hughes
Olivia Jackson
Rachel Jones
Georgia Kardaras
Angelica Kerama
Jan Kondarovskas
Priscilla Lane
Christine Lavender
Eleanor Lindberg
Monica McKean
Beryl McKenzie
Anne McLachlan
Stephanie Mainwaring
Rochelle Matthews
Faye Meldrum
Anna Metcalfe

Amy Middleton
Bob Miller
Jane Mooney
Helen Murray
Sue Nunis
Rae O'Shaughnessy
Jenny Osborne
Jenny Papas
Murray Pearce
Kevin Pearson
Judith Perry
Catherine Pieper
Vivienne Reed
Anne Rees
Harold Riggall
Barbro Roberts
Karen Salter
Claire Sarandis
Lesley Schmidt
Romina Sgro
Rowan Sinton
Carmel Speer
Bridget Stokell
Denise Thamrin
Margaret Van de Walle
Shirley Walker
Marika Wanklyn
Suzanne Wolny
Megg Walstab
Mary Waters
Erin Watson
Lola Wenn
Barbara Winter
Nancy Wood
Camille Woodward
Maree Xuereb
Anna Yau
Feyza Yazar
Eleisha Yau



37



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39



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37 Paul Yore
38 Max Delaney, Callum Morton & Daniel Besen

39 Barbara Blackman, Tom & Sylvia Lowenstein
40 Kendrah Morgan & David Rainey
41 Terry Bracks & Kim McGrath

42 Barbara Tucker & Caroline Williams Mora
43 Shelly Lasica, Kathy Temin & Roslyn Oxley



44



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49



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44 Lesley Harding & Sue Cramer
45 Stephanie Alexander, Craig Kimberley
& John Downer AM

46 Ewan McDonald, Christine Tappenden
& Trevor Tappenden
47 Jason Smith, Penelope Seidler & Bruce Hughes

48 Jaqlin Lyon, Corbett Lyon, Anna Schwartz,
Kathy Temin & Jason Smith
49 William J Forrest AM & Paula Greene
50 Linda Michael & Ann Stephen

**12. FINANCIAL
STATEMENTS**

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Director's Report

Your directors present their report on the company for the financial year ended 31 December 2009.

1. GENERAL INFORMATION**a. Directors**

The names and particulars of the directors in office at any time during, or since the end of, the year are:

Names

Fiona Bennett
Jennifer Darbyshire
John Downer
Alison Inglis
Craig Kimberley
Mark Newman
Trevor Tappenden

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

b. Operating results

The surplus of Heide Park & Art Gallery amounted to \$1,990,179 (2008: \$1,857,248).

c. Business review

During the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

d. State of affairs

The following significant change in the state of affairs occurred during the financial year:

During the redevelopment of the McGlashan Everist Heritage Carport that previously housed the Heide Café, Heide operated a temporary café facility in the foyer of Heide III. With the completion of the café redevelopment in November 2009, the temporary cafe closed. The Heide III foyer was returned to its function as the Heide Store and the new café facility commenced operation as Café Vue at Heide under the third party management of Vue de monde.

e. Principal Activity

The principal activity of Heide Park & Art Gallery during the financial year was the operation and stewardship of Heide Museum of Modern Art and surrounding gardens and parkland, including special exhibitions, education and public programs and care of the Heide Collections.

No significant change in the nature of this activity occurred during the year.

f. Events subsequent to balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

g. Likely developments

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

h. Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

i. Dividends

The company is precluded from the declaration or payment of dividends by its Constitution. Any accumulated surplus remaining on winding up is to be distributed to like not for profit organisations.

j. Proceedings

A public liability claim that was lodged against the company for alleged negligent maintenance of footpaths in January 2009 was settled out of court in October 2009.

Apart from the above matter, no person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

2. INFORMATION ON DIRECTORS

Fiona Bennett Qualifications Special Responsibilities	Chartered Accountant, Company Director BA(Hons), FCA, FAICD, FAIM, MIIA Chair: Audit and Risk Management Committee
Jennifer Darbyshire Qualifications Special Responsibilities	Senior Legal Counsel, National Australia Bank BA, LLB (Hons), LLM, Grad Dip (Company Secretarial Practice) Chair: Remuneration and Human Resources Policy Committee
John Downer Qualifications Special Responsibilities	Engineer & Company Director BEng (Hons) Audit and Risk Management Committee
Alison Inglis Qualifications Special Responsibilities	Associate Professor, University of Melbourne BA (Hons), PhD Remuneration and Human Resources Policy Committee
Craig Kimberley	Company Director
Mark Newman Qualifications	Executive Director & Chief Investment Officer, K2 Asset Management BEcon
Trevor Tappenden Qualifications Special Responsibilities	Chartered Accountant, Company Director ACA Chairman

Meetings of Directors

During the financial year, 5 meetings of directors were held. Attendances by each director during the year were as follows:

Directors Meetings

	Number eligible to attend	Number attended
Fiona Bennett	5	4
Jennifer Darbyshire	5	5
John Downer	5	4
Alison Inglis	5	5
Craig Kimberley	5	4
Mark Newman	5	3
Trevor Tappenden	5	5

**3. INDEMNIFYING OFFICERS
OR AUDITORS****Indemnities**

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

Insurance premiums paid for directors

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium was \$1,076 for each director.

Fiona Bennett
Jennifer Darbyshire
John Downer
Alison Inglis
Craig Kimberley
Mark Newman
Trevor Tappenden

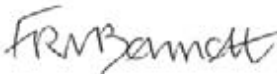
**4. AUDITOR'S INDEPENDENCE
DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at right.

Signed in accordance with a resolution of the Board of Directors:



Trevor Tappenden
Director



Fiona Bennett
Director

23 March 2010

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson Chartered Accountants

Tim Flowers
Partner

23 March 2010

**Statement of Comprehensive Income
for the year ended 31 December 2009**

	Note	2009 \$	2008 \$
Operating Activities			
Revenue from operating activities	2	2,982,190	2,912,868
Programming expenses		(436,551)	(405,186)
Marketing expenses		(491,263)	(423,073)
Collection expenses		(80,841)	(86,069)
Costs of goods sold		(191,020)	(153,959)
Commercial operations expenses		(19,791)	(18,245)
Repairs and maintenance		(179,263)	(188,035)
Grounds and gardens		(50,443)	(51,667)
Utilities		(86,802)	(101,095)
Insurance		(99,808)	(92,179)
Borrowing costs		(29)	(50)
Depreciation, amortisation and impairment		(483,631)	(414,296)
Employee benefits expense		(1,640,402)	(1,442,874)
Other expenses from operating activities		(215,475)	(128,525)
Total operating expenses		(3,975,319)	(3,505,253)
Net surplus (deficit) from operating activities		(993,129)	(592,385)
Investing Activities			
Gain on sale of investments		178,921	117,602
Brokerage costs		(3,157)	(5,390)
Net surplus from investing activities		175,764	112,212

The accompanying notes form part of the financial statements

**Statement of Comprehensive Income cont.
for the year ended 31 December 2009**

	Note	2009 \$	2008 \$
Philanthropic Activities			
Donations and sponsorships (including gifts in kind)		23,835	49,519
Donated works of art (at market value)	2	945,500	1,314,075
		969,335	1,363,594
Development expenses		(11,438)	(25,956)
Net surplus from philanthropic activities		957,897	1,337,638
Capital Activities			
Donations		393,090	5,917
Government grants		1,435,609	958,853
Interest revenue from other persons		51,224	47,411
		1,879,923	1,012,181
Capital redevelopment expenses		(30,276)	(12,398)
Net surplus from capital activities		1,849,647	999,783
Net surplus for the year from all activities		1,990,179	1,857,248
Other comprehensive income			
Net (loss)/gain on revaluation of financial assets		212,109	(434,105)
Net gain on revaluation of Works of Art		–	2,043,009
Total comprehensive income for the period		2,202,288	3,466,152

The accompanying notes form part of the financial statements

**Statement of Financial Position
as at 31 December 2009**

	Note	2009 \$	2008 \$
ASSETS			
Financial Assets			
Cash and cash equivalents	4	190,885	2,096,400
Trade and other receivables	5	1,241,261	1,370,436
Financial assets	6	1,235,400	441,576
Total Financial Assets		2,667,546	3,908,412
Non-Financial assets			
Inventories	7	72,043	64,485
Property, plant and equipment	8	13,863,064	12,262,976
Other current assets	9	61,228	56,323
Works of Art	9	40,575,148	39,621,830
Total Non-Financial Assets		54,571,483	52,005,614
TOTAL ASSETS		57,239,029	55,914,026
LIABILITIES			
Trade and other payables	10	1,877,840	2,789,930
Borrowings	11	9,179	7,524
Short-term provisions	12	105,899	72,749
TOTAL LIABILITIES		1,992,918	2,870,203
NET ASSETS		55,246,111	53,043,823
EQUITY			
Reserves	13	43,322,398	42,184,789
Accumulated surpluses		11,923,713	10,859,034
TOTAL EQUITY		55,246,111	53,043,823

The accompanying notes form part of the financial statements

**Statement of Changes in Equity
for the year ended 31 December 2009**

	€ Retained Surplus	Asset Revaluation Reserve	Donated Artworks Reserve	Financial Assets Revaluation Reserve	€ Total
2009	€	€	€	€	€
Balance at 1 January 2009	10,859,034	24,401,329	17,473,634	309,826	53,043,823
Surplus from ordinary activities	1,990,179	-	-	-	1,990,179
Revaluation increment	-	-	-	212,109	212,109
Transfers to and from reserves					
- donated artwork reserve	(945,500)	-	945,500	-	-
- asset revaluation reserve	20,000	(20,000)	-	-	-
Balance at 31 December 2009	11,923,713	24,381,329	18,419,134	521,935	55,246,111

	Retained Surplus	Asset Revaluation Reserve	Donated Artworks Reserve	Financial Assets Revaluation Reserve	Total
2008	\$	\$	\$	\$	\$
Balance at 1 January 2008	10,315,862	22,358,320	16,159,558	743,932	49,577,672
Surplus from ordinary activities	1,857,248	-	-	-	1,857,248
Revaluation increment (decrement)	-	2,043,009	-	(434,106)	1,608,903
Transfers to and from reserves					
- donated artwork reserve	(1,314,076)	-	1,314,076	-	-
Balance at 31 December 2008	10,859,034	24,401,329	17,473,634	309,826	53,043,823

The accompanying notes form part of the financial statements

**Statement of Cash Flows
for the year ended 31 December 2009**

	Note	2009 \$	2008 \$
Cash from operating activities:			
Receipts from customers donations and sponsorships		1,633,980	1,030,755
Payments to suppliers and employees		(3,687,359)	(2,947,805)
Grant receipts		2,535,537	1,765,230
Dividends received		53,231	44,395
Interest received		96,957	106,898
Interest paid		(29)	(50)
Net cash provided by (used in) operating activities	16	632,317	(577)
Cash flows from investing activities:			
Capital grant and pledge receipts		–	1,103,029
Proceeds from sale of investments		289,994	359,291
Acquisition of property, plant and equipment		(2,083,719)	(925,899)
Acquisition of other non current assets		(7,945)	(43,634)
Acquisition of other investments		(737,817)	–
Net cash provided by (used in) investing activities		(2,539,487)	492,787
Cash flows from financing activities:			
New short term borrowings drawn		1,655	301
Net cash provided by (used in) financing activities		1,655	301
Net increase (decreases) in cash held		(1,905,515)	492,511
Cash and cash equivalents at beginning of year		2,096,400	1,603,889
Cash at end of financial year	4	190,885	2,096,400

The accompanying notes form part of the financial statements

**Notes to the Financial Statements
for the year ended 31 December 2009****NOTE 1. ACCOUNTING POLICIES****a. General information**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Heide Park & Art Gallery as a company limited by guarantee, incorporated and domiciled in Australia

b. Basis of preparation

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

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

c. Income taxes

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 sought and received confirmation of its income tax exempt status from the Australian Taxation Office under the Charitable Institution rules outlined in the Act.

d. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

e. Property, plant and equipment**Land and buildings**

Freehold land and buildings are shown at cost less subsequent depreciation of buildings. 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 and leasehold improvements 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.

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 (applicable amortisation rate used is 2.5%). Leasehold improvements are amortised over 40 years.

It should be noted that a directors' valuation was undertaken in 2006 and indicated no impairment of land and buildings or lease and freehold improvements.

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.

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 are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

Depreciation

The depreciable amount of all fixed assets 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. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

Fair value is determined based on current bid prices for all quoted investments.

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 income statement.

h. 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 not accounted for on costs on these provisions.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

i. 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.

j. Deferred Income

Deferred income shown in the accounts will be brought to account 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.

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.

Donation income is recognised when it is received.

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. Capital work in progress

Work in progress is valued at cost where the costs incurred meet the definition of an asset within the AASB Framework for the Preparation and Presentation of Financial Statements and where no impairment indicators are present as defined by AASB 136 Impairment of Assets.

n. Works of art

The company undertook an independent valuation of the works of art in full as at 31 December 2008. Further details of the valuation are provided as part of Note 8. 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.

o. Graeme Sturgeon Memorial Trust

The company acts as trustee for the Graeme Sturgeon Memorial Trust, a trust established to promote the creation and appreciation of Australian contemporary sculpture. The trust funds are administered by the company but are excluded from the financial statements as the funds must be appropriated in accordance with the deed of trust. The trust's cash is recorded in a separate bank account and the directors who are also trustees of the trust determined that the assets of the trust were sufficient to meet any liabilities of the trust as at 31 December 2009. At 31 December 2009, the available assets within the trust fund amounted to \$522.

p. 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.

q. 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 income statement.

r. 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 based on current trends and economic data, obtained both externally and within the entity.

s. Adoption of New and Revised Accounting Standards

During the current year the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Heide Park and Art Gallery.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

Disclosure impact

Terminology changes — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Statement of comprehensive income — The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

t. New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the company has not adopted early. A discussion of those future requirements and their impact on the company is as follows:

- AASB 2008–5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing from 1 January 2009) and AASB 2008–6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing from 1 July 2009).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.

t. New Accounting Standard for Application in Future Periods continued

– AASB 2009–4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009–5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the company.

– AASB 2009–7: Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17] (applicable for annual reporting periods commencing on or after 1 July 2009).

This Standard reflects editorial changes made to a number of accounting standards by the IASB. No changes are expected to materially affect the company.

The company does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the company's financial statements.

NOTE 2: REVENUE

Note	2009 \$	2008 \$
Operating activities		
– sale of goods	354,510	286,476
– admissions	283,865	300,224
– government grants	1,659,741	1,537,342
– donations and sponsorship (including gifts in kind)	469,722	543,420
– interest and dividends	98,964	103,882
– other	115,388	141,524
Total Revenue from Operating Activities	2,982,190	2,912,868
(a) Dividend revenue from:		
other corporations	53,231	44,395
(b) Interest revenue from:		
other persons	96,957	106,898

Significant Revenue

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

Donated works of art (at market value)	945,500	1,314,075
Government grants	1,659,741	1,537,342
Gain on sale of investments	178,921	117,602

NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES

	2009 \$	2008 \$
<hr/>		
Surplus (deficit) from Ordinary Activities has been determined after:		
(a) Expenses from Ordinary Activities		
Depreciation of property, plant and equipment	174,473	159,892
Amortisation of leasehold improvements	309,158	254,404
Remuneration of auditor		
Auditing or reviewing the financial report	16,600	16,450
Other services: Preparation of financial statements	3,000	4,600
(b) Revenue and Net Gains		
Net gain on disposal of non-current assets: –investments	178,921	117,602

NOTE 4: CASH AND CASH EQUIVALENTS

	2009 \$	2008 \$
Cash on hand	2,957	3,191
Cash at bank	187,928	376,980
Deposits at call	–	1,716,229
	190,885	2,096,400

NOTE 5: TRADE AND OTHER RECEIVABLES**Current**

Trade receivables	11,523	38,969
Government grant – operations	638,000	730,761
Government grant – capital	–	88,000
Other receivables	591,738	512,706
	1,241,261	1,370,436

NOTE 6: FINANCIAL ASSETS**Available-for-sale Financial Assets Comprise:**

Listed investments at fair value	1,235,400	441,576
Total available-for-sale financial assets	1,235,400	441,576

Available-for-sale financial assets comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

NOTE 7: INVENTORIES**Current**

At net realisable value		
Stock on hand	72,043	64,485
	72,043	64,485

NOTE 8: PROPERTY PLANT AND EQUIPMENT

	2009 \$	2008 \$
Land and Buildings		
Freehold land at deemed cost	500,000	500,000
Buildings		
At deemed cost	1,100,000	1,100,000
Less accumulated depreciation	(192,500)	(165,000)
Total buildings	907,500	935,000
Plant and Equipment		
Capital works in progress	–	277,371
Plant and equipment		
At cost	1,698,118	1,439,865
Less accumulated depreciation	(890,429)	(715,956)
Total plant and equipment	807,689	723,909
Computer software		
At cost	30,941	30,941
Less accumulated depreciation	(15,986)	(9,798)
Total computer software	14,955	21,143
Leasehold improvements		
Improvements	12,879,036	10,776,200
Less accumulated amortisation	(1,246,116)	(970,647)
Total leasehold improvements	11,632,920	9,805,553
Total property, plant and equipment	13,863,064	12,262,976

NOTE 8: PROPERTY PLANT AND EQUIPMENT
continued

Movements in Carrying Amounts 31 December 2009	Freehold land \$	Buildings \$	Leasehold improvements \$	Plant and Equipment \$	Capital works in progress \$	Computer Software \$	Total \$
Balance at the beginning of year	500,000	935,000	9,805,553	723,910	277,370	21,143	12,262,976
Additions	-	-	-	258,253	1,825,466	-	2,083,719
Transfers	-	-	2,102,836	-	(2,102,836)	-	-
Depreciation expense	-	(27,500)	(275,469)	(174,474)	-	(6,188)	(483,631)
Carrying amount at the end of year	500,000	907,500	11,632,920	807,689	-	14,955	13,863,064

Movements in Carrying Amounts 31 December 2008	Freehold land \$	Buildings \$	Leasehold improvements \$	Plant and Equipment \$	Capital works in progress \$	Computer Software \$	Total \$
Balance at the beginning of year	500,000	962,500	10,058,971	134,067	68,504	27,331	11,751,373
Additions	-	-	986	716,047	208,866	-	925,899
Depreciation expense	-	(27,500)	(254,404)	(126,204)	-	(6,188)	(414,296)
Carrying amount at the end of year	500,000	935,000	9,805,553	723,910	277,370	21,143	12,262,976

NOTE 9: OTHER ASSETS

	2009 \$	2008 \$
Current		
Other current assets	61,228	56,323
Non-Current		
Works of art	40,575,148	39,621,830

The directors have based their valuation of Works of Art on an independent valuation performed as at 31 December 2008.

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 \$8,136,875 which has not been recorded as an asset of the company.

NOTE 10: TRADE AND OTHER PAYABLES

Current		
Unsecured liabilities		
Trade payables	565,444	408,858
Deferred income—other	–	150,000
Deferred income—government grants	686,803	1,658,411
Other payables	625,593	572,661
	1,877,840	2,789,930

NOTE 11: BORROWINGS

Current		
Credit card amounts payable	9,179	7,524
	9,179	7,524

NOTE 12: PROVISIONS

	2009	2008
	\$	\$
Employee Entitlements		
Opening balance at 1 January	72,749	92,062
Additional provisions	105,023	90,948
Utilised during the period	(71,873)	(110,261)
Balance at 31 December	105,899	72,749
Analysis of Total Provisions		
Current	105,899	72,749
	105,899	72,749

NOTE 13: RESERVES**a. Asset Revaluation Reserve**

The asset revaluation reserve records revaluations of non current assets. The balance of the Asset Revaluation Reserve at 31 December 2009 was \$24,381,329.

b. Financial Asset Revaluation Reserve

The financial asset revaluation reserve records the unrealised gain on financial investments. The balance of the Financial Asset Revaluation Reserve at 31 December 2009 was \$521,935.

c. Donated Artworks Reserve

This reserve represents the value of works of art donated or bequeathed to the company. The balance of the Donated Artworks Reserve at 31 December 2009 was \$18,419,134. Subsequent revaluation of the Works of Art are recognised in the Asset Revaluation Reserve.

NOTE 14: ECONOMIC DEPENDENCE

The continued operation of Heide Park and Art Gallery is dependent on funding provided by the State Government of Victoria.

NOTE 15: SEGMENT REPORTING

The company operates predominately in one business and geographical segment being the operation of Heide Museum of Modern Art and surrounding parkland, located at 5 and 7 Templestowe Road, Bulleen Victoria.

NOTE 16: CASH FLOW INFORMATION

	2009 \$	2008 \$
Reconciliation of cashflow from operations with surplus for the year		
Net surplus / deficit for the year	1,990,179	1,857,248
Non-cash flows in surplus		
Amortisation	309,157	254,404
Depreciation	174,473	159,892
Net (gain)/loss on sale investments	(133,765)	(117,533)
Works of art (donated)/written off	(945,500)	(1,314,075)
Capital grants and donations	-	(1,103,029)
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	129,175	256,824
(Increase)/decrease in other assets	(4,905)	(7,336)
(Increase)/decrease in inventories	(7,558)	7,034
Increase/(decrease) in trade payables and accruals	209,518	715,997
Increase/(decrease) in grants received in advance	(1,121,607)	(690,689)
Increase/(decrease) in provisions	33,150	(19,314)
	632,317	(577)

NOTE 17: CAPITAL AND LEASING COMMITMENTS

	2009 \$	2008 \$
Capital Expenditure Commitments		
Capital expenditure commitments contracted for:		
Café redevelopment	104,897	121,213
	104,897	121,213

NOTE 18: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.

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:

	Note	2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	4	190,885	2,096,400
Trade and other receivables	5	1,241,261	1,370,436
Available-for-sale financial assets			
– Equity Investments	6	1,235,400	441,576
		2,667,546	3,908,412
Financial Liabilities			
Financial liabilities at amortised cost			
– Trade and other payables	10	1,191,037	981,519
– Borrowings	11	9,179	7,524
		1,200,216	989,043

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

**NOTE 18: FINANCIAL RISK MANAGEMENT
continued****Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss for the company.

The company does not have any material credit risk exposure as the major source of revenue is the receipt of grants. Credit risk is further mitigated as over 90% of the grants being received from state and federal governments are in accordance with funding agreements.

Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables on the following pages reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

NOTE 18: FINANCIAL RISK MANAGEMENT
continued**Financial liability and financial
asset maturity analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total Contractual Cash Flow	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial liabilities due for payment								
Trade and other payables (excluding estimated annual leave and deferred income)	1,191,037	981,519	-	-	-	-	1,191,037	981,519
Total contractual outflows	1,191,037	981,519	-	-	-	-	1,191,037	981,519
Total expected outflows	1,191,037	981,519	-	-	-	-	1,191,037	981,519
Financial assets – cash flows realisable								
Cash and cash equivalents	190,885	2,096,400	-	-	-	-	190,885	2,096,400
Trade, term and loans receivables	1,241,261	1,370,436	-	-	-	-	1,241,261	1,370,436
Other investments	1,235,400	441,576	-	-	-	-	1,235,400	441,576
Total anticipated inflows	2,667,546	3,908,412	-	-	-	-	2,667,546	3,908,412
Net (outflow)/inflow on financial instruments	1,476,509	2,926,893	-	-	-	-	1,476,509	2,926,893

**NOTE 18: FINANCIAL RISK MANAGEMENT
continued****Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

At 31 December 2009 approximately 100% of company debt is fixed rate.

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The company is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

Sensitivity Analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year Ended 31 December 2009		
+/- 2% in interest rates	184	184
+/- 10% in listed investments	123,540	123,540
Year Ended 31 December 2008		
+/- 2% in interest rates	150	150
+/- 10% in listed investments	44,157	44,157

Net Fair Values

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost (ie trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

NOTE 18: FINANCIAL RISK MANAGEMENT
continued

	2009		2008	
	Carrying amount \$	Net Fair value \$	Carrying amount \$	Net Fair value \$
Financial Assets				
Cash and cash equivalents	190,885	190,885	2,096,400	2,096,400
Trade and other receivables	1,241,261	1,241,261	1,370,436	1,370,436
Available for sale financial assets: Listed investments	1,235,400	1,235,400	441,576	441,576
	2,667,546	2,667,546	3,908,412	3,908,412
Financial Liabilities				
Trade and other payables	1,191,037	1,191,037	981,519	981,519
Borrowings	9,179	9,179	7,524	7,524
	1,200,216	1,200,216	989,043	989,043

NOTE 19: MEMBERS' GUARANTEE

The company is 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 any outstanding obligations of the company. At 31 December 2009 the number of members was 27 (2008: 28).

NOTE 20: CONTRA SPONSORSHIP

Heide receives sponsorship in the form of graphic design, printing, catering and advertising in exchange for promoting the provider as a corporate supporter of the gallery. The value of contra sponsorship included in the financial statements is \$224,291 (2008: \$267,814).

NOTE 21: COMPANY DETAILS

The registered office of the company is:
Heide Park & Art Gallery
7 Templestowe Road
Bulleen Vic 3105

DIRECTORS' DECLARATION

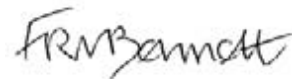
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 40 to 66, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 2009 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Trevor Tappenden
Director



Fiona Bennett
Director

23 March 2010

Report on the financial report

We have audited the accompanying financial report of Heide Park & Art Gallery (the company), which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The Responsibility 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 (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Heide Park & Art Gallery on 23 March 2010 would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion the financial report of Heide Park & Art Gallery is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Saward Dawson Chartered Accountants


Tim Flowers
Partner

23 March 2010