



Heide Museum of Modern Art
2006 Annual Report

**Heide
Museum of
Modern Art**
Heide

Contents

	PAGE
1. Mission Statement	3
2. Honorary Appointments	4
3. Chairman’s & Director’s Report	5
4. Corporate Governance	8
4.1 Board of Directors	10
4.2 Senior Management & Company Members	12
5. Programming & Collection	13
5.1 Exhibitions	13
5.2 Education & Public Programs	16
5.3 Heide Collection	18
6. Communications & Development	22
6.1 Development	22
6.2 Heide Foundation	23
6.3 2006 Partnerships	26
6.4 Communications	29
6.5 Visitor Services	30
6.6 Heide Membership	30
6.7 Heide Store	30
6.8 Heide Café	30
7. Completion of the 2005–06 Redevelopment	32
8. Gardens	35
9. Staff & Volunteers	37
10. Financial Statements	40

1. Mission Statement

Heide Museum of Modern Art supports the development and discussion of contemporary culture, and reviews and critically evaluates modernism in Australia and internationally, building on the unique vision, heritage and environment provided by its founders, John and Sunday Reed.

Front cover:
The new Heide III & Tony & Cathie Hancy Sculpture Plaza
Heide Museum of Modern Art
Design: O'Connor + Houle Architecture
Photographer: John Gollings 2006
© John Gollings and Heide Museum of Modern Art

Back cover:
Visitors view *Meeting a dream: Albert Tucker in Paris 1948–1952*
inside the new Albert & Barbara Tucker Gallery
Photographer: John Gollings 2006
© John Gollings and Heide Museum of Modern Art

2. Honorary Appointments

Heide Patrons	
Terry Bracks	
Barbara Tucker	
Sir Rupert Hamer AC KCMG	
(1916 – 2004)	
Heide Fellows	
Dr H Norman B Wettenhall AM	1988
(1915 – 2000)	
Georges Mora	1989
(1913 – 1992)	
Maria Prendergast	1990
Baillieu Myer AC	1992
Loti Smorgon AO	1993
Victor Smorgon AO	1993
Dr Barrett Reid AM	1994
(1926 – 1995)	
Dr Tom Quirk	1995
Maudie Palmer AO	1997
The Hon. Mr. Justice Charles	1998
Christine Collingwood	1999
Albert Tucker AO	2000
(1914 – 1999)	
Barbara Tucker	2000
Tom Lowenstein	2002
William J Forrest AM	2005
John Gollings	2006
Inge King	2006

3. Chairman’s &
Director’s Report

2006: Celebrating the ‘new Heide’...

2006 was a landmark year for Heide Museum of Modern Art with the opening of the ‘new Heide’ following the major Redevelopment Program. Appropriately the launch coincided with Heide’s 25th Anniversary year as a public museum so there was cause for double celebrations.

There were many highlights to this year, and it is difficult to include all in this overview. However, we would like to comment on three of the major activities for the year:

2005 – 06 Redevelopment Program

We completed Heide’s Redevelopment Program, which originated with the Masterplan Design Competition won by O’Connor + Houle Architecture in 1999. These new 2005 – 06 works, totalling \$6 million, include the new Sidney Myer Education Centre, the redevelopment of Heide III and the restoration of Heide II and the Kitchen Garden.

Heide II, completed in 1967, was the important second home of John and Sunday Reed and was the first gallery to open to the public in 1981, following the purchase of the site by the Victorian Government.

The stunning architecture of the ‘new Heide’ now incorporates the redeveloped Heide III comprising the Albert & Barbara Tucker Gallery, which profiles the Tucker Gift of artwork and research by Heide and guest curators through changing exhibitions reviewing the work and context of Tucker and his contemporaries. In addition we have the Kerry Gardner & Andrew Myer Project Gallery showing emerging artists’ projects, the Loti Smorgon Gallery in the refurbished Central Galleries, the Tony & Cathie Hancy Sculpture Plaza, the Sir Rupert Hamer Garden, expanded car-parking on Federation Way, the Sidney Myer Education Centre and the Connie Kimberley Sculpture Park.

Expanded collection management and storage facilities, including the Tucker Study Centre, and improved visitor and retail amenities complete the redevelopment and provide much needed capacity for staff and visitors.

Feature exhibitions and programs

The re-opening of Heide in July and then its 25th Anniversary in November were celebrated with a new series of exhibitions and associated programs as well as new outdoor sculpture commissions.

Special highlights included the two major exhibitions in the refurbished Central Galleries, *Imagine... the creativity shaping our culture*, and *Unmasked: Sidney Nolan and Ned Kelly 1950–1990*; the first two exhibitions in the new Albert & Barbara Tucker Gallery, *Meeting a dream: Albert Tucker in Paris 1948–1954* and *A link and a trust: Albert Tucker and Sidney Nolan's Rome exhibition*; and the inaugural installations by artists Cate Consandine and Richard Grigg in the new Project Gallery.

These exhibitions, all produced by Heide, presented new practice in Australian contemporary art and new research into Australian modernism, profiling Heide's mission to stimulate innovative ideas around modern and contemporary art. Permanent programming initiatives included the installation of the major sculpture commission by Inge King *Rings of Saturn* (2005–06) on the Sir Rupert Hamer Garden, a striking work that has quickly become a new Heide icon, and John Meade's *Progeny* (2004–05) located in the Tony & Cathie Hancy Sculpture Plaza.

Celebratory events

Heide delivered an extensive series of celebratory events to mark both the re-opening and the 25th Anniversary, which engaged and involved as broad a cross-section of Heide stakeholders and supporters as possible. These events included the Foundation Preview Dinner on Wednesday 12 July 2006 with Victorian Minister for the Arts, Mary Delahunty MP, Federal Minister for Arts, Senator Rod Kemp and Heide Patron, Terry Bracks, who launched the Sir Rupert Hamer Garden, Federation Way car-park and new outdoor sculptures by Inge King and John Meade.

The overall redevelopment was officially opened by Mary Delahunty MP and the Albert & Barbara Tucker Gallery by James Mollison at the Winter Garden Party on Sunday 16 July 2006. The Sidney Myer Education Centre was officially opened on Tuesday 18 July 2006 by the Minister for Education & Training, Lynne Kosky MP.

A special function was also held to unveil the new commission by Peter D. Cole *Red hill, black hill, green hill* (2005–06) situated near the Sidney Myer Education Centre in memory of the late Ken Fletcher, previous Chairman of Heide, who was such a driving force for the initial master-plan vision.

The Museum's 25th Anniversary was celebrated by the Heide Foundation Fundraising Dinner on Monday 13 November 2006 to raise funds towards six contemporary artworks for Heide's Collection.

We were also privileged to have Patrick McCaughey launch our 25th Anniversary exhibitions on Friday 17 November 2006 and launch the major new publication *Bert & Ned, The correspondence of Albert Tucker and Sidney Nolan*, produced in partnership between Heide, Miegunyah Press (Melbourne University Publishing) and the State Library of Victoria.

This extraordinary program of unveilings, exhibition openings and celebratory events was the result of many years of planning, fundraising, building and research and brought to fruition the vision for an expanded exhibition and museum facility.

Operations in review

The culmination of these projects produced excellent visitation results with nearly 47,000 visits to Heide from mid-July, almost double that for the same period in 2004, our last full operating year. Many more people visited the newly restored parks and gardens, up by approximately 20%.

During 2006, Heide made a small operating surplus although the result was affected by the increased depreciation charges due to the capitalisation of the new facilities. This will continue to affect our operating result for the next few years.

It is important that Heide secures funding to maintain the newly renovated and constructed facilities to ensure the safety and comfort of visitors and staff and we will be working with the Victorian Government, owners of this important cultural institution, to assess and secure appropriate maintenance funding. The Board has also undertaken a revaluation of the significant Heide Collection and the value has increased by 35% to \$35 million since the last revaluation in 2002.

We were also delighted to recognise many worthy supporters during this extraordinary year. Heide Patron, Terry Bracks, announced the 2006 Heide Fellows, two outstanding contributors to Heide—artist Inge King and photographer John Gollings at the annual Heide Partners Twilight Drinks on 11 December 2006. Both Inge and John have made significant contributions to Heide over many years, culminating in their extraordinary support for a range of projects during 2006.

Heide received the Australian Business Arts Foundation Sensis SME National Award for its four year partnership with design studio GollingsPidgeon at the National Awards dinner in October 2006. This has been an exceptional partnership and we particularly acknowledge the commitment of David Pidgeon and John Gollings over many years.



1

After nine years of service, Board Directors, Janine Burke and David Walsh retired during 2006. Our thanks for their contributions to Heide's heritage and governance during this milestone period and welcome to the three new Directors, Jennifer Darbyshire, Alison Inglis and Mark Newman.

Our priorities for the future include undertaking major strategic planning and the development of a new Corporate Plan to guide Heide's programming, audience and asset development strategies for the next three to five years. The new facilities and expanding collection will require even additional resources if we are to meet the needs of all our stakeholders.

Heide is always looking to improve the visitor experience. The much-loved Heide Café is the next project with a proposal to develop a new Visitor Centre & Cafe to service gallery visitors, the Museum's own events and commercial hire. We have received nearly 50% of required funds through the Victorian State Government and the Heide Foundation, and we will be continuing to seek additional funds to commence this project as soon as possible to meet growing visitor demand.

In partnership with Manningham City Council, Heide 'turned the sod' on the third Manningham Gateway sculpture commission *Helmet* located at the Bridge Street end of Banksia Park. This new public sculpture by artists Cassandra Chiltern and Tanya Court is due to be launched mid 2007 and will become a new marker for Heide and its surroundings, particularly for visitors arriving by public transport or using the adjacent cycle and walking tracks.

Completion of such an intensive, complex and challenging program over the last 12 months has been a significant achievement for a small organisation and we are indebted to all tiers of government, particularly Arts Victoria at a State level, corporate partners and Foundation donors for contributing the financial resources for the successful delivery of so many projects. We would also like to acknowledge the Heide Board of Directors, staff and volunteers for their enthusiasm, dedication and sheer hard work during this exciting, new phase in Heide's history.

We have now entered a new era for Heide as we plan for the next 25 years and beyond. The visitor and media response to the new facilities and programs has been overwhelmingly positive although some aspects have generated lively discussion. This is as it should be in an institution built on and inspired by innovative ideas, art, design and architecture. Being at the centre of debate and discussion about Australian art and culture is central to Heide's mission and crucial to our future vision.

Enjoy the 'new Heide'.

Trevor Tappenden
Chairman, Board of Directors

Lesley Alway
Director/CEO

1 Lesley Alway, Heide Director, with Trevor Tappenden, Heide Chairman open the new Heide III redevelopment to the public, Tuesday 18 July 2006

4. Corporate Governance

The Board of Directors of Heide Park and Art Gallery (trading as Heide Museum of Modern Art) 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.

Heide Park and Art Gallery is a public 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 the surrounding parks and gardens. The company owns, in its own right, the property known as Heide I. Currently, there are 27 Company Members.

- The Board of Heide Museum of Modern Art**
- The Board, working with senior management, 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 Chief Executive Officer’s performance;
 - approving and monitoring the risk management strategy, internal controls and reporting systems;
 - maintaining the highest standards of ethical behaviour and legal compliance, and;
 - 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 2006, 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 the following Section 4.1 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 Meetings**
- During 2006, the Heide Board met six times. Usually Board meetings are held bi-monthly. The Chairman and the Chief Executive Officer meet regularly to discuss business and strategic issues and to agree on board agendas.
- Board Committees**
- A Nominations Committee considers Board vacancies, researches possible candidates and recommends appointments. An Audit & Risk Management Committee and a Remuneration & Human Resources Policy Committee were formed in 2006.

- Access to Information**
- Directors are entitled to access all information required to discharge their responsibilities. In addition to the Board Papers, Directors receive monthly financial statements and a report from the 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. Usually one Board meeting is held off-site at another cultural institution to broaden sector-specific knowledge.
- Conflicts of Interest**
- Directors are required to disclose any potential conflicts of interest. The Corporations Act 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, Saward Dawson, is available to answer questions about the audit preparation and content of the audit report. Both the Chairman and Chief Executive Officer deliver presentations on the Company’s performance over the year and respond to questions.
- Risk Management**
- Risk Management is a key element of effective corporate governance. Heide has a comprehensive Risk Management Policy based on the Australian Standard for Risk Management (AS / NZS 4360: 2004). It has developed a risk action plan and specific procedures for managing the company’s financial, asset, operational and project risks. In 2006 it was awarded a “silver” rating following its annual site risk survey by Heide’s insurers, the Victorian Managed Insurance Association (VMIA).

4.1 Board of Directors

Trevor Tappenden, Chairman

Trevor Tappenden is an independent Company Director and has been a Board member since April 2002, taking up the role of Chairman in August 2002. A Chartered Accountant (ACA) and Fellow of the Australian Institute of Company Directors, Trevor is 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, and 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.

Kerry Gardner, Deputy Chair

A Board member since 1999, Ms Gardner has a background in marketing, and is now a company director of arts and environmental organisations. Ms Gardner sits as a judge for the Australian Business Arts Foundation Awards, The Sidney Myer Performing Arts Awards, and is on the Steering Committee of the Australian Environmental Grantmakers Network, and Deputy Chair of Heide Museum of Modern Art. Ms Gardner is an active member of the Myer Foundation in both the arts and environment grantmaking areas, and participates in international environmental and philanthropic discussion.

Janine Burke

A Board member since May 1997, Dr Janine Burke is the award-winning author of fifteen books of art history, biography and fiction. Dr Burke holds degrees in art history from the University of Melbourne (BAHons), La Trobe University (MA) and Deakin University (PhD) and lectured in art history at the Victorian College of the Arts from 1977 to 1982. She was a member of the Programming Committee for the Melbourne Writers’ Festival, an advisor to publications *Art and Australia*, *Meanjin* and *Island*, and is a consultant to plays, films and documentaries about art, writing regularly for newspapers, journals, television and radio. Several of her books have given prominence to the Heide history: *Joy Hester*, *Dear Sun: the Letters of Joy Hester and Sunday Reed* and *Australian Gothic, A Life of Albert Tucker* and *The Heart Garden: Sunday Reed and Heide*. Dr Burke retired from the Board in February 2006.

Jennifer Darbyshire

Jennifer Darbyshire joined the Board in April 2006. Ms Darbyshire has a corporate legal and executive background with extensive transactional, governance and regulatory experience. Ms Darbyshire joined the National Australia Bank as Senior Legal Counsel & Head of Advisory in September 2006. She has previously worked in private legal practice in Melbourne and London and in major Australian corporations. Ms Darbyshire 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, Ms Darbyshire is a Director of St Vincents & Mercy Private Hospital and is a member of the Board Quality & Risk Committee. Ms Darbyshire also chairs Heide’s Remuneration & Human Resources Policy Committee.

John Downer AM

John Downer joined the Board in February 2004. A consulting engineer with Bachelor of Engineering (Hons) from Adelaide University, he was Chief Executive of the international Maunsell Group from 1993 to 1998 and subsequently Chairman. He is currently a member of the Board of Directors of American engineering firm AECOM and serves in a consulting capacity on International Business Development to the AECOM Group. Mr Downer is a Fellow of the Institution of Engineers Australia, Institution of Engineers (UK), Institution of Engineers (Hong Kong). In 2001 Mr Downer was made a Member of the Order of Australia for service to engineering and international trade. Mr Downer is a member of Heide’s Audit & Risk Management Committee.

Dr Alison Inglis

Dr Alison Inglis joined the Board in April 2006. Dr Inglis is Senior Lecturer in Art History at the University of Melbourne, Associate Dean for Development in the Faculty of Arts, course co-ordinator for the MA Art Curatorship Program and Conservation Studies Program. Dr Inglis has been a member of several museum boards, including the Management Committee of the Duldig Studio and the Donald Thomson Collection Committee of the Melbourne Museum, and holds a PhD from the University of Melbourne and key research areas include the art of nineteenth-century Britain and the history of art museums and collecting in Australia. Dr Inglis is a member of Heide’s Remuneration & Human Resources Policy Committee.

Craig Kimberley

Appointed to the Board in December 2003, Mr Kimberley is the former Chairman of the Just Jeans Group and has been in the clothing and textile industry for over 40 years. He is the founding Chairman of the Melbourne Fashion Festival, a former Commissioner of the Australian Football League and is a current Board member of Gazal Corporation Limited.

Mark Newman

Mark Newman joined the Board in December 2005. Mr Newman is Executive Officer, CIO and co-founder of Melbourne-based K2 Asset Management. Mr Newman has nearly 20 years experience in financial management and advisory services around the Asia/Pacific and Middle East. Mr Newman is also involved in the Kardinia Park Sports Foundation. Mr Newman is Chair of Heide’s Audit and Risk Management Committee.

Ken Ryan

Appointed to the Board in December 2003, Ken Ryan is the Regional Manager (Asia-Pacific) for Qantas. Based in Singapore throughout 2005, Mr Ryan was on leave from the Board for the calendar year. Mr Ryan resigned from the Board in May 2006.

David Walsh

David Walsh has been a Board member since May 1997. Until 2005 he was the senior partner in the Melbourne office of Mallesons Stephen Jaques, practising commercial, corporate and telecommunications law. For a number of years prior to his appointment to the Board, David Walsh acted as solicitor to the Museum in an honorary capacity. He has been a member and office bearer of numerous professional and business associations and is a former member of Commonwealth Advisory Committees in relation to copyright and intellectual property. David Walsh is chairman of Templeton Global Growth Fund Ltd, a Director of PaperlinX Ltd and a director of Macquarie Infrastructure Investment Management Ltd, which is the Responsible Entity for Macquarie Infrastructure Group. Mr Walsh retired from the Board in February 2006.

4.2 Senior Management

The Senior Management Executive Group comprises four members, whose qualifications and experience is detailed below. This group meets weekly to review operational priorities, develop strategy, plan projects and resolve issues. Decisions and issues are discussed at weekly staff and unit meetings.

Lesley Alway

Heide Director and Chief Executive Officer
BA (Hons), B.Ed. MBA

Ms Alway joined Heide in August 2003 and has previous CEO experience in cultural organisations, as Director, Arts Victoria (1997–2000) and Director, Artbank (1991–1995).

Elaine Chia

Business & Finance Manager
(until November 2006) BA

Ms Chia joined Heide in November 2005. Previous positions include Business Manager of Company B Belvoir Street Theatre and Marketing & Development Manager at the Sydney Conservatorium of Music, The University of Sydney.

Anna Draffin

Deputy Director, Head of Communications & Development B.Comm, BA

Ms Draffin joined Heide in 2003. Previous positions include marketing/development/project management consultant to Interact Multimedia Festival, St Kilda Film Festival. St Kilda Festival, Cultural Development Unit, City of Port Phillip, Melbourne Fashion Festival, International Asian Art Fair (New York), International Fine Art Fair (New York), International 20th Century Art Fair (New York).

Paula Greene

Business & Finance Manager
(from December 2006) BS (Hons), CPA

Ms 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.

Zara Stanhope

Deputy Director and Senior Curator
BA, B.Comm (Hons), MA

Ms Stanhope joined Heide in March 2002. Previous positions include Director, Adam Art Gallery at Victoria University of Wellington, New Zealand and Assistant Director, Monash University Gallery, Melbourne.

Company Members
(as at 31 December 2006)

Helen Alter
Janine Burke
Ken Cato
The Hon. Mr Justice 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
Thomas Quirk
Michael Roux
Ken Ryan
Rosemary Simpson
Deryk Stephens
Trevor Tappenden
David Walsh

5. Programming & Collection



5.1 Exhibitions

A strategically focused group of exhibitions was selected to mark the Museum’s re-opening in July 2006, covering current contemporary art practice, the design of Heide II by David McGlashan, Albert Tucker’s 1940s international sojourn, Mike Brown at Heide in the 1970s and ’80s and the work of fellow Annandale Imitation Realists, as well as a site-specific installation devised for Heide’s Kerry Gardner & Andrew Myer Project Gallery.

In the Central Galleries, *Imagine... the creativity shaping our culture* (18 July– 29 October 2006) presented new work developed for the exhibition by ten artists, indicating the current state of contemporary practice and ideas. *Meeting a dream: Albert Tucker in Paris 1948– 1952* (18 July– 5 November 2006) the inaugural exhibition of Heide’s new Albert & Barbara Tucker Gallery, considered both the work produced and the effects of Albert Tucker’s productive five years based in Paris. *Cold cut, Eye-stalk Cate Consandine* (18 July– 5 November 2006), inaugurated the new Project Gallery with a striking example of a mixed media work devised for Heide by this emerging artist.

Living in landscape: Heide and houses by McGlashan and Everist (18 July– 5 November 2006) was guest curated by Professor Philip Goad, Deputy Dean and Professor of Architecture, Faculty of Architecture, Building and Planning, University of Melbourne and presented the first in-depth exhibition review of early houses designed by the architectural partnership, McGlashan and Everist, in the context of the design of Heide II. It was accompanied by a stunning GollingsPidgeon-designed publication that documented the research undertaken by the curator and guest essayists, as similarly produced for all the exhibitions in this opening round.

It ain’t necessarily so... Mike Brown and the Imitation Realists (18 July–1 October 2006) in Heide I included a re-presentation by young artists of a mural created by Brown when he lived at Heide in 1969–70. This exhibition also revisited Brown’s work of the time and many of the works made with fellow Annandale Imitation Realists, Ross Crothall and Colin Lanceley, in the early 1960s. Following *It ain’t necessarily so...* a new project by Kim Donaldson, *Between the Lines* (7 October– 3 December 2006), developed in response to the Reeds’ books contained in the library at Heide I, ran prior to this historic building closing for maintenance at the end of 2006.

Another round of exhibitions opened in November 2006 as the summer programming for the Museum and to mark Heide’s 25th Anniversary.

The major exhibition *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* (11 November 2006 – 4 March 2007), presented by Connex, was the first survey of Sidney Nolan’s Ned Kelly œuvre across his career. This show curated by Damian Smith, Curator, Maroondah Art Gallery, and Kendrah Morgan, Heide Curator, provided an insight into Nolan’s practice through his ongoing fascination with the myth of Australian bushranger and folk hero Kelly throughout forty years of creative activity.

2 Vera Möller
darkrooming (detail) 2005
installation comprising modelling materials,
porcelain, plastic, wood, Styrofoam, synthetic polymer,
enamel and oil paint, steel, glass
600.0 x 600.0 x 600.0 cm dimensions variable
Courtesy of Vera Möller and Sutton Gallery, Melbourne
© Vera Möller



3

The first exhibition in the new Albert & Barbara Tucker Gallery to examine Albert Tucker in a broader context, *A link and a trust: Albert Tucker and Sidney Nolan's Rome exhibition* (18 November 2006 – 20 May 2007) explored a high-point in the artistic exchange arising from Tucker's lifelong friendship with Sidney Nolan. The exhibition recreated the only joint show held by the two artists, which was displayed in Rome at the Foreign Press Association Clubroom in 1954. Alongside *was life after life*, *Richard Grigg* (18 November 2006 – 18 February 2007) the second site-specific Project Gallery installation, which took its creative investigation of human existence from a fourteenth-century painting by Giotto.

Heide marked its 25th Anniversary with a special exhibition *New to the modern: Heide twenty-five years on* (14 November 2006 – 25 February 2007) in Heide II. Drawn from Heide's Collection of over 2,000 works of art, dating from the 1930s to the contemporary, the exhibition connected ideas and practices in surprising ways, inciting unexpected dialogues between works that shared viewpoints and inspirations rather than periods or styles.

Heide Travelling Exhibitions

Heide's acclaimed 2004 exhibition *Mythology & Reality: Contemporary Aboriginal Desert Art from the Gabrielle Pizzi Collection* was exhibited at the Australian Embassy in Paris from 23 June 2006 – 10 January 2007. This extraordinary private collection was unveiled in Paris to coincide with the opening of the musée de quai Branly, dedicated to the exhibition of the arts and civilisations of Africa, Asia, Oceania and the Pacific. The GollingsPidgeon designed award-winning Heide exhibition catalogue was reprinted in a new bi-lingual French-English version to commemorate the occasion.



4



5



6



7



8



9

3 Wolfgang Sievers
North aspect, Heide II exterior 1968
gelatin silver print
40.6 x 45.7 cm
Heide Museum of Modern Art Collection
Gift of the artist 1992
© Wolfgang Sievers

4 Chris Hill, Kain Picken, Nick Selenitsch, Rob McKenzie,
Zen Lucas, Darryl Tilson, Michelle Ussher
Re-creation of Mike Brown's 1969–70 mural
It ain't necessarily so... (detail) 2006
Heide Museum of Modern Art
Photographer: John Brash 2006
© The artists, photographer and Heide Museum of Modern Art

5 Albert Tucker
Paris street 1950
gouache, watercolour, brush and ink, oil on cardboard
41.7 x 50.0 cm
Heide Museum of Modern Art Collection
Gift of Barbara Tucker 2005
© Barbara Tucker

6 Unknown photographer
Albert Tucker camping by the Seine, 1952
Private collection

7 John and Sunday Reed at construction site
of Reed house (Heide II), Bulleen
Photographer: Nigel Buesst 1966
© Nigel Buesst

8 Arlo Mountford
The Wanderer Meets The Pioneer (detail) 2006
still from animation on DVD
© Arlo Mountford

9 Lucia Usmiani
Black death (detail) 2005–06
aluminium cans, pins, Nal Clips
dimensions variable
© Lucia Usmiani



10



11



12



16



17

2006 Exhibitions Overview

Exhibition	Exhibition Dates	Venue
Heide: Future, Present, Past: Part Two – Heide, home and haven for art	9 August 2005 – 29 January 2006	Heide I
Imagine... the creativity shaping our culture	18 July – 29 October 2006	Heide III: Central Galleries
Meeting a dream: Albert Tucker in Paris 1948 – 1952	18 July – 5 November 2006	Heide III: Albert & Barbara Tucker Gallery
Living in landscape: Heide and houses by McGlashan and Everist	18 July – 5 November 2006	Heide II
It ain't necessarily so... Mike Brown and the Imitation Realists	18 July – 1 October 2006	Heide I
Cold cut, Eye-stalk Cate Consandine	18 July – 5 November 2006	Heide III: Kerry Gardner & Andrew Myer Project Gallery
Between the lines, Kim Donaldson	7 October – 3 December 2006	Heide I
Unmasked: Sidney Nolan and Ned Kelly 1950 – 1990	11 November 2006 – 4 March 2007	Heide III: Central Galleries
New to the modern: Heide twenty-five years on	14 November 2006 – 25 February 2007	Heide II
A link and trust: Albert Tucker and Sidney Nolan's Rome exhibition	18 November 2006 – 20 May 2007	Heide III: Albert & Barbara Tucker Gallery
Life after life, Richard Grigg	18 November 2006 – 18 February 2007	Heide III: Kerry Gardner & Andrew Myer Project Gallery
Travelling Exhibition	Exhibition Dates	Venue
Mythology & Reality: Contemporary Aboriginal Desert Art from the Gabrielle Pizzi Collection	23 June 2006 – 10 January 2007	Australian Embassy, Paris

10 Dena Georgetti
All day I've built a lifetime 2006
synthetic polymer paint on board
65.5 x 56.5 cm
Heide Museum of Modern Art Collection
Purchased through the Heide Foundation 2007
© Dena Georgetti

11 Janet Burchill and Jennifer McCamley
Barbara Hepworth two colour table 2006
willow, polyurethane, stainless steel
74.0 x 282.0 x 94.0 cm
Heide Museum of Modern Art Collection
Purchased through the Heide Foundation 2007
© Janet Burchill and Jennifer McCamley

12 Richard Larter
Konosos 6 1985
synthetic polymer paint on linen
177.0 x 132.0 cm
Heide Museum of Modern Art Collection
The Baillieu Myer Collection of the 80s
© Richard Larter

13 Kim Donaldson
How to look at pictures 2006
synthetic polymer paint on canvas
151.0 x 105.0 cm
Photographer: John Brash 2006
© Kim Donaldson

14 Sidney Nolan
Kelly and armour 1962
oil and enamel paint on composition board
152.5 x 122.0 cm
Courtesy Gould Galleries, Melbourne
Image courtesy Gould Galleries, Melbourne
© The Sidney Nolan Trust

15 Sidney Nolan
Ned Kelly—Outlaw 1955
oil and enamel paint on composition board
91.5 x 71.0 cm
Private collection, Melbourne
Courtesy Gould Galleries, Melbourne
Image courtesy Gould Galleries, Melbourne
© The Sidney Nolan Trust

16 Richard Grigg
life after life 2006
canvas, fibre board, cardboard, spray paint, synthetic polymer paint, cotton, plaster, gesso, tempera on board, light globes, Perspex, carbon, pine
295.0 x 685.0 x 597.0 cm (dimensions variable)
Photographer: John Brash
© Richard Grigg

17 Cate Consandine
Cold cut, eye-stalk (detail) 2006
DVD still
© Cate Consandine



18

5.2 Education & Public Programs

Education Programs

Heide’s new Sidney Myer Education Centre has been accessible to the public since opening, Tuesday 18 July 2006 with interest in, and usage of, the Centre exceeding expectations. The opening event *Space Invaders*, an interactive artwork created by *Imagine...* artist Vera Möller, held on Saturday 22 and Sunday 23 July 2006, was extremely well attended, attracting over 200 participants including many family groups visiting Heide on the first weekend.

Between July and December the Sidney Myer Education Centre hosted a range of programs including Teacher Professional Development sessions, school holiday activities, interactive workshops with school groups and introductory sessions for teachers to Heide’s Education Programs. All programs were well attended with the varying range of programs on offer reaching primary, secondary and tertiary students, and expanding the traditional pool of Heide Education visitors to include a greater number of regional and interstate groups.



19

Heide’s education focus for 2006 was the development of a Thinking Curriculum based upon the new VELS curriculum structure implemented by the Victorian Department of Education & Training in 2006. Heide’s Thinking Curriculum continues to utilise the Philosophical Inquiry method previously trialled at Heide, engaging student thinking through reflective discussion followed by practical response group sessions in the Sidney Myer Education Centre. Teacher feedback regarding these practical workshops was excellent, particularly noting the success of the team-based workshops, engaging students in personal, social and interdisciplinary learning.

In addition, Heide Education continues to offer free exhibition talks, curriculum-based sessions, tours of Heide’s Sculpture Park and the excellent educational resource of Education Kits accessible through the Heide website.

Heide Education looks forward to developing a greater range of in-house exhibition materials and diverse Education programs in 2007, utilising the skills of the new Education Volunteers who have been a vital part of this program since the reopening in July 2006. Building upon those important curriculum-based learning tools that have seen Heide become an important centre for student interaction, we will continue to develop dynamic exhibitions and programs for the education sector.

18 Heidelberg Primary School student with *Space Invaders* installation in the Sidney Myer Education Centre
Photographer: Jim Lee

19 Canterbury Primary School student explains the *Space Invaders* project to Lynne Kosky MP, Minister for Education & Training, and Vera Möller, artist at the opening of the Sidney Myer Education Centre, Tuesday 18 July 2006
Photographer: Jim Lee



20

Public Programs

Public Programs had a strong and successful half year in 2006 with a wide variety of feature events, floor talks and tours attracting large audiences with diverse backgrounds and interests. Programs addressed both specialist and generalist audiences, such as those interested in architecture, gardening, and poetry. An energetic schedule of talks and events in the reopening months played a significant role in the promotion and understanding of the newly redeveloped Heide, covering such topics as: *Future Vision: The New Heide; The Tucker Gift; The Architecture of O’Connor + Houle at Heide;* and *New Sculptures at Heide*, in addition to the opening exhibitions.



21

Feature events were filled to capacity with visitors and Heide Members keen to engage in the new Heide whilst enjoying an array of high calibre speakers. Highlights included *Art, Architecture and Museums in the Landscape*, a discussion panel of distinguished architects and academics; *A Parisian evening with Mirka Mora*, a twilight party comprising an entertaining tour of Albert Tucker’s Paris paintings led by Mirka Mora; bus trips to the Mornington Peninsula and various locations in the Melbourne suburbs to view houses by McGlashan and Everist, led by architectural historians Professor Philip Goad and Associate Professor Judith Trimble; *Breakfast with Bert & Ned*, hosted by Patrick McCaughey in the Heide Cafe; and a reading of Ned Kelly’s infamous Jerilderie letter by poet Chris Wallace-Crabbe.

Smaller-scale events have also been successful. The informal style of the *Artists in conversation* series, targeting younger Melbourne artists as a particular interest group, prompted lively discussion between artists, writers, curators and general audiences about contemporary art and the exhibitions in the Kerry Gardner & Andrew Myer Project Gallery. A range of garden specialists gave fascinating and informative talks on different aspects of the garden as part of our annual *Growingrowing Heide* series (15 October – 5 November 2006) with 235 people attending various events.

Heide’s dedicated team of Volunteer Guides continue to play a vital role in the delivery of Public Programs. The number of Volunteer Guides more than tripled to 30, all of whom undertook an ambitious training program in the Sidney Myer Education Centre. Volunteer Guides now offer twice weekly talks at Heide as well as numerous pre-booked tours for groups ranging from tertiary students, visual art and garden societies, adult education, social and special needs groups, as well as Members from fellow public museums. In 2007 we look forward to further expanding the reach and extent of our audience and to maintaining an excellent standard and range of events that are integral to the life of the Museum.

20 Attendees of the public program *Breakfast with Bert & Ned*, hosted by Patrick McCaughey, in the Albert & Barbara Tucker Gallery, Saturday 18 November 2006
Photographer: Jim Lee

21 Lesley Harding, Curator, Tucker Collection & Archive and guest host Patrick McCaughey lead a tour of *A link and a trust*, as part of *Breakfast with Bert & Ned*, Saturday 18 November 2006
Photographer: Jim Lee



22

5.3 Heide Collection

2006 was an important year in the development of Heide’s Collection, with the notable additions of commissions through the Heide Foundation of new outdoor sculptures, including Inge King’s *Rings of Saturn* (2005–06), Peter D Cole’s *Red hill, black hill, green hill* (2006), commissioned in memory of Ken Fletcher (Chairman of Heide Museum of Modern Art 1998–2002) and Lauren Berkowitz’s permanent indigenous planted work *Karakarook’s Garden* (2005–06). Also acquired through the Heide Foundation were John Meade’s *Progeny* (2004–05) and Jon Campbell’s *yeah flag* (2006), both permanently sited in Heide’s grounds.

During 2006 the Museum was fortunate to receive a number of works donated to the Collection by private collectors and artists, including the maquettes for Heide’s new outdoor sculptures from Peter D Cole, Inge King and John Meade. A very significant gift, three of Patricia Piccinini’s acclaimed *Car Nugget GL* (2001) works donated by the Corbett Lyon and Yueji Lyon Collection, was the centrepiece of *New to the modern: Heide twenty-five years on*. This exhibition also focused on developing the representation of contemporary practice in the Collection with a number of new acquisitions scheduled for 2007.



23



24

22 Patricia Piccinini
Car Nugget GL – Summer 2001
fibreglass and automotive paint
62.0 x 90.0 x 100.0 cm
Car Nugget GL – True Blue Red 2001
fibreglass and automotive paint
92.0 x 100.0 x 100.0 cm
Heide Museum of Modern Art Collection
Gift of the Corbett Lyon and Yueji Lyon Collection
through the Heide Foundation 2006
© Patricia Piccinini

23 Inge King
Rings of Saturn 2005–06
stainless steel
400.0 x 600.0 x 500.0 cm
Heide Museum of Modern Art Collection
Commissioned through the Heide Foundation with significant
assistance from Lindsay and Paula Fox 2005
Photographer: John Gollings 2006
© Inge King and John Gollings

24 John Meade
Progeny 2004–05
concrete, fiberglass, steel
230.0 x 230.0 x 45.0 cm
Heide Museum of Modern Art Collection
Purchased through the Heide Foundation 2005
Photographer: John Gollings 2006
© John Meade and John Gollings

The Museum is grateful to all the lenders who supported the exhibition program during 2006:

Agapitos/Wilson Collection, Sydney

Rob & Carol Andrew

Anna Schwartz Gallery, Melbourne

Art Gallery of New South Wales

Art Gallery of South Australia

Art Gallery of Western Australia

Artpreciation

Arts Council Collection, Hayward Gallery, London

Australian National University Collection

Ballarat Fine Art Gallery

Chris Barry

Janet Burchill

Peter Burns

Charles Nodrum Gallery, Melbourne

John Citizen

Cate Consandine

Crossley & Scott, Melbourne

Darren Knight Gallery, Sydney

Kim Donaldson

Eva Breuer Art Dealer, Sydney

Gallery Gabrielle Pizzi, Melbourne

Diena Georgetti

Gould Galleries, Melbourne

Greenaway Gallery, Adelaide

Richard Grigg

Patricia Hayes

Holmes à Court Collection, Perth

Raafat Ishak

James Fairfax AO Collection, United Kingdom

Kerry Stokes Collection, Perth

La Trobe University Art Collection, Melbourne

Jennifer McCamley

McGlashan Everist

Pamela McIntosh

Vera Möller

Arlo Mountford

Museum of Old and New Art, Hobart

Museum Victoria

Garry Namponan

National Gallery of Australia

National Gallery of Victoria

Lizzy Newman

Michelle Nikou

Lady Nolan

Nolan Gallery, Cultural Facilities Corporation,
Canberra

Valerie Olsen

David Palliser

ResMed Collection, Sydney

Savill Galleries, Sydney

Sherman Galleries, Sydney

Spotlight Collection, Melbourne

State Library of Victoria

Stelarc

Sutton Gallery, Melbourne

Tim Olsen Gallery

Barbara Tucker

Lucia Usmiani

Watters Gallery, Sydney

Wik and Kugu Arts and Crafts Centre, Aurukun

Yale Center for British Art, New Haven, USA

Ron Yunkaporta



25

2006 Acquisitions

Geoffrey Bartlett
Circus by the sea 1982
bronze, galvanized steel, stainless steel
113.0 x 30.0 x 168.0 cm
Gift of Maunsell Australia Pty Ltd through the Heide Foundation 2006

Lauren Berkowitz
Karakarook's garden 2005–06
indigenous plants, Dromana toppings
1200.00 x 700.00 cm
Commissioned through the Heide Foundation with the support of Arts Victoria through the Arts Development Program

Dean Bowen
Aeroplane boy 2003
bronze
90.0 x 36.0 x 249.0 cm
Gift of the artist through the Heide Foundation 2006

Jon Campbell
yeah flag 2006
polycotton, bunting, brass
90.0 x 180.0 cm
Purchased through the Heide Foundation 2006

Jock Clutterbuck
Aeikon c. 1990
stainless steel
73.5 x 63.0 x 29.0 cm
Gift of Rae Rothfield through the Heide Foundation 2006

Peter D Cole
Maquette for Red hill, black hill, green hill 2005–06
steel, wood, synthetic polymer paint
48.0 x 98.0 x 28.5 cm
Gift of the artist through the Heide Foundation 2006

Peter D Cole
Red hill, black hill, green hill 2006
steel, stainless steel, synthetic polymer paint
270.0 x 600.0 x 150.0 cm
Commissioned through the Heide Foundation 2006
In memory of Ken Fletcher, Chairman of Heide Museum of Modern Art 1998–2002

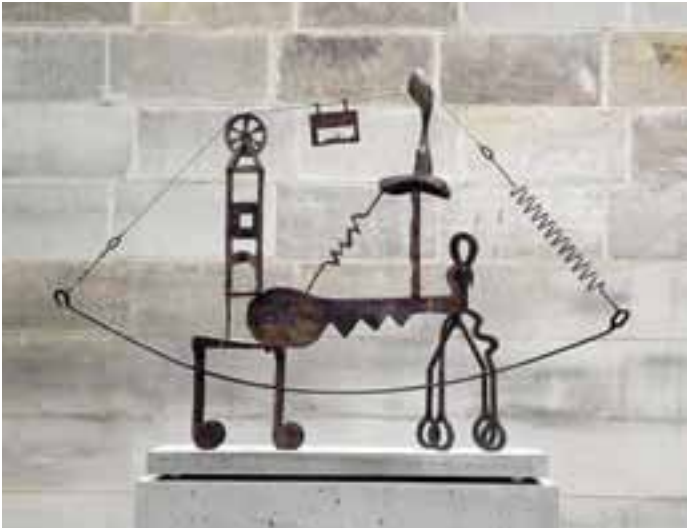
Agnes Goodsir
Portrait of Sunday Baillieu Quinn, Paris 1929
oil on canvas
61.0 x 50.5 cm
Gift of Dr Joseph Brown AO OBE through the Heide Foundation 2006

Inge King
Rings of Saturn 2005–06
stainless steel
400.0 x 600.0 x 500.0 cm
Commissioned through the Heide Foundation with significant assistance from Lindsay and Paula Fox 2005

Inge King
Maquette for Rings of Saturn 2004–05
stainless steel
45.5 x 51.0 x 61.0 cm
Gift of the artist through the Heide Foundation 2006

Inge King
Dialogue 1987
steel, synthetic polymer paint
71.0 x 19.0 x 24.5 cm
Gift of the artist through the Heide Foundation 2006

John Meade
Progeny 2004–05
concrete, fiberglass, steel
230.0 x 230.0 x 45.0 cm
Purchased through the Heide Foundation 2006



26

John Meade
Maquette for Progeny 2004–05
fiberglass, bronze
27.0 x 29.5 x 7.0 cm
Gift of the artist through the Heide Foundation 2006

Mike Parr
Red dread 1970
silkscreen on Rives paper
A/P (edition of 40)
100.0 x 70.0 cm
Gift of Professor Jenny Strauss through the Heide Foundation 2006

Patricia Piccinini
Car Nuggett GL—Oil Slick 2001
automotive paint on fibreglass
100.0 x 100.0 x 100.0 cm
Gift of the Corbett Lyon and Yueji Lyon Collection through the Heide Foundation 2006

Patricia Piccinini
Car Nuggett GL—Summer 2001
automotive paint on fibreglass
62.0 x 90.0 x 100.0 cm
Gift of the Corbett Lyon and Yueji Lyon Collection through the Heide Foundation 2006

Patricia Piccinini
Car Nuggett GL—True Blue Red 2001
automotive paint on fibreglass
92.0 x 100.0 x 100.0 cm
Gift of the Corbett Lyon and Yueji Lyon Collection through the Heide Foundation 2006

Vicki Varvaressos
Woman with statue 1994
synthetic polymer paint on canvas
138.0 x 122.0 cm
Gift of the artist through the Heide Foundation 2006



27

Outgoing loans from Heide's Collection

National Gallery of Victoria
Charles Blackman: Alice in Wonderland
11 August–15 October 2006

Charles Blackman
Alice 1956
oil on composition board
133.0 x 89.9 cm
Bequest of John and Sunday Reed 1982

Charles Blackman
The shoe 1956
oil on composition board
91.0 x 122.0 cm
Purchased from John and Sunday Reed 1980

National Gallery of Victoria
Howard Arkley: The Retrospective
17 November 2006–25 February 2007
Art Gallery of New South Wales:
10 March–6 May 2007
Queensland Art Gallery:
6 July–16 September 2007

Howard Arkley
Suburban interior 1983
synthetic polymer paint on wallpaper on canvas
160.0 x 120.0 cm
The Baillieu Myer Collection of the 80s

Ivan Dougherty Gallery,
University of New South Wales
For Matthew and Others: Journeys with Schizophrenia
6 October–11 November 2006

John Perceval
The Patient 1981
Oil and pencil on paper
37.1 x 50.0 cm
Gift of John and Sunday Reed 1981

Glen Eira City Council
The Murrumbeena Boyds
19 October–5 November 2006

Arthur Boyd
Figures wrestling (Man wrestling with bull) c. 1953
glazed ceramic tile
31.6 x 41.4 cm
Purchased from John and Sunday Reed 1980

Arthur Boyd
Boy dreaming in a cornfield c. 1950–52
glazed ceramic tile
32.5 x 43.0 cm
Bequest of John and Sunday Reed 1982

Arthur Boyd
Untitled (ceramic jug) 1944
glazed ceramic
21.0 x 25.5 x 21.0 cm
Bequest of Barrett Reid, 2000

Mary Boyd
Hands 1942
oil on composition board
76.8 x 59.5 cm
Bequest of John and Sunday Reed 1982

Mary Boyd
Alice and an Angel in the Garden 1954
crayon and pencil on paper
34.4 x 40.7 cm
Bequest of John and Sunday Reed 1982

John Perceval
Suburban roofs at night 1944
oil on muslin on cardboard
62.6 x 75.3 cm
Purchased from John and Sunday Reed 1980



28

Albert Tucker
Merric Boyd decorating a ceramic jug, Open Country, Murrumbeena c. 1943
gelatin silver photograph
25.3 x 36.9 cm (comp.) 30.2 x 40.2 cm (sheet)
Gift of Barbara Tucker 2001

Albert Tucker
Open Country group portrait 1944–5
gelatin silver photograph
26.6 x 35.1 cm (comp.) 30.5 x 40.2 cm (sheet)
Gift of Barbara Tucker 2001

Albert Tucker
John Perceval and Mary Boyd c. 1944
gelatin silver photograph
26.6 x 34.9 cm (comp.) 30.3 x 40.2 cm (sheet)
Gift of Barbara Tucker 2001

Albert Tucker
Arthur Boyd's studio c. 1945
gelatin silver photograph
26.7 x 35.4 cm (comp.) 30.4 x 40.2 cm (sheet)
Gift of Barbara Tucker 2001

Albert Tucker
Portrait of Arthur Boyd in his studio c. 1945
gelatin silver photograph
35.5 x 26.9 cm (comp.) 40.6 x 30.6 cm (sheet)
Gift of Barbara Tucker 2001

Albert Tucker
John Perceval painting on the roof watched by Mary Boyd 1946
gelatin silver photograph
34.4 x 26.9 cm (comp.) 40.5 x 30.6 cm (sheet)
Gift of Barbara Tucker 2001

25 Peter D Cole
Red hill, black hill, green hill 2006
steel, stainless steel, synthetic polymer paint
270.0 x 600.0 x 150.0 cm
Heide Museum of Modern Art Collection
Commissioned through the Heide Foundation 2006
In memory of Ken Fletcher, Chairman of Heide Museum of Modern Art 1998–2002
Photographer: John Gollings 2006
© Peter D Cole and John Gollings

26 Geoffrey Bartlett
Circus by the sea 1982
bronze, galvanised steel, stainless steel
113.0 x 30.0 x 168.0 cm
Heide Museum of Modern Art Collection
Gift of Maunsell Australia Pty Ltd through the Heide Foundation 2006
Photographer: John Gollings 2006
© Geoffrey Bartlett and John Gollings

27 Charles Blackman
The shoe c. 1957
oil on composition board
91.0 x 122.0 cm
Heide Museum of Modern Art Collection
Purchased from John and Sunday Reed 1980
© Charles Blackman/Licensed by Viscopy

28 Howard Arkley
Suburban interior 1983
synthetic polymer on wallpaper on canvas
160.0 x 120.0 cm
Heide Museum of Modern Art Collection
The Baillieu Myer Collection of the 80s
© The Estate of Howard Arkley
Licensed by Kali Rolfe Contemporary Art

6. Communications & Development

6.1 Development

The area of Development continued to grow in 2006 at Heide, contributing 80% of total operations revenue and 98% of capital projects (inclusive of government grants) through both the Heide Foundation and Heide Partnerships frameworks. These frameworks provided opportunities for an increasing number of corporate, private, public and philanthropic supporters to contribute to the Museum’s life throughout a dramatic year of milestone launches and celebrations.

The depth of commitment through philanthropic and partnership relationships provides the Museum with a strong base for future planning, a tangible endorsement of the passion and enthusiasm so many people feel for Heide.

6.2 Heide Foundation

Through the Heide Foundation, individuals and organisations can support the Museum’s creative programs, its capital projects or its long-term sustainability as a major destination of cultural significance.

Heide Foundation donors are publicly acknowledged at five levels:

- **Life Benefactor**
giving from \$500,000
- **Benefactor**
giving from \$100,000
- **Principal Donor**
giving from \$20,000
- **Donor**
giving from \$5,000
- **Supporter**
giving from \$1,500

The 2006 Foundation strategy mirrored the significant milestones for the Museum: Heide’s 2005–06 Redevelopment Program (July) and the 25th Anniversary (13 November). Our particular thanks go to all donors who supported this extraordinary year of activity and growth — one which has laid foundations for many future generations to enjoy Heide Museum of Modern Art.

The year was marked by two very special events. The Heide Foundation Preview Dinner, presented by K2 Asset Management, was held on Wednesday 12 July 2006 as part of the launch of ‘new Heide’. This event in a marquee on the Loti Smorgon Courtyard was hosted by Heide’s Patrons Mrs Terry Bracks and Mrs Barbara Tucker, and included the unveiling of two new additions to our outdoor sculpture collection supported through the Foundation: John Meade’s *Progeny* (2004–05) and Inge King’s specially commissioned *Rings of Saturn* (2005–06). The 2006 Heide Foundation Fundraising Dinner marked the Museum’s 25th Anniversary on Monday 13 November 2006. This dinner, held in the Albert & Barbara Tucker Gallery, previewed the new exhibitions *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* and *New to the modern: Heide twenty-five years on*. Guest speaker architect Corbett Lyon discussed his passion for collecting contemporary art and his donation of Patricia Piccinini’s *Car Nugget GL* (2001) works to Heide. Funds raised from the evening supported the special acquisition of six contemporary artworks on show in *New to the modern* in honour of the Museum’s 25th Anniversary to be received into the Collection in 2007.

Throughout the year, the Heide Foundation also received considerable support towards its 2006 exhibitions, including *Imagine... the creativity shaping our future*, *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* and *A link and a trust: Albert Tucker and Sidney Nolan’s Rome exhibition*.

As at 31 December 2006, the Heide Foundation included:

- Life Benefactors**
- Kate Bêchet
Tony & Cathie Hancy
Craig & Connie Kimberley
The Sarah & Baillieu Myer Family Foundation
John & Sunday Reed
Victor Smorgon AO & Loti Smorgon AO
Barbara Tucker

- Benefactors**
- William J Forrest AM
Lindsay & Paula Fox
Kerry Gardner & Andrew Myer
Diana Gibson AO
James Kenney
Georges Mora Memorial Fund
Sidney Myer Fund
Mark & Hyeon-Joo Newman
Dr Tom & Sue Quirk
Truby & Florence Williams Charitable Trust, ANZ Trustees

Principal Donors

Robert O Albert AO & Elizabeth Albert
Max & Lorraine Beck
Norman & Pauline Bloom
Dean Bowen
Yvonne Boyd
Stephen & Jenny Charles
Joan Clemenger & Peter Clemenger AM
Christine & John Collingwood
James & Rachel Colquhoun
Sir James & Lady Sheila Cruthers
Helen Dick
Lauraine Diggins
John Downer AM & Rose Downer
Diana Fletcher
Richard & Isabella Green
Lesley Griffin
Inge & Graeme King
Andrea & Richard King
Elizabeth H Loftus
Corbett & Yueji Lyon
Maunsell Australia Pty Ltd
The Parncutt Family Foundation
Sophia Pavlovski-Ross & Philip Ross
Pearson Group Australia
The Ian Potter Foundation
Stuart Purves AM
John T Reid Charitable Trusts
Prof. John Rickard
Dick Roennfeldt
Helen Macpherson Smith Trust
Graeme Sturgeon Trust
Trevor & Christine Tappenden
Arthur A. Thomas Trust
Chris & Cheryl Thomas
Robyn & Gary Upfield
Ralph Ward-Ambler AM & Barbara Ward-Ambler
Norman, Mavis and Graeme Waters Perpetual Charitable Trust
Ross & Robyn Wilson
Anonymous (1)

Donors

Valerie Albiston
William Angliss Charitable Fund
Marc Besen AO & Eva Besen AO
Bill Bowness
Dr Joseph Brown AO OBE
Peter D Cole
Julius Colman
William Conn OAM & Jan Armstrong-Conn
Jennifer Darbyshire & David Walker
Stephen Davies
David & Kristene Deague
James Fairfax AO
Ray Finkelstein & Leonie Thompson
Geoff Freeman
Neilma Gantner
Robert Gould
Peter Hayes QC & Mary Hayes
Ian & Dorothy Hicks
Dr Alison Inglis
Patricia James
Mary Lou Jelbart
Julie Kantor
Michael & Silvia Kantor
Gillian Kaplan
Colin & Elizabeth Laverty
Tom & Sylvia Lowenstein
Erica McGilchrist
Eileen Mackley
John & Marita McIntosh
Peter McMahon & Jennifer Rice
Naomi Milgrom & John Kaldor
Diana & Nigel Morgan
Dame Elisabeth Murdoch AC DBE
Allan Myers QC & Maria Myers
Dr Richard & Vivienne Reed
Rae Rothfield
The Sherman Foundation
Rosemary Simpson
Timothy & Roslyn Smallwood
Dr Thomas & Karin Smyth
Vicki Varvaressos
Joe Vasta

Leon & Sandra Velik
Dr Gerry & Elisabeth Wagner
David & Margaret Walsh
Joan Wettenhall
Lyn Williams AM
Sir John Young KCMG AC
Anonymous (6)

Supporters

John & Cecily Adams
John & Anne Anagnostou
John Brash
Beth Bruce & Tom Bruce AO
Ron Butters
Dr Beverley & Alan Castleman
Hecker Phelan & Guthrie
Graeme & Joan Johnson
David Keys
Evan Lowenstein
John Meade
Rob Mills
William Nuttall
Geraldine & John O’Sullivan
Maudie Palmer AO
Louis Partos
Margaret Ross AM & Dr Ian Ross
Prof. Jenny Strauss
Anonymous (2)



29



32



34



30



33



35



36



37



31



38

29 Lesley Harding, Curator, Tucker Collection & Archive and Barbara Tucker, Heide Patron at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

30 Bill Forrest, Heide Fellow, in front of a new work by Melbourne artist, Cate Consandine at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

31 Terry Bracks, Heide Patron with Tony Hancy, Heide Life Benefactor at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

32 Mark Newman, Heide Board Director and his wife, Hyeon-Joo, with Trevor Tappenden, Heide Chairman at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

33 Lesley Alway, Heide Director with 2005–06 Heide Redevelopment architects Annick Houle and Stephen O’Connor at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

34 Guests view *New to the modern* in Heide II at the Heide Foundation Fundraising Dinner, Monday 13 November 2006
Photographer: James Boddington

35 Natalie Kemp, Senator Rod Kemp, Minister for the Arts & Sport, Lesley Alway, Heide Director, Barbara Tucker, Heide Patron, Terry Bracks, Heide Patron and Trevor Tappenden, Heide Chairman at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

36 John Gollings, photographer with Inge King at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Photographer: Jim Lee

37 Guest speaker Minister Mary Delahunty MP opens the new Sir Rupert Hamer Garden featuring the sculpture *Rings of Saturn* by Inge King, at the Heide Foundation Preview Dinner, Wednesday 12 July 2006
Onlookers; Lesley Alway, Heide Director, Terry Bracks, Heide Patron, Bill Forrest, Heide Fellow
Photographer: Jim Lee

38 Albert & Barbara Tucker Gallery as set for the Heide Foundation Fundraising Dinner, Monday 13 November 2006
Photographer: James Boddington



39

6.3 2006 Partnerships

Heide Museum of Modern Art thanks all our 2006 Partners, who contributed to the Museum and its programs. A strong partnership network is a vital aspect of Heide’s ongoing development and 2006 demonstrated clearly the success of the Museum’s Partnership framework in delivering major support to Heide’s infrastructure and activities.

Highlights of the year included the celebration of Heide’s re-opening with Redevelopment Program Partners, new Partners and multi-year agreements.

Heide was also delighted to receive the Australian Business Arts Foundation National (AbaF) SENSIS SME Award for our Principal Partnership with the design/photography studio GollingsPidgeon. We hope such an achievement will become a benchmark, not only for future partnerships with Heide, but will also provide a leadership role for other small to medium arts organizations.



40

2005–06 Redevelopment Partners



39 Winter Garden Party Invitation designed by GollingsPidgeon

40 David Pidgeon, GollingsPidgeon, Prue Deniz, General Manager Corporate Affairs, Sensis, Lesley Alway, Heide Director receive their award at the AbaF 2006 National Awards, 26 October 2006
Photographer: David Marks



41



44



42



43



45



46

2006 Heide Partners

Government Partners



Principal Partners



Heide Partners



Education & Public Programs Partners



Heide Supporters

J.K. Fasham	Outlook Communications
Image Online	Resoution X
Little Creatures Brewing	Splitrock Natural Springwater

Education & Public Programs Supporter

Zart Art

41 Phoebe Bruce, Heide Foundation & Partnerships Manager with Dinah Leppinus and Zoe Newman, Splitrock at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

42 Little Creatures Bar at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

43 John Fasham, J.K Fasham, and Mat Janes, Domaine Chandon at Heide’s Twilight Drinks, Monday 11 December 2006
Photographer: Jim Lee

44 Domaine Chandon Bar at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

45 Phoebe Bruce, Foundation & Partnerships Manager, David Pidgeon, GollingsPidgeon, Lesley Harding, Curator, Tucker Collection & Archive, and Ed Dixon, Ed Dixon Food Design at Heide’s Twilight Drinks, Monday 11 December 2006
Photographer: Jim Lee

46 Councillor Grace La Vella, Manningham City Council, Terry Bracks, Heide Patron and Mayor Patricia Young, Manningham City Council at the Helmet turning of the sod, Tuesday 14 November 2006
Photographer: James Boddington



47

2006 Exhibition Partners

Unmasked: Sidney Nolan and Ned Kelly 1950–1990

Presenting Partner



Exhibition Partner



Meeting a dream: Albert Tucker in Paris 1948–1952

Government Partner



Victorian Government through its indemnification scheme

A link and a trust: Albert Tucker and Sidney Nolan's Rome Exhibition

Government Partner



Victorian Government through its indemnification scheme

2006 Project Partners



48

6.4 Communications

Visitation

The opening six weeks of the ‘new Heide’ received an overwhelming positive response from visitors with nearly 16,000 people enjoying our exhibitions, gardens and new buildings.

This trend continued for the remainder of the year with overall visitation of nearly 47,000 visits for the period, July–December, almost double that for the same period in 2004, our last full operating year. The number of visitors to our newly restored parks and gardens, increased by approximately 20% during that six month period and nearly 5,000 people participated in Heide’s Education & Public Programs, stimulated by the advent of the new facility, the Sidney Myer Education Centre.

The audience survey conducted on-site in September–October 2006 provided some interesting results. The ‘new Heide’ attracted 33% in new audiences. The aspects of Heide most enjoyed by visitors in order were the overall atmosphere and gardens, special exhibitions, sculpture collection, architecture and Heide’s history. 94% of visitors stated they would definitely or probably visit Heide again in the future.

Marketing

Following the January closure of Heide I at the conclusion of the two-part exhibition *Heide: Future, Present, Past*, the 2006 communications strategy was structured around two focal points: the 2005–06 Redevelopment Program with its July reopening, and Heide’s 25th Anniversary celebrations in November. Each campaign comprised both cultural destination and exhibition campaign frameworks to mark a milestone year in Heide’s history, and produced some spectacular results.



49

In anticipation of Heide’s reopening, pre-publicity commenced early in the year to generate interest and momentum in the lead-up to the unveiling of the new buildings and spaces. Key stakeholders, including Heide Membership, Heide Foundation and Heide Partners, were kept abreast of the status of the Redevelopment Program through direct communications regarding increases in project scope (such as the refurbishment and reconfiguration of the existing Central Galleries); the upcoming exhibition program; and details of the reopening and related events.

Upon reopening, traditional vehicles of advertising, new signage and the refreshing of Heide’s marketing collateral ensured visitors were well-informed as they were welcomed back to Heide. Two issues of the biannual Heide Magazine were released, with this publication continuing as a key vehicle for providing information to Heide’s key stakeholders and visitors. Less traditional means of promotion were employed by way of City Circle Tram panels and a Community Service Announcement through television, radio and print media that provided further opportunities to promote the arrival of the new Heide.

Heide’s website was also re-launched with new Heide Partner Mecca Medialight. The website presented a fresh and vibrant design and simple ‘user-friendly’ pathways to allow easy access to information to enhance visitors’ experience of both the website and Heide itself. The new website offers great scope to expand with opportunities to develop both the historical, architectural and educational areas of information.

Publicity for both the reopening of Heide and the 25th Anniversary celebrations was extensive, from television and radio to press and online. Media interest was exceptionally high in Melbourne but also nationally and internationally with coverage in both Asia and Europe. Highlights of Australian media included a feature segment on Channel 9’s *Getaway*, Channel 7’s *That’s Melbourne*, ABC’s Asia-Pacific program *Nexus*, continued support from 774 ABC Melbourne with regular interviews, and a permanent fixture in the national and Melbourne newspapers with extensive reviews and features. Our thanks to HotHouse Media and Purple Media in their media liaison.

Heide was delighted to welcome Connex as a first-time Exhibition Partner for the 25th Anniversary exhibition *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* (11 November 2006–4 March 2007). This partnership afforded unique marketing opportunities for Heide to seek fantastic exposure in areas not traditionally available to a not-for-profit organization, including banners at Flinders Street station and posters at 209 train stations throughout metropolitan Melbourne. This exhibition was also promoted over a six-week period via the highly visible Tullamarine Freeway billboard site.

Other cultural destination campaigns for 2006 included the retail-based campaign, *Sip & Shop at Heide* (Thursday 7 December 2006), and *Growingrowing Heide* (15 October–5 November 2006), the annual spring program of events. Both events attracted large audience responses and a chance to engage with key visitor segments as part of communication lead-up to the 25th Anniversary celebrations in November.

47 *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* signage at Flinders Street Station, Melbourne (November 2006) Photographer: John Gollings 2006

48 *Unmasked: Sidney Nolan and Ned Kelly 1950–1990* exhibition poster

49 *Meeting a dream: Albert Tucker in Paris 1948–1952* exhibition poster



50

6.5 Visitor Services

Heide’s Visitor Services department underwent a major restructure and expansion during 2006 to meet the demands of a larger, more complex site and increased visitation following the resumption of Museum operations.

A major recruitment campaign resulted in the employment of 11 Visitor Services Officers and 150 Visitor Services Volunteers. An intensive training program was implemented for all Visitor Services staff, resulting in high professional standards in customer service that met or exceeded the expectations of visitors.

Our thanks go to all of our Visitor Services Volunteers who made 2006 such a memorable year and whose aggregate contribution provided 4,929 hours of valuable support to the Museum.

6.6 Heide Membership

Heide Membership now forms part of Heide’s Visitor & Membership Services. This amalgamation of services ensured a high level of personalised service for members at all of Heide’s information desks, as well as providing greater, easy access for members to Heide’s Public Programs and updates on Museum news through communications campaigns.



51

Despite the partial site closures experienced in the first half of the year, 60% of members remained active in their support of Heide throughout the first half of 2006, while the remaining 40% elected to hold over the balance of their subscription to recommence from the reopening in July. By the end of 2006, the number of Heide Membership subscriptions had risen by 69%.

Two new levels of membership were also introduced: *Premium Individual* for individuals seeking a higher degree of interaction and information from Heide and *Senior* to accommodate this growing, loyal segment.

We look forward to the year ahead in continuing to find ways in which to improve our service for members and to expanding our programs on offer.

6.7 Heide Store

Following closures to July 2006, the Museums’ retail services re-launched in new, dedicated facilities—the Heide Store, designed by O’Connor + Houle Architecture within the Heide III redevelopment.

The new Heide Store introduced an ever-increasing array of publications and merchandise developed specifically for Heide as well as external merchandise and publications that related to exhibitions and to Heide as a destination, from architectural themes to gardens, art and history.

Audiences responded positively to the new store and its product selection, reflected in an 18% increase in total sales.

The expansion of the line of Heide products and publications will continue as a focus during 2007.

51 Heide Tea Towel



52

6.8 Heide Café

Heide Café reopened in July following some minor maintenance and temporary refurbishment, under the auspices of new operator, Ed Dixon Food Design. This new relationship encompassed the management and operations of the Heide Café and commercial event hire, as well as exclusively catering for the Museum’s many on-site events and exhibition openings.

The Café re-emerged as a favourite among locals as well as regular visitors to Heide and continued with a strong focus on local and seasonal produce, and increased its take-away service for those visitors wishing to use Heide’s gardens and new extended outdoor areas.

A temporary marquee was located next to the Café to cope with growing demand, however, plans are underway for the next stage in the Museum’s development—a new Visitor Centre/Café. Nearly 50% of required funds have already been raised through the Victorian Government and the Heide Foundation for the project, scheduled for commencement as soon as possible.

52 Heide Apron



51

52



53



54



56



57



55



58



59

51 Heide Winter Garden Party, Sunday 16 July 2006, marquee installation by Joost
Photographer: Jim Lee

52 Stelarc, artist, in front of his work *Muscle machine* (2003) at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

53 Mary Delahunty MP, Minister for the Arts, Lesley Alway, Heide Director, Warwick Reeder, former Heide Director and Carole McWilliam at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

54 Vera Möller, artist, in front of her work *darkrooming* (2005) at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

55 Adam Elliot with Cathie Hancy, Heide Life Benefactor at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

56 Artists Rob McKenzie, Christopher L G Hill, Kain Picken and Lizzy Newman at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

57 Lucia Usmiani, artist, and Teresa Fibrosi in front of *Black death* (2005–06) at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

58 Cate Consandine, artist, in front of her work *Cold cut, Eye-stalk* (2006) at the Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

59 Guests view the exhibition *Imagine... the creativity shaping our culture*, at the Heide Winter Garden Party, Sunday 16 July 2006
Photographer: Jim Lee

50 Heide Notebook range and Heide rainbow pencils



60

7. Completion of the
2005–06 Redevelopment

After an 18 month building period during 2005/6 , the much anticipated ‘new Heide’ reopened to the public on Tuesday 18 July 2006. Chairman, Trevor Tappenden and Director/CEO, Lesley Alway, welcomed those eagerly waiting outside, including the first Education visitors, students from Canterbury Primary School and Heidelberg Primary School.

Heide has previously been associated with layers of art and social histories, but the layers of the Museum’s architectural history are now also readily apparent. Following the most recent project, Heide now has a rich, built environment that encompasses the Victorian Italianate architecture of Heide I, the modernist icon of Heide II by McGlashan and Everist, the 21st century contemporary idiom of the redeveloped Heide III by O’Connor + Houle Architecture, which provides a dramatic extension to the original 1993 Heide III by Peddle Thorpe and the striking new Sidney Myer Education Centre, also by O’Connor + Houle.

The opening of the new and restored facilities across the whole site during winter 2006 was the culmination of the \$6 million redevelopment that had been many years in the planning. O’Connor + Houle Architecture, who won the design contract in 1999, have delivered a building that boldly delineates the new Heide III from the existing and iconic Heide II building. The panelled, zinc-coated façade of Heide III is dominated by its asymmetrical, factory-like roofline providing a contrast with the white linear stonework of Heide II. This is consistent with current heritage principles that require a clear delineation between old and new so that both the heritage and contemporary buildings can be fully appreciated in their own right.

The elevation of Heide III tapers at the western end of the building, allowing a broad and welcoming entrance from the new Federation Way car park. The building then folds to embrace the Tony & Cathie Hancy Sculpture Plaza, the Loti Smorgon Courtyard and Heide Café. New paths and landscaping provide easy access from the Upper Car Park and to Heide I, the original 19th century farmhouse.

The redeveloped Heide III accommodates the long-awaited Albert & Barbara Tucker Gallery and adjoining Tucker Study Centre. Alongside is the Kerry Gardner & Andrew Myer Project Gallery that will feature quarterly installations by emerging artists, providing the opportunity for each artist to create a new body of work to exhibit in a public gallery.

The Central Galleries comprising the Loti Smorgon Gallery, the Georges Mora Gallery, as well as the Ian Potter Foundation, Sidney Myer and Truby & Florence Williams Galleries were newly refurbished, including the installation of new international standard exhibition lighting.

Heide III also contains a new foyer, administration area and retail space, Heide Store. Back of house, Collection facilities have been expanded including the works on paper and painting stores, a larger loading dock, as well as the installation of a new climate control system.



61

The Redevelopment Program also included the construction of the Sidney Myer Education Centre designed by O’Connor + Houle Architecture. Conceived to merge with its landscape environment, this simple, flexible facility combines both indoor classroom and outdoor deck that when opened become one large educational space. Constructed in wood, zinc facia panelling and glass, the building is linked to Heide II and III by new pathways. This new Centre recognises Heide’s important role as an educator for both schools and community groups. The Centre and the adjoining Helen Macpherson Smith Garden offer an unencumbered view of the newly named Connie Kimberley Sculpture Park, which has been reinvigorated with new sculptural additions as well as the re-siting of important works such as Anthony Caro’s *Sidestep* (1971).

During the redevelopment period, Heide II also underwent a restoration program that reinforces the original vision of ‘a gallery to be lived in’. Rooms that for the past decade have been used as administrative offices have been returned to the public as exhibition spaces. The reopened master bedroom and study now visually connect to the new Sidney Myer Education Centre and the Connie Kimberley Sculpture Park. Wall surfaces have been cleaned and reconditioned and the building has been re-vitalised with repairs to external wood and stone work. Significant upgrades to internal lighting and hanging systems have also been undertaken. Two courtyard walls were also found to be unstable and were rebuilt in the latter stages of the program.

Heide’s 2005–06 Redevelopment has created a new axis with a horizontal line of access across the property. The site is now fully integrated with visual links between the buildings, gardens and other aspects to encourage visitors to discover new areas and perspectives of Heide. The historic vista of Heidelberg, as once enjoyed by the Reeds and as captured in Sidney Nolan’s painting *Heidelberg* c. 1944 from Heide’s Collection, now opens dramatically before the visitor, particularly from Heide I gardens and the new Sir Rupert Hamer Garden, which is the site for the new sculpture commission, *Rings of Saturn* (2005–06) by Melbourne artist, Inge King. Additionally, Heide III not only now offers new gallery experiences but also different visions of Heide’s gardens from the end of the Albert & Barbara Tucker Gallery or the new bay window in the Central Galleries. The new views, gardens and buildings of Heide’s Redevelopment Program are an important milestone for the Museum, one of Australia’s most valued modern and contemporary art galleries.

The Heide Café has also undergone some temporary refurbishment for our reopening. However, discussions are now underway for the long term upgrade of the café with a visitor centre, following preliminary funds received from the State Government in the 2006/07 Budget as well as philanthropic sources.

60 The new Heide III (interior)
Heide Museum of Modern Art
Design: O’Connor + Houle Architecture
Photographer: John Gollings 2006
© John Gollings and Heide Museum of Modern Art

61 The Sidney Myer Education Centre
Design: O’Connor + Houle Architecture
Photographer: John Gollings 2006
© John Gollings and Heide Museum of Modern Art



62



63



64



65



66



67

The 2005–06 Redevelopment has provided Heide with much improved suite of facilities that improves visitor access, offers enhanced opportunities for exhibitions and artist’s projects and sets a wonderful environment for visitors, staff and volunteers to enjoy. We are indebted to our Redevelopment Partners and a special thank you to all who have contributed to the 2005–06 Redevelopment, particularly:

Stephen O’Connor, Annick Houle and Chris Lamborn, O’Connor + Houle Architecture

Louise Tozer, Katherine Armstrong, Adrienne Hearn and Libby Gordon, Lateral Projects & Development

Ross Skinner and Tony Stone, ADCO Constructions

Don Kerr, Irwin Consult

Peter Mathieson and Ben Jordan, Connell Wagner

Libby and Michael Peck, Elizabeth Peck Landscape Architects

Josh Slattery, Slattery Australia

Nathan Semos, Hendry Group

Robyn Mullens, Heritage Victoria

Dick Roennfeldt Consulting

Amanda Lynn, Aalto Colour

David Pidgeon and John Gollings, GollingsPidgeon

John Saddington and Adrian Calleri, Diadem

John Statham and Bryce Rayworth, Bryce Rayworth Architecture

John Alessi, JMA Constructions

Heide’s Redevelopment Partners

Heide Foundation donors

2005–06 Redevelopment Partners



62 Premier Steve Bracks awards a certificate of acknowledgement for the Tucker Gift to Barbara Tucker, Heide Patron at the official unveiling of the ‘new Heide’, Thursday 13 July 2006
Photographer: Jim Lee

63 Trevor Tappenden, Heide Chairman, Lesley Alway, Heide Director, Premier Steve Bracks, Stephen O’Connor, O’Connor + Houle Architecture, Barbara Tucker, Patron at the official unveiling of the ‘new Heide’, Thursday 13 July 2006
Photographer: Jim Lee

64 Lynne Kosky MP, Minister for Education & Training, Phillip Barresi, Federal Member for Deakin, Darvell Hutchinson AM, Chairman, Helen Macpherson Smith Trust, aided by Heidelberg Primary and Canterbury Primary School students, cut the ribbon to open the new Sidney Myer Education Centre, Tuesday 18 July 2006
Photographer: Jim Lee

65 Premier Steve Bracks and Barbara Tucker, Heide Patron, meet the media at the official unveiling of the ‘new Heide’, Thursday 13 July 2006
Photographer: Jim Lee

66 Stephen Shelmerdine AM, Sidney Myer Fund, Trevor Tappenden, Heide Chairman, Kerry Gardner, Heide Deputy Chair, Lesley Alway, Heide Director, Lynne Kosky MP, Minister for Education & Training at the opening of the Sidney Myer Education Centre, Tuesday 18 July 2006
Photographer: Jim Lee

57 Lynne Kosky MP, Minister for Education & Training and Darvell Hutchinson AM, Chairman, Helen Macpherson Smith Trust at the opening of the Sidney Myer Education Centre, Tuesday 18 July 2006
Photographer: Jim Lee

8. Gardens

The Heide Gardens are one of Heide’s most loved assets. The cultivated landscape offers visitors a wide range of dynamic external spaces, including the Kitchen Garden, Vegetable Garden, Heart Garden, Wild Garden, Rose Walk, Osage orange groves, Scar tree, woodlands and open parklands. In 2006, two new cultivated areas were created at Heide; the Sir Rupert Hamer Garden and the Helen Macpherson Smith Garden. As well as the installation of new landscaping elements associated with the redevelopment, the focus for 2006 was on the re-instatement and rejuvenation of Heide’s precious gardens and landscape at Heide I, II and III following the completion of the extensive building works, which had prevented temporary access to some areas.

The Sir Rupert Hamer Garden, designed by Elizabeth Peck Landscape Architecture in collaboration with O’Connor & Houle Architecture, was completed in 2006 and is located between the Federation Way Car Park and neighboring Banksia Park. The Sir Rupert Hamer Garden opens up new views of the wider landscape, including Heidelberg and provides a seamless transition between Heide and Banksia Park. Green swards of strap-leaved grasses and ground cover provide the delineation between cultivated area and pedestrian movements. *Eucalyptus*, *Allocasuarina* and *Acacia* species have been planted and are being established in this new landscape.

Upon completion of the construction of the Sidney Myer Education Centre, the Helen Macpherson Smith Garden was designed, constructed and planted by Heide’s gardening team, led by Head Gardener, Nick Harrison. Four different tree species with a mass planting of the rice paper plant, *Tetrapanax papyrifera* combined to create this new garden much enjoyed by visitors as well as local fauna.

Major pedestrian paths leading to Heide I house were rebuilt due to the decay of timber edging. Extended areas of the Heide I Vegetable Garden were introduced to cultivation. Rehabilitation of Osage oranges was begun with mulch and organic matter addition plus regular irrigation and replanting and division of perennials in Heide I flower borders continued. Volunteer groups with Conservation Volunteers Australia (CVA) assisted in Heide’s gardens through the Hands on Heritage project devised by Heritage Victoria. This partnership will continue in 2007. Also at Heide I, the development and maintenance of *Karakarook’s garden* (2005–06) by Melbourne artist Lauren Berkowitz continued throughout the year and is now a fascinating new living sculpture at the rear of Heide I.

At Heide II, new planting and automatically timed irrigation were installed in the western garden beds to improve maintenance and sustainability in this area. Replanting and the division of perennials, herbs and vegetables has continued in the Kitchen Garden, following the redevelopment of beds and paths during 2006. Drip irrigation was installed in the Rose Walk outside the north western entrance and, as in the past, this has been a favorite site for many weddings throughout the year. Heide is grateful to Peter Leigh of Post Office Farm Nursery in Woodend for his generous donation of 1500 *Helleborus* hybrids which have been discreetly planted as ground cover under four areas of tree canopy in the park.



68



69

Arborist Chris Quinlan of Recovery Tree Services was contracted by the Museum to regularly remove fallen trees or trees judged to be in serious decline. Six mature trees were removed during 2006 as such. A deadwood removal regime began for all the trees in the park deemed to require this maintenance. Also, Arborco were contracted to stem inject all *Ulmus* species at Heide to combat elm leaf beetle infestation. The treatment will be effective for three years. Control of declared weeds *Tradescantia albiflora* and *Acer negundo* has continued in 2006 and will continue into 2007 and control of the rampant *Equisetum spp.* has continued to be carried out by the Department of Primary Industries.

Planning for future water management and conservation has begun and a number of initiatives are underway including accessing on-site recycled water to ensure the sustainability of the precious landscape environment that is such an integral part of the unique Heide experience. Heide is working within the water parameters set out by the State Government whilst also working with Heritage Victoria and other statutory bodies to maintain the historic Heide site in the current climactic conditions.

Apprentice Gardener Danae Jeanes successfully completed her apprenticeship at Heide and was then employed by Heide as a permanent full-time member of the garden staff as well as being awarded 2006 Apprentice of the Year for Horticulture and 2006 Apprentice of the Year Overall from Apprenticeships Plus.

The Heide Gardens enjoyed a great resurrection during 2006 and attracted much visitor and media attention, including an increase in visitor usage and major coverage in the Herald-Sun and The Age. As one of Heide’s greatest and cherished components the Heide Gardens will continue to provide a green space for visitors wishing to experience the full heritage of this site.

9. Staff & Volunteers

Staff

Lesley Alway
Chief Executive/Director

Curatorial & Programming

Zara Stanhope
Deputy Director, Senior Curator

Sue Cramer
Public Programs Coordinator

Stephanie Crichton
Registrar, Collection Projects
(to June)

Louise Hall
Education Officer (maternity leave from August)

Lesley Harding
Curator, Tucker Gift & Archive

Kendrah Morgan
Curator (maternity leave from May)

Katarina Paseta
Exhibitions & Collection Manager

Jennifer Ross
Registrar, Exhibitions (returned from maternity leave July)

Linda Short
Curatorial Assistant

Clayton Tremlett
Education Officer
(from September)

Communications & Development

Anna Draffin
Deputy Director, Head of Communications & Development

Sarah Aitken
Marketing Manager

Phoebe Bruce
Foundation & Partnerships Manager

Maria Davies
Visitor & Membership Services Manager

Jessica Frean
Grants Manager

Carolyn Harris
Senior Visitor Services Officer
(from June)

Nick Hays
Governance & Executive Support

Rebecca Renshaw
Visitor & Membership Services Assistant Manager

Bruce Thomson
Retail Manager & Buyer

Visitor Services Officers

Sofi Basseghi (from June)
Effie Belbin (from June)
Kate Berry (June – September)
Louise D'Adam (from June)
Stella Loftus-Hills (from June)
Mark Malmberg (to January)
Cassie May (to January)
Michelle Mills (from June)
Simone Nolan (from June)
Penny Peckham (from June)
Brian Pieper (to January; from June)
Libby Richardson (to January)
Tanya Simmons (to January)
Rachael Walker (from June)
Bernadette Zajd (to January)

Business Services

Elaine Chia
Business & Finance Manager
(to November)

Paula Greene
Business & Finance Manager
(from December)

Margaret Swallow
Financial Administrator & Office Manager

68 Helen Macpherson Smith Trust Garden in front of the Sidney Myer Education Centre
Architect: O'Connor + Houle Architecture
Photographer: John Gollings 2006
© John Gollings and Heide Museum of Modern Art

69 Lauren Berkowitz
Karakarook's garden 2005 – 06
indigenous plants, Dromana topplings
1200.0 x 700.0 cm
Heide Museum of Modern Art Collection
Commissioned by the Heide Foundation with the support of Arts Victoria through the Arts Development Program
Photographer: John Gollings 2006
© Lauren Berkowitz and John Gollings



68

Gardens

Nicholas Harrison
Head Gardener

Danae Jeanes
Gardener

Volunteers

Curatorial & Programming

Volunteer Guides

Peter Thomas
Team Leader

Davina Johnson
Team Leader

Valma Angliss AM
Jenny Anson
Kate Chapman
Jill Curry
Gay Cuthbert
Shirley Daffen
Judy Davies
Rosie Derrick
Frances Duckett
Gordon Ennis
Susan Fahey
Bill Gillies
Rosanne Green
Helen Gries
Leona Haintz
Elle Hanson
Valerie Hill
Patty Hodder
Karen Lanceley-Drew
Julianne Lewis
Jill Nicol

Olivia Porter
Claire Richardson
James Robinson
Jane Robinson
Jan Simmons
Jennifer Stanisichs

**Curatorial & Programming
Volunteers & Interns**

Barbara Burton
Emily Clarke
Genevieve Osborn
Helen Hughes
Hilary Jankelson

Education Volunteers

Julie Batty
Isobel Bond
Judy Bridges
Joanne Campbell
Irene Cook
Diane Goetze
Marita Kelly
Grace Longato
Kerry Lucas
Milanda Matthews
Kathryne Meagher
Robyn Northway
Henriette Propper
Kylie Stevenson

**Communications
& Development**

Visitor Services Volunteers

Petrit Abazi
Heather Adam
Emma Agius
Robert Albie
Jan Andrews
Libby Austen
Rebecca Barwick
Sofi Basseghi
Effie Belbin
Margaret Belcher
Lisa Bernardo
Debra Billett
Lula Black
Bronwyn Blackie
Patsy Blair
Alyshia Boddenberg
Peter Bond
Tiera Boogaard
Katy Bowman
Margaret Breare
Katie Breckon
Ros Brown
Barbara Burton
Adam Bushby
Ilona Caldow
Laura Castagnini
Sophine Chai
Ron Chapman
Fiona Choy
Annie Cleveland
Jessica Cohen
Cecilia Condon
Catherine Copley
Marie Christodoulaki
Sandy Cue
Shirley Daffen
Susan Davies
Livia De Sanctis

Laura Devenish
Ann Dickey
Arwen Dyer
Robin Edwards
Amy Egan
Fiona Efron
Kylie Franklin
Kathleen Frith
Jeanette Fry
Jimena Garcia
Robin Gibson
Ya'ara Gilan
Bill Gillies
Bev Gray
Rosanne Green
Tom Greenaway
Helen Grogan
Lucy Guo
Esther Gyorki
Chelsea Harris
Cathy Harrison
Mary Harry
Susan Hase
Del Heaton
Ann Henderson
Kylie Hill
Heather Howes
Helen Hughes
Marian James
Pamela Jaup
Margaret Johnston
Sylvia Karall
Jan Kondarovskas
Laureen Lansdown
Briony MacKenzie
Julie Mackie
Jenny Marinovic
Margaret Martin
Juan Martorana
Sheryl McCowan
Monica McKean
Anne McLachlan
Virginia McNamara

Robert Mihajilovski
Elizabeth Mohnacheff
Jane Mooney
Priscilla Moscott
Roisin Murphy
Elsebeth Murray
Helen Murray
Mutsumi Nozaki
Sue Nunis
Rae O'Shaughnessy
Jenny Osborne
Ayako Oshima
Letitia Panosh
Murray Pearce
Penny Peckham
Laura Pederson
Margaret Peppard
Judith Perry
Olivia Porter
Michelle Phillips
Tessa Purcell
Siobhan Rawlin
Jan Raymond
Vivienne Reed
Claire Richardson
Barbro Roberts
Natasha Salera
Karen Salter
Nicole Salvo
Naomi Savio
Lesley Schmidt
Jan Simmons
Samantha Sokolis
Carmel Speer
Amy Spiers
Julie Stevens
Bridget Stokell
Maia Tarrell
Lisa Thepvongsa
Griselda Toh
Louise Vains
Marina Valmorbida
Christine Visentin

Margaret Van de Walle
Shirley Walker
Megg Walstab
Mary Waters
Katherine Wills
Fiona Wilson
Nancy Wood
Camille Woodward
Kristy Woodward
Glenda Worth
Maree Xuereb
Janel Yau

**Communications &
Development Interns**

Livia De Sanctis
Lucy Guo
Robert Lee

	PAGE
10. Financial Statements	
Directors’ Report	43
Auditor’s Independence Declaration	45
Income Statement	46
Balance Sheet	47
Statement of Changes in Equity	48
Statement of Cash Flows	49
Notes to the Financial Statements	50
Director’s Declaration	65
Independent Audit Report	66

Director’s Report

Your directors present their report on the company for the financial year ended 31 December 2006.

1. Directors

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

Names	Appointed/Resigned
Janine Burke	Retired February 2006
John Downer	
Kerry Gardner	
Craig Kimberley	
Mark Newman	Appointed February 2006
Ken Ryan	Resigned May 2006
Trevor Tappenden	
David Walsh	Retired February 2006
Jennifer Darbyshire	Appointed August 2006
Alison Inglis	Appointed August 2006

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

2. Operating results

The surplus of Heide Park & Art Gallery amounted to \$ 1,696,952.

3. Review of operations

During the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements. The museum completed a major capital redevelopment program which closed operations in Heide II and Heide III for the period from February 2005 to July 2006. The museum reopened on July 18, 2006 and resumed normal operating activity.

4. Significant changes in state of affairs

Apart from the completion of redevelopment activity and the reopening of the gallery as noted above, there were no significant changes in the company’s state of affairs during the financial year.

5. Principal Activity

The principal activity of Heide Park & Art Gallery during the financial year was the operation and development of Heide Museum of Modern Art and surrounding gardens and parkland.

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

6. 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.

7. 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.

8. 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

9. 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.

10. Proceedings

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.

The company was not a party to any such proceedings during the year.

11. Information on Directors

Janine Burke Qualifications	Author & Historian BA (Hons), MA, PhD
John Downer Qualifications Special Responsibilities	Engineer & Company Director BEng (Hons) Audit and Risk Management Committee
Kerry Gardner Special Responsibilities	Company Director Deputy Chairman
Craig Kimberley	Company Director
Mark Newman Qualifications Special Responsibilities	Executive Director & Chief Investment Officer, K2 Asset Management BEcon Chair: Audit and Risk Management Committee
Ken Ryan	On leave of absence throughout 2006 until resignation effective May 2006
Trevor Tappenden Qualifications Special Responsibilities	Chartered Accountant, Company Director ACA Chairman
David Walsh	Solicitor & Company Director, Mallesons Stephen Jaques
Jennifer Darbyshire Qualifications Special Responsibilities	Senior Legal Counsel, National Australia Bank BA, LLB (Hons), LLM Chair: Remuneration and Human Resources Policy Committee
Alison Inglis Qualifications Special Responsibilities	Associate Dean, University of Melbourne BA (Hons), PhD Remuneration and Human Resources Policy Committee

Meetings of Directors

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors Meetings

	Number eligible to attend	Number attended
Janine Burke	1	1
John Downer	6	5
Kerry Gardner	6	6
Craig Kimberley	6	5
Mark Newman	6	6
Ken Ryan	2	
Trevor Tappenden	6	5
David Walsh	1	1
Jennifer Darbyshire	3	3
Alison Inglis	3	3

12. Indemnifying Officers or Auditors

a. 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:

b. 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 \$ 770 for each director.

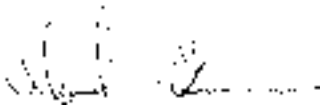
Janine Burke
John Downer
Kerry Gardner
Craig Kimberley
Mark Newman
Ken Ryan
Trevor Tappenden
David Walsh
Jennifer Darbyshire
Alison Inglis

13. Auditors Independence Declaration

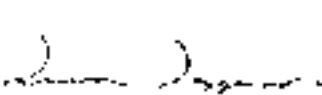
A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 12.

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

Director:



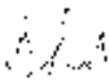
Director:



23 April 2007

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2006 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
Bruce Saward
Partner
23 April 2007

Income Statement
for the year ended 31 December 2005

	Note	2006 \$	2005 \$
Revenue from operating activities	2	3,212,525	5,690,917
Cost of goods sold		(54,099)	(51,781)
Employee benefits expense		(1,230,838)	(908,039)
Repairs and maintenance		(130,056)	(53,048)
Depreciation, amortisation and impairment		(277,600)	(185,255)
Insurance		(83,884)	(96,383)
Collection expenses		(62,653)	(38,271)
Exhibition expenses		(445,867)	(138,090)
Marketing expenses		(374,804)	(193,810)
Re opening expenses		(105,371)	-
Development expenses		(70,321)	-
Inventory write off		(4,214)	(19,667)
Contractors fees		(58,131)	(88,165)
Utilities		(99,086)	(46,250)
Relocation expenses		(18,809)	(54,754)
Borrowing costs		-	(5,803)
Other expenses from operating activities		(136,960)	(179,044)
Total expenses		3,152,692	2,058,360
Net surplus (deficit) from operating activities		59,833	3,632,557
Revenue from capital activities	2	1,702,403	3,209,448
Capital redevelopment expenses		(65,284)	(25,262)
Net surplus (deficit) from capital activities		1,637,119	3,184,186
Net surplus (deficit) for the year from all activities		1,696,953	6,816,742

The accompanying notes form part of this concise financial report

Balance Sheet
as at 31 December 2005

	Note	2006 \$	2005 \$
Assets			
Current assets			
Cash and cash equivalents	5	520,134	2,384,917
Trade and other receivables	6	193,442	326,749
Inventories	7	67,803	26,044
Other current assets	8	42,049	47,316
Total current assets		823,428	2,785,026
Non current assets			
Financial assets	19	1,558,793	1,597,643
Property, plant and equipment	9	11,894,723	9,380,078
Works of Art	8	35,206,758	26,398,848
Total non current assets		48,660,274	37,376,569
Total assets		49,483,702	40,161,595
Liabilities			
Current liabilities			
Trade and other payables	10	730,438	1,639,517
Short term borrowings	11	9,635	29,039
Short term provisions	12	92,915	58,950
Total current liabilities		832,988	1,727,506
Non current liabilities			
Other long term provisions	12	4,134	4,134
Total non current liabilities		4,134	4,134
Total liabilities		837,122	1,731,640
Net Assets		48,646,580	38,429,955
Equity			
Reserves	13	38,778,299	30,032,576
Accumulated surpluses		9,868,281	8,397,379
Total Equity		48,646,580	38,429,955

The accompanying notes form part of this concise financial report

Statement Of Changes in Equity
for the year ended 31 December 2006

	Retained Surplus (Deficit)	Asset Revaluation Reserve	Donated Artworks Reserve	Financial Assets Revaluation Reserve	Total
2006					
Balance at 1 January 2006	8,397,379	14,024,597	14,935,566	1,072,413	38,429,955
Surplus from ordinary operations	1,696,952	-	-	-	1,696,952
Revaluation increment	-	8,333,723	-	185,950	8,519,673
Transfer to reserves	(226,050)	-	226,050	-	-
Sub-total	1,470,902	8,333,723	226,050	185,950	10,216,625
Balance at 31 December 2006	9,868,281	22,358,320	15,161,616	1,258,363	48,646,580

	Retained Surplus (Deficit)	Asset Revaluation Reserve	Donated Artworks Reserve	Financial Assets Revaluation Reserve	Total
2005					
Balance at 1 January 2005	5,305,636	14,024,597	11,210,173	848,147	31,388,946
Surplus from ordinary operations	6,816,743	0	0	0	6,816,743
Revaluation increment	0	0	0	224,266	224,266
Transfer to reserves	(3,725,000)	0	3,725,000	0	0
Balance at 31 December 2005	8,397,379	14,024,597	14,935,566	1,072,413	38,429,955

The accompanying notes form part of this concise financial report

Statement Of Cash Flows
for the year ended 31 December 2006

	Note	2006 \$	2005 \$
Cash from operating activities			
Receipts from customers		472,757	247,325
Receipts from donations and sponsorships		709,203	234,729
Payments to suppliers and employees		(3,142,157)	(1,904,787)
Grant receipts		2,117,107	2,392,186
Dividends received		93,414	91,948
Interest received		68,398	71,541
Net cash provided by (used in) operating activities	18	318,722	1,132,942
Cash flows from investing activities			
Capital grant and pledge receipts		995,700	2,531,779
Proceeds from sale of investments		231,982	-
Acquisition of property, plant and equipment		(3,391,783)	(3,138,392)
Net cash provided by (used in) investing activities		(2,164,101)	(606,613)
Cash flows from financing activities			
Repayment of borrowings		(19,404)	(38,705)
Net cash provided by (used in) financing activities		(19,404)	(38,705)
Net increase (decreases) in cash held		(1,864,783)	487,624
Cash and cash equivalents at beginning of year		2,384,917	1,897,293
Cash at end of financial year	5	520,134	2,384,917

The accompanying notes form part of this concise financial report

Notes to the Financial Statements
for the year ended 31 December 2006

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, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the economic entity of Heide Park & Art Gallery as an individual entity. Heide Park & Art Gallery is a company limited by guarantee, incorporated and domiciled in Australia

b. Basis of preparation

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 us 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/ lease and freehold improvements. An independent valuation will be conducted in 2007.

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	25%
Leasehold improvements	2.5%

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 that 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.

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. Unearned Revenue

Unearned revenue 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 an "income received in advance" liability 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 balance sheet are shown inclusive of GST.

m. Pledges

The company has taken pledges for building fund donations which will be received over the next year of the building program. The pledges are formalised by contracts and the company has recognised the amounts receivable by the way of debtors. Pledges are recognised as income on a cash basis.

n. 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.

o. Works of art

The company undertook an independent valuation of the works of art in full as at 31 December 2006. 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.

p. 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 2006. At 31 December 2006, the available assets within the trust fund amounted to \$15,317.

q. 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.

Note 2: Revenue

	2006	2005
	\$	\$
Operating activities		
– sale of goods	137,570	72,791
– dividends (a)	93,471	91,948
– interest (b)	10,035	6,566
– admissions	245,003	74,222
– donations & sponsorships (including goods in kind)	732,362	234,729
– donated works of art (at market value)	246,050	3,725,000
– government grants	1,644,692	1,385,349
– Gain on sale of investments	7,182	-
– Other	96,160	100,312
Total Revenue from Operating Activities	3,212,525	5,690,917
Capital activities		
– Government grants – capital	1,171,757	2,741,587
– Donations – capital	509,615	377,658
– Interest – capital (b)	21,031	90,204
Total Revenue from Capital Activities	1,702,403	3,209,449
(a) Dividend revenue from:		
other corporations	93,471	91,948
(b) Interest revenue from:		
other persons	31,066	96,770

Note 3: Surplus from Ordinary Activities

	2006	2005
	\$	\$
Surplus (deficit) from Ordinary Activities has been determined after:		
(a) Expenses from Ordinary Activities		
Borrowing costs:		
other persons	-	9,603
Depreciation of property, plant and equipment	97,097	55,434
Amortisation of leasehold improvements	180,504	130,750
Write down of inventory	4,214	19,667
Remuneration of auditor		
Auditing or reviewing the financial report	14,950	21,750
Other services	1,774	2,251
Foreign currency translation deficits (gains)	15	300
(b) Revenue and Net Gains		
Net gain on disposal of non current assets:		
– Investments	7,182	-

Note 4: Key Management Personnel Compensation

Key Management Personnel – Directors

Names of the company’s key management personnel in office at any time during the financial year are:

(There is no compensation associated with these appointments)

Directors:

Janine Burke

John Downer

Kerry Gardner

Craig Kimberley

Mark Newman

Ken Ryan

Trevor Tappenden

David Walsh

Jennifer Darbyshire

Alison Inglis

Other Key Management Personnel – Compensation

Lesley Alway

B.Ed, BA(Hons), MBA
(Gallery Director and CEO)

Anna Draffin

BA, B.Comm (Deputy
Director – Head
of Communciations
and Development)

Zara Stanhope

B.Comms(Hons), BA,
MA (Deputy Director –
Senior Curator)

Elaine Chia

BA (Business and
Finance Manager until
November 2006)

Paula Greene

BS(Hons), CPA, (Business
and Finance Manager
from December 2006)

	Salary & fees	Short term benefits Superannuation	Total
2006	\$	\$	\$
Total compensation	331,147	29,803	360,950
	331,147	29,803	360,950

	Salary & fees	Short term benefits Superannuation	Total
2005	\$	\$	\$
Total compensation	269,581	24,250	293,831
	269,581	24,250	293,831

Note 5: Cash and Cash Equivalents

	2006 \$	2005 \$
Cash on hand	2,980	907
Cash at bank	517,154	850,699
Deposits at call	-	1,533,311
	520,134	2,384,917

Note 6: Trade and other receivables

	2006 \$	2005 \$
Current		
Trade receivables	26,994	14,054
Provision for impairment of receivables	-	(11,385)
New development pledges	100,000	215,000
Interest receivable	-	32,047
Other receivables	66,448	77,033
	193,442	326,749

Note 7: Inventories

	2006 \$	2005 \$
Current		
At net realisable value		
Stock on hand	67,803	26,044
	67,803	26,044

Note 8: Other Assets

	2006 \$	2005 \$
Current		
Prepayments	42,049	47,316
Non-current		
Works of art	35,206,758	26,398,848

The directors have based their valuation of Works of Art on an independent valuation.

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 \$8,824,800 which has not been recorded as an asset of the company.

Note 9: Property plant and equipment

	2006	2005
	\$	\$
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	(110,000)	(82,500)
Total buildings	990,000	1,017,500
Plant and equipment		
Capital works in progress	(a) -	3,357,569
Plant and equipment		
At cost	672,804	521,943
Less accumulated depreciation	(522,077)	(424,981)
Total plant and equipment	150,727	96,962
Leasehold improvements		
Improvements	10,716,750	4,717,797
Less accumulated amortisation	(462,754)	(309,750)
Total leasehold improvements	10,253,996	4,408,047
Total property, plant and equipment	11,894,723	9,380,078

(a) The capital works in progress related to design and construction work to date on the Sidney Myer Education Centre, the Heide III redevelopment and Federation Way Carpark, which have been completed and fully capitalised in 2006.

Note 9: Property plant and equipment (continued)

Movements in Carrying Amounts	Freehold land	Buildings	Leasehold improvements	Plant and Equipment	Capital works in progress	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	500,000	1,017,500	4,408,047	96,962	3,357,569	9,380,078
Additions	-	-	-	150,861	2,641,384	2,792,245
Transfers	-	-	5,998,953	-	(5,998,953)	-
Depreciation expense	-	(27,500)	(153,004)	(97,096)	-	(277,600)
Carrying amount at the end of year	500,000	990,000	10,253,996	150,727	-	11,894,723

Note 10: Trade and other payables

	2006	2005
	\$	\$
Current		
Unsecured liabilities		
Trade payables	460,878	585,994
Deferred income – new development pledges	100,000	215,000
Deferred income – government grants	145,063	817,742
Other payables	24,497	20,781
	730,438	1,639,517

Note 11: Borrowings

	2006	2005
	\$	\$
Current		
Credit card amounts payable	9,635	6,549
Finance lease obligation	-	22,490
	9,635	29,039

Note 12: Provisions

	2006	2005
	\$	\$
Employee Entitlements		
Opening balance at 1 January	63,084	64,884
Additional provisions	82,343	46,584
Utilised during the period	(48,378)	(48,384)
Balance at 31 December	97,049	63,084
Analysis of Total Provisions		
Current	92,915	58,950
Non current	4,134	4,134
	97,049	63,084

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 2006 was \$22,358,320.

b. Financial Asset Revaluation Reserve

The investment fluctuation reserve records the unrealised gain on financial investments. The balance of the Financial Asset Revaluation Reserve at 31 December 2006 was \$1,258,363.

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 2006 was \$15,161,616. Subsequent revaluation of the Works of Art are recognised in the Asset Revaluation Reserve.

Note 14: Capital and Leasing Commitments

	2006	2005
	\$	\$
a. Finance Lease Commitments		
Payable – minimum lease payments – no later than 12 months	-	22,917
Minimum lease payments	-	22,917
Less future finance changes	-	(427)
Present value of minimum lease payments	-	22,490
b. Capital Expenditure Commitments		
Capital expenditure commitments, payable not later than 12 months contracted for:		
Redevelopment program	10,000	2,432,395
	10,000	2,432,395

Note 15: Related Party Transactions

The company sells books written by Janine Burke, a director until February 2006. The retail value of sales until February 2006 was \$372 (2005: \$4,750).

Note 16: Economic Dependence

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

Note 17: 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 18: Cash Flow Information

	2006 \$	2005 \$
Reconciliation of cashflow from operations with surplus for the year		
Net surplus/deficit for the year	1,696,953	6,816,742
Non cash flows in surplus:		
Amortisation	180,504	130,750
Depreciation	97,097	54,507
Net gain/(loss) on sale investments	(7,182)	-
Works of art (donated)/written off	(226,050)	(3,725,000)
Capital grants and donations	(995,700)	(2,531,779)
Movement in accounts payable in relation to purchase of fixed assets	351,402	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and term receivables	133,305	291,754
(Increase)/decrease in other assets	5,267	7,439
(Increase)/decrease in inventories	(41,759)	61,891
Increase/(decrease) in trade payables and accruals	(121,401)	(337,375)
Increase/(Decrease) in grants received in advance	(787,679)	365,812
Increase/(decrease) in provisions	33,965	(1,800)
	318,722	1,132,941

Note 19: Financial Instruments

Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Note 19: Financial Instruments (continued)

	Weighted Average Effective Interest Rate		Fixed interest Rate Maturing Within 1 Year		Floating Interest Rate	
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$
Financial Assets:						
Cash and cash equivalents	6.00	5.50	-	1,533,310	517,154	850,700
Total Financial Assets			-	1,533,310	517,154	850,700

Financial Liabilities:						
Trade and sundry payables	-	-	-	-	-	-
Hire purchase liabilities	-	-	-	22,490	-	-
Total Financial Liabilities	-			22,490	-	-

	Non-interest Bearing		Total	
	2006 \$	2005 \$	2006 \$	2005 \$
Financial Assets:				
Cash and cash equivalents	2,980	907	520,134	2,384,917
Total Financial Assets	2,980	907	520,134	2,384,917
Financial Liabilities:				
Trade and sundry payables	496,641	613,324	496,641	613,324
Hire purchase liabilities	-	-	-	22,490
Total Financial Liabilities	496,641	613,324	496,641	635,814

Note 19: Financial Instruments (continued)

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:

Note 19: Financial Instruments (continued)

	2006		2005	
	Carrying amount	Net Fair value	Carrying amount	Net Fair value
	\$	\$	\$	\$
Financial Assets				
Listed investments	-	1,558,793	-	1,597,643
	-	1,558,793	-	1,597,643
Financial Liabilities				
Other loans and amounts due	-	-	22,490	-
	-	-	22,490	-

Note 20: 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 2006 the number of members was 27 (2005: 27).

Note 21: 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 \$164,821 (2005: \$69,023).

Note 22: Change in Accounting Policy

The following Australian Accounting Standards have been issued or amended and are applicable to the to the company but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

Note 22: Change in Accounting Policy (continued)

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Company
2005 –10	AASB 139: Financial Instruments: Recognition and Measurement AASB 101: Presentation of Financial Statements AASB 114: Segment Reporting AASB 117: Leases AASB 133: Earnings per Share AASB 139: Financial Instruments AASB 1: First time Adoption of AIFRS AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts	No change, no impact	1 January 2007	1 January 2007
New standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007	1 January 2007

**Note 23: Contingent Liabilities
and Contingent Assets**

Contingent Asset

During the year the company entered into a construction contract with ADCO Constructions (VIC) Pty Limited for the construction of the new gallery space. The construction contract allowed the company to withhold payment of a portion of the construction cost until the expiry of a pre-determined warranty period. The amount to be released to ADCO Constructions (VIC) Pty Limited upon completion of the warranty period is \$88,923.

Contingent Liability

The company has entered into an agreement with the Manningham City Council to underwrite part of the construction costs of the “Helmet” project if the underlying construction costs exceed the Council’s initial estimates. The maximum contribution the company is obligated to pay is \$85,000. As of 31 December 2006, the construction had not been completed and no estimate of future potential contributions could be reliably undertaken.

Note 24: Company Details

Registered office

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

Director’s Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 13 to 33, are in accordance with the Corporations Act 2001 and:

- (a) comply with Accounting Standards and the Corporations Regulations 2001; and
- (b) give a true and fair view of the financial position as at 31 December 2006 and of the performance for the year ended on that date of the company and economic entity.

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.



Mr Trevor Tappenden
Chairman, Board of Directors
23 April 2007

Independent Audit Report

Scope

We have audited the financial report of Heide Park & Art Gallery for the financial year ended 31 December 2006 as set out on pages 13 to 33.

The financial report includes the balance sheet, income statement, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and the Directors’ of declaration for Heide Park & Art Gallery, for the year ended 31 December 2006. The company’s directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company’s financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed the applicable independence requirements of Australian professional and ethical pronouncements and the Corporations Act 2001.

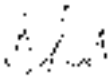
In accordance with ASIC Class order 05/83, we declare to the best of our knowledge and belief that the auditor’s independence declaration as set out in the financial report has not changed as at the date of providing our audit opinion.

Audit Opinion

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

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company’s and consolidated entity’s financial position as at 31 December 2006 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

Saward Dawson Chartered Accountants



Bruce Saward
Partner
23 April 2006

