



Heide Museum of Modern Art  
2007 Annual Report

Heide  
Museum of  
Modern Art  
*Heide*

## CONTENTS

|   | PAGE      |
|---|-----------|
| <b>1. VISION &amp; MISSION</b>                        | <b>3</b>  |
| <b>2. HONORARY APPOINTMENTS</b>                       | <b>4</b>  |
| <b>3. CHAIRMAN &amp; DIRECTOR'S REPORT</b>            | <b>5</b>  |
| <b>4. CULTURAL PROGRAMMING</b>                        | <b>8</b>  |
| 4.1 EXHIBITIONS                                       |           |
| 4.2 HEIDE PUBLIC PROGRAMS                             |           |
| 4.3 HEIDE EDUCATION                                   |           |
| <b>5. COMMERCIAL OPERATIONS</b>                       | <b>20</b> |
| 5.1 HEIDE STORE                                       |           |
| 5.2 VISITOR SERVICES                                  |           |
| 5.3 HEIDE MEMBERSHIP                                  |           |
| 5.4 HEIDE CAFÉ  |           |
| <b>6. HEIDE COLLECTION</b>                            | <b>22</b> |
| 6.1 ACQUISITIONS                                      |           |
| 6.2 OUTWARD LOANS                                     |           |
| <b>7. FACILITIES</b>                                  | <b>27</b> |
| 7.1 MAINTENANCE                                       |           |
| 7.2 GARDENS   |           |
| <b>8. COMMUNICATIONS &amp; MARKETING</b>              | <b>29</b> |
| <b>9. DEVELOPMENT</b>                                 | <b>31</b> |
| 9.1 HEIDE FOUNDATION                                  |           |
| 9.2 HEIDE PARTNERSHIPS                                |           |
| <b>10. GOVERNANCE</b>                                 | <b>37</b> |
| 10.1 BOARD  |           |
| 10.2 HUMAN RESOURCES                                  |           |
| 10.3 RISK MANAGEMENT                                  |           |
| 10.4 BOARD DIRECTORS & SENIOR<br>MANAGEMENT PERSONNEL |           |
| <b>11. STAFF &amp; VOLUNTEERS</b>                     | <b>42</b> |
| <b>12. FINANCIAL STATEMENTS</b>                       | <b>45</b> |

## 1. VISION & MISSION

### **Vision**

The vision for Heide is to be a significant national and international public museum of modern and contemporary art, respected as a unique 'must-see' cultural destination combining art, architecture, landscape and heritage, as well as an innovative site for the generation of new ideas and special exhibitions.

### **Mission**

The mission of Heide Museum of Modern Art is three-fold:

- To provide high quality stewardship and development of Heide's assets comprising its Collection, architecture, landscape and heritage
- To provide public access to and enjoyment of a unique cultural destination
- To generate and present new ideas in modern and contemporary culture

## 2. HONORARY APPOINTMENTS

### Heide Patrons

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

### Heide Fellows

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

### 3. CHAIRMAN & DIRECTOR'S REPORT

#### 2007: Embarking on a new future for Heide

Following the closure of the Heide site for redevelopment in early 2005 and the re-opening in July 2006, 2007 was the first full calendar year of Museum operations since 2004. Consolidating the achievements of the redevelopment and celebratory period, we re-established the rhythm of museum life with its cycle of researching new projects, changing exhibitions, delivering public and education programs and caring for Heide's unique assets—its Collection, architecture, heritage and wonderful landscape. It was pleasing to witness Heide's visitors embracing the 'new Heide' with a great deal of enthusiasm throughout the year.

During 2007 Heide's ticketed visitation was consolidated at 40,000, which is a 30% increase on the last full year of operations in 2004. Approximately 70,000 people visited the site overall. Whilst Heide's 2007 financial results show an operating surplus, this is primarily due to non-cash income from donations of artworks and income from the sale of shares, the latter undertaken to protect the endowment against volatility in the market. As always, it is an ongoing challenge generating the requisite financial resources from commercial operations as well as government, philanthropic and business sources to operate the Museum and to protect and develop its assets with the high standards and professionalism expected and required of Heide.

This year was also a period of reflection and planning for future projects and the next three years of operations as Heide developed a new corporate plan for 2008–10, re-affirming its Mission and defining strategic goals and projects to deliver its Vision. Heide is committed to maintaining the momentum of the last five years to keep the organisation at the forefront of innovation, experimentation, sustainability and professionalism in museum practice. A new wave of capital and exhibition projects are set to start in 2008 to further enhance the infrastructure and visitor amenities, profile and cultural contribution of Heide.

Program highlights for 2007 centred on Heide's ambitious exhibition program of self-curated exhibitions together with a number of partnerships with guest curators. These included a range of projects that explored aspects of Australian modern and contemporary art including *The Goddess grins. Albert Tucker and the female image*; *Savage Luxury: Modernist Design in Melbourne 1930–1939* (presented by Connex Melbourne) and *Power & beauty, Indigenous art now*.

Major progress was made on the next phase of Heide's asset improvements, with funding secured and contracts finalised for the upgrade of the Heide II climate control system in early 2008. These works will ensure that this facility is of the same standard as that of Heide III, enabling even more ambitious exhibitions for this important and much loved heritage space. Heide also announced the selection of award-winning company Chris Connell Design for the redevelopment of Heide Café, also scheduled to commence in 2008.

The care and cultivation of Heide's heritage gardens and Sculpture Park is vital to the ongoing enjoyment of Heide as a significant cultural destination, and a challenge given the current drought and water restrictions. A range of sustainability initiatives have been implemented to 'drought-proof' Heide's gardens including the installation of a water tank at Heide I, heavy mulching recycled from the Heide site and the installation of moisture sensors.

A number of important additions were made to the Heide Collection in 2007, including: a second group of works gifted by Barbara Tucker, with Albert Tucker's *John Batman and Eliza Callaghan* (1971) and Joy Hester's *Fun fair* (c. 1946) amongst those in the tranche; the donations of Rick Amor's *Maquette for Running man* (1996) and *Scene 1* (2001) by artist collective DAMP; and the purchase of Col Jordan's *Flash* (1966) through the Graeme Sturgeon Memorial Trust.

We are most grateful for the ongoing support of the Victorian Government through Arts Victoria and in particular the support of the Minister for the Arts, The Hon Lynne Kosky MP, who opened the autumn suite of exhibitions on 19 March; the Minister for Planning, The Hon Justin Madden MLC, who opened the winter exhibition series on 14 July; and the Minister for Tourism and Water, The Hon Tim Holding MP, who visited the Museum during 2007 and in November presented Heide with a Merit Award for Cultural and Heritage Tourism at the 2007 Melbourne Airport Tourism Victoria Awards. Awards were also received by Heide Principal Partner Design By Pidgeon for museum publication design at the Museum Australia awards in the catalogue and printed invitation categories.

This year also saw the installation of the long-awaited sculpture *Helmet* by artists Cassandra Chilton and Tanya Court, commissioned by Heide Partner Manningham City Council. Located in Banksia Park, this new work, which alludes to the significant connection of Sidney Nolan's Ned Kelly series painted in Heide I in 1946–47, provides a gateway and access point to walkers, bike-riders and public transport users travelling to Heide from the north-west.

Once again Heide received exceptional support from Government Partner Arts Victoria; Principal Partners Design By Pidgeon and Domaine Chandon; Partners Ed Dixon Food Design, Gollings Photography, Green Point Wines, Gunn & Taylor Printers, International Art Services, Mecca Medialight, Middletons and Spicers Paper; Education and Public Programs Partner Manningham City Council; Supporters Image On Line, Little Creatures Brewing, Outlook Communications, Resolution X and Splitrock Natural Springwater; and Education and Public Programs Supporter Zart Art.

Heide Foundation donors and partners provided significant support to Heide's assets and programs and many attended the Foundation Dinner on 22 May and Twilight Drinks on 10 December, at which Heide Co-Patron Terry Bracks announced Neil Everist as the 2007 Heide Fellow. Neil has played an integral role in Heide's development through McGlashan and Everist's design and construction of the award-winning Heide II (1964–67), which ultimately became the first Heide gallery when it opened as a public art museum in 1981, and more recently as a keen advocate and supporter of the museum.



1

We would like to acknowledge the work of Heide's Board of Directors who have provided outstanding support and guidance to Heide management and staff throughout the year. In particular we acknowledge the contribution of Kerry Gardner, who left the Board in May 2007 after eight years of enthusiastic and dedicated service, and welcome her continued involvement through the Heide Foundation. We are particularly grateful for her support of the Kerry Gardner & Andrew Myer Project Gallery, which hosted three new projects by Australian artists during 2007.

Heide extends a very special thank you to our many dedicated volunteers who are involved in a wide variety of activities both front and back of house, including Visitor Services, Retail, Curatorial, Communications and Development, Education and Public Programs and archiving. We are extremely grateful for your support which enables Heide to maintain its high standards of public and research access.

Heide has now embarked on its next phase as a public museum with significantly improved facilities, profile, business operations and financial resources, as well as a reinvigorated exhibition program with a focus on the presentation and publication of new ideas in modern and contemporary art. Heide continues the endeavour of balancing the professionalism and quality of an important cultural institution with a commitment to stretching the boundaries and undertaking challenging, and indeed sometime risky projects, as befits its heritage and status as a significant Australian museum. This flexibility and responsiveness is crucial to creating an exciting and relevant future for Heide that continues to attract a new generation of artists, audiences and supporters whilst respecting and valuing the important historical foundations of Heide's Collection, architecture, gardens and heritage.

Trevor Tappenden  
Chairman, Heide Board of Directors

Lesley Alway  
Director/Chief Executive Officer

1 Lesley Alway, Heide Director  
and Trevor Tappenden, Heide Chairman



2

## 4. CULTURAL PROGRAMMING

### 4.1 EXHIBITIONS

This was one of the most fulsome years for exhibition programming since the commencement of the Museum in 1981. Privileging new thinking by promoting research that addressed aspects of modernism, Heide's Collection and the development of Australian art and culture, were the development and presentation of *Savage Luxury: Modernist Design in Melbourne 1930–1939* (14 July–4 November 2007) guest-curated by Nanette Carter and in the Albert & Barbara Tucker Gallery: *A link and a trust: Albert Tucker and Sidney Nolan's Rome exhibition* (18 November 2006–20 May 2007); *The Goddess grins. Albert Tucker and the female image* (26 May–28 October 2007) guest-curated by Sheridan Palmer, and *Those who made and those who saw. Portraits of the Heide circle* (3 November 2007–15 June 2008).

The year began and concluded with exhibitions that surveyed contemporary art by media, content and affect: *Perfect for every occasion: photography today* (17 March–1 July 2007) and *Power & beauty, Indigenous art now* (17 November 2007–10 March 2008). The latter was a groundbreaking exhibition guest-curated by Judith Ryan, Senior Curator, Indigenous Art, National Gallery of Victoria, which reviewed the political and aesthetic diversity seen in works by a number of Indigenous artists from across the country.

Artists are always keen to develop new works for Heide and during 2007 unique projects were brought to fruition for Heide II including: *Demeter's garden*, Lauren Berkowitz (3 March–24 June 2007); *Blue Jay Way*, Sue Pedley (3 March–24 June 2007); *An Arrangement to Span the Distance Between*, Jennie Lang and Geoff Robinson (30 June–21 October 2007), and *COMBINE*, Janet Burchill, Jennifer McCamley, Melinda Harper (27 October 2007–24 February 2008). Commissions for the Kerry Gardner & Andrew Myer Project Gallery supported and presented innovative new works made by Melbourne artists Sharon Goodwin and Justine Khamara during the year.

2 Lauren Berkowitz  
*Demeter's garden* 2006  
indigenous, native and exotic plants, hardwood  
430.0 x 170.0 cm  
Photographer: John Gollings 2007  
© Lauren Berkowitz & John Gollings





3



4



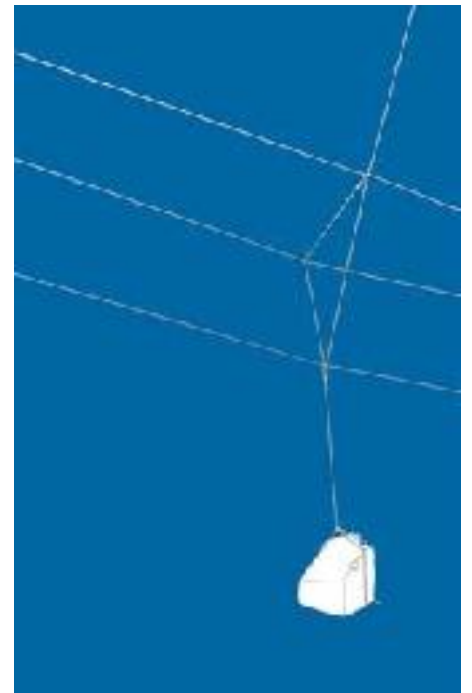
5



6



7



8

3 Sharon Goodwin  
*Untitled* 2006  
gouache on paper  
42.0 x 29.7 cm  
© Sharon Goodwin

4 Chantal Faust  
*Blue Svetlana* 2004  
type C photograph  
40.0 x 52.0 cm  
© Chantal Faust

5 Rebecca Ann Hobbs  
*Tree climb* 2006  
50.0 x 50.0 cm  
lightjet print  
Courtesy Rebecca Ann Hobbs & Stills Gallery,  
Sydney  
© Rebecca Ann Hobbs

6 Albert Tucker  
*Leading lady* 1946  
oil on composition board  
61.0 x 46.0 cm  
Heide Museum of Modern Art Collection  
On loan from Barbara Tucker 2000  
© Barbara Tucker

7 Albert Tucker  
*Image of modern evil: Spring in Fitzroy* 1943  
oil on canvas on plywood  
58.7 x 69.0 cm  
National Gallery of Australia, Canberra  
Gift of the artist 1982  
© Barbara Tucker

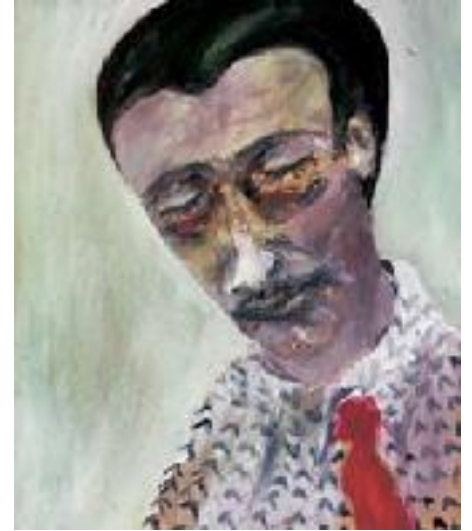
8 Jennie Lang and Geoff Robinson  
*An Arrangement to Span the Distance Between* 2007  
preliminary study  
© Jennie Lang and Geoff Robinson



9



10



11



12



13

9 Arthur Thomas Challen  
(Moirra Madden, later Moira Hallenstein) 1937  
oil on canvas  
76.1 x 63.3 cm  
La Trobe Picture Collection  
State Library of Victoria, Melbourne  
Gift of Mrs S M Challen 1966  
© Estate of Arthur Thomas Challen

10 'Ranelagh', Ranelagh Estate, Mt Eliza,  
interior view Roy Grounds 1934–35  
Cover illustration by Frank Hedley-Sanders  
as published in *Australian Home Beautiful*,  
vol. 14, no. 5, May 1936  
Reproduced courtesy Design Special  
Collection, Swinburne University of Technology  
Library, Melbourne

11 Sidney Nolan  
A.T. 1947  
synthetic polymer paint on cardboard  
76.2 x 63.5 cm  
Art Gallery of South Australia, Adelaide  
Gift of Sidney and Cynthia Nolan 1974  
© Art Gallery of South Australia

12 Warakurna Artists Collaborative  
Nancy Nyanyarna Jackson Karimarra,  
Pirrmanangka Reid Napanangka/Tjarurru,  
Carol Maayatja Golding Panaka,  
Eunice Yunurupa Porter Panaka  
*Women's Collaborative, Kungkarangkalpa Tjukurrpa* 2006  
synthetic polymer paint on canvas  
Courtesy Alcaston Gallery, Melbourne  
Photographer: John Brash 2007  
© Warakurna Artists Collaborative

13 Janet Burchill and Jennifer McCamley  
and Melinda Harper  
Installation view, *COMBINE, Heide II*,  
Heide Museum of Modern Art  
synthetic polymer paint, oil paint, hessian, thread,  
aluminium, stainless steel mesh and vinyl  
overall dimensions variable  
Courtesy the artists and  
Anna Schwartz Gallery, Melbourne  
Photographer: John Brash 2007  
© Janet Burchill, Jennifer McCamley and Melinda Harper



14

| Exhibition  | Exhibition Dates                      | Venue  | Curator(s)  |
|---|---------------------------------------|--|---|
| <i>Unmasked:<br/>Sidney Nolan and Ned Kelly<br/>1950–1990</i>                   | 11 November 2006–<br>4 March 2007     | Heide III:<br>Central Galleries                                      | Kendrah Morgan and<br>Damian Smith, Guest Curator,<br>Maroondah Art Gallery |
| <i>New to the modern:<br/>Heide twenty-five years on</i>                        | 14 November 2006–<br>25 February 2007 | Heide II   | Zara Stanhope, Lesley Harding,<br>Linda Short and Katarina Pasetta          |
| <i>A link and a trust: Albert Tucker<br/>and Sidney Nolan's Rome exhibition</i> | 18 November 2006–<br>20 May 2007      | Heide III: Albert & Barbara<br>Tucker Gallery                        | Lesley Harding  |
| <i>life after life,<br/>Richard Grigg</i>                                       | 18 November 2006–<br>18 February 2007 | Heide III: Kerry Gardner &<br>Andrew Myer Project Gallery            | Zara Stanhope<br>and Linda Short  |
| <i>Demeter's garden,<br/>Lauren Berkowitz</i>                                   | 3 March–<br>24 June 2007              | Heide II   | Zara Stanhope<br>and Linda Short  |
| <i>Blue Jay Way,<br/>Sue Pedley</i>   | 3 March–<br>24 June 2007              | Heide II & Connie Kimberley<br>Sculpture Park                        | Zara Stanhope<br>and Linda Short  |
| <i>Never is forever,<br/>Sharon Goodwin</i>                                     | 3 March–<br>17 June 2007              | Heide III: Kerry Gardner &<br>Andrew Myer Project Gallery            | Zara Stanhope<br>and Linda Short  |
| <i>Perfect for every occasion:<br/>photography today</i>                        | 17 March–<br>1 July 2007              | Heide III: Central Galleries<br>& Connie Kimberley<br>Sculpture Park | Zara Stanhope   |
| <i>The Goddess grins.<br/>Albert Tucker and the female image</i>                | 26 May–<br>28 October 2007            | Heide III: Albert & Barbara<br>Tucker Gallery                        | Dr Sheridan Palmer,<br>Guest Curator  |

14 Sue Pedley  
Blue Jay Way 2006–07  
installation detail  
Heide Museum of Modern Art  
Photographer: John Gollings 2007  
© Sue Pedley & John Gollings



15



16



17

| Exhibition   | Exhibition Dates                     | Venue  | Curator(s)  |
|--|--------------------------------------|--|---|
| <i>How Excellently We Did-diddilly-do-do Do It</i> ,<br>Justine Khamara                      | 23 June–<br>28 October 2007          | Heide III: Kerry Gardner &<br>Andrew Myer Project Gallery                        | Zara Stanhope<br>and Linda Short                            |
| <i>An Arrangement to Span<br/>the Distance Between</i> ,<br>Jennie Lang and Geoff Robinson   | 30 June–<br>21 October 2007          | Heide II   | Zara Stanhope<br>and Kendrah Morgan                         |
| <i>Savage Luxury: Modernist Design<br/>in Melbourne 1930–1939</i>                            | 14 July–<br>4 November 2007          | Heide III: Central Galleries   | Nanette Carter, Guest Curator,<br>Swinburne University      |
| COMBINE, Janet Burchill, Jennifer<br>McCamley, Melinda Harper                                | 27 October 2007–<br>24 February 2008 | Heide II   | Kendrah Morgan  |
| <i>Those who made and those who saw.<br/>Portraits of the Heide circle</i>                   | 3 November 2007–<br>15 June 2008     | Heide III: Albert & Barbara<br>Tucker Gallery                                    | Lesley Harding<br>and Linda Short                           |
| <i>Power &amp; beauty,<br/>Indigenous art now</i>  | 17 November 2007–<br>10 March 2008   | Heide III: Central Galleries<br>& Kerry Gardner & Andrew<br>Myer Project Gallery | Judith Ryan, Guest Curator,<br>National Gallery of Victoria |
| Travelling Exhibition  | Exhibition Dates                     | Venue  | Curator(s)  |
| <i>The world in painting</i><br>An Asialink/Heide Museum of Modern Art<br>touring exhibition | 4–31 October 2007                    | Chiang Mai University,<br>Chiang Mai, Thailand                                   | Zara Stanhope   |
|  | 30 November–<br>25 December 2007     | Chulalongkorn University<br>Gallery, Bangkok, Thailand                           |   |

15 Justine Khamara  
*untitled portrait 1* 2007  
assembled colour photographs  
188.0 x 150.0 x 116.0 cm (dimensions variable)  
Photographer: John Brash 2007  
© Justine Khamara

16 Lin Onus  
*Maralinga* 1990  
fibreglass, pigment, plexiglass, paper stickers  
State Art Collection, Art Gallery of Western  
Australia, Perth  
Purchased 1990  
© Lin Onus  
Licensed by VISCOPY, Australia, 2007

17 Sidney Nolan  
*S.N. 1947*  
synthetic polymer paint on board  
74.0 x 61.5 cm  
Art Gallery of South Australia, Adelaide  
Gift of Sidney and Cynthia Nolan 1974  
© Art Gallery of South Australia

**Exhibition lenders 2007**

|   |  |  |
|---|--|--|
| Vernon Ah Kee   | Devonport Regional Gallery   | Jennifer McCamley                                |
| Alcaston Gallery, Melbourne                               | Rosalind Drummond  | David McMahan                                    |
| Andrew Baker Art Dealer, Brisbane                         | Cherine Fahd   | Monash University Collection, Melbourne          |
| Anibou, Melbourne   | Chantal Faust  | Mori Gallery, Sydney                             |
| Anna Schwartz Gallery, Melbourne                          | Albert and Beverley Genser   | Museum Victoria, Melbourne                       |
| Arc One Gallery, Melbourne                                | Sharon Goodwin   | Annabel and Rupert Myer Collection,<br>Melbourne |
| Art Gallery of New South Wales, Sydney                    | Dr Julie Gough   | Clinton Nain                                     |
| Art Gallery of South Australia, Adelaide                  | GRANTPIRRIE, Sydney  | National Gallery of Australia, Canberra          |
| Art Gallery of Western Australia, Perth                   | Greenaway Art Gallery, Adelaide                                      | National Gallery of Victoria, Melbourne          |
| The Arts Centre, Performing Arts<br>Collection, Melbourne | Melinda Harper   | National Trust of Australia (Victoria)           |
| Ballarat Fine Art Gallery                                 | Rebecca Ann Hobbs  | Nellie Castan Gallery, Melbourne                 |
| David Barry   | Samantha Hobson  | Neon Parc, Melbourne                             |
| Richard Bell  | Gordon Hookey  | Vanila Netto                                     |
| Bellas Milani Gallery, Brisbane                           | Ricardo Idagi  | Newcastle Region Art Gallery                     |
| Lauren Berkowitz  | Johnston Gallery, Perth  | Darren Overend                                   |
| Andrew Best   | Ellen José   | Sue Pedley                                       |
| Janet Burchill  | Kayili Artists, Gibson Desert  | Debra Phillips                                   |
| Creighton Burns   | Alex Kershaw   | Patrick Pound                                    |
| Commonwealth Bank Art Collection                          | Justine Khamara  | Queensland Art Gallery, Brisbane                 |
| Conny Dietzschold Gallery, Sydney                         | Mark Kimber  | The Rix Collection, Sydney                       |
| Nici Cumpston   | Geoff Kleem  |  |
| David Pistorius Projects, Brisbane                        | Paul Knight  |  |
|   | Jennie Lang  |  |
|   | La Trobe Picture Collection,<br>State Library of Victoria, Melbourne |  |

**Exhibition lenders 2007 (continued)**

RMIT University, Melbourne,  
Frances Burke Centre

Lynne Roberts-Goodwin

Geoff Robinson

Roy Morgan Research Centre Collection,  
Melbourne

Sarah Ryan

Felicity St John Moore

Violet Sheno

Sherman Galleries, Sydney

Stills Gallery, Sydney

Stolarek Collection, Melbourne

Sullivan + Strumpf Fine Art, Sydney

Susan Scollay Fine Art Textiles, Melbourne

Swinburne University of Technology Library,  
Melbourne, Design Special Collection

Darren Sylvester

Simon Terrill

Barbara Tucker

The University of Melbourne Archives

The University of Melbourne,  
Special Collections, Baillieu Library

The University of Sydney,  
Fisher Research Library

Vivien Anderson Gallery, Melbourne

Kenneth and Berta von Bibra

Warakurna Artists Collaborative

Martin and Robin Ward

Warrnambool Art Gallery

William Mora Galleries, Melbourne

Justene Williams

Yuill/Crowley Gallery, Sydney

Gulumbu Yunupingu

Private collections (10)



18



19



20



21



22



23



24



25



26

18 Guests view *Perfect for every occasion*, photography today at the Autumn Exhibition Opening, Monday 19 March 2007  
19 Henry Krum and Lauren Berkowitz, artist, *Demeter's garden* at the Autumn Exhibition Opening, Monday 19 March 2007  
20 The Hon Lynne Kosky MP, Minister for the Arts, Lesley Alway, Heide Director and Barbara Tucker, Heide Patron at the Autumn Exhibition Opening, Monday 19 March 2007

21 Annabel Nowlan, Sue Pedley, artist, *Blue Jay Way* and Rosemary Laing at the Autumn Exhibition Opening, Monday 19 March 2007  
22 Emma, Phoebe, David and Ava Pidgeon at the Autumn Exhibition Opening, Monday 19 March 2007  
23 Guests view *Demeter's garden* at the Autumn Exhibition Opening, Monday 19 March 2007  
24 Chantal Faust, artist, *Perfect for every occasion* at the Autumn Exhibition Opening, Monday 19 March 2007

25 Katie Rule, Sharon Goodwin, artist, *Never is forever* and Amanda Marburg at the Autumn Exhibition Opening, Monday 19 March 2007  
26 Justine Fahd and Cherine Fahd, artist, *Perfect for every occasion* at the Autumn Exhibition Opening, Monday 19 March 2007  
Images 18-44  
Photographer: Jim Lee 2007



27



28



31



29



32



33



34



30



35



36

- 27 Trevor Tappenden, Heide Chairman, Lesley Alway, Heide Director, The Hon Justin Madden MLC, Minister for Planning and Mark Paterson, Connex at the Winter Exhibition Opening, Saturday 14 July 2007
- 28 Dr Sheridan Palmer, Guest Curator, *The Goddess grins* and Barbara Tucker, Heide Patron at the Winter Exhibition Opening, Saturday 14 July 2007
- 29 Guests view *The Goddess grins* in the Albert & Barbara Tucker Gallery at the Winter Exhibition Opening, Saturday 14 July 2007

- 30 Jennie Lang and Geoff Robinson, artists, *An Arrangement to Span the Distance Between* at the Winter Exhibition Opening, Saturday 14 July 2007
- 31 Justine Khamara, artist, *How Excellently We Did-diddilly-do-do Do It* at the Winter Exhibition Opening, Saturday 14 July 2007
- 32 Meredith King & Michelle Wild at the Winter Exhibition Opening, Saturday 14 July 2007  
Photographer: Jim Lee
- 33 Philip Goad & Maggie Edmond at the Winter Exhibition Opening, Saturday 14 July 2007

- 34 Michael Humphries, Nanette Carter, Guest Curator, *Savage Luxury* and Gordon Turnbull at the Winter Exhibition Opening, Saturday 14 July 2007
- 35 The Hon Justin Madden MLC, Minister for Planning at the Winter Exhibition Opening, Saturday 14 July 2007
- 36 Tracey McDonald and Tony Watson, Middletons, with family and Phoebe Bruce, Heide Foundation & Partnerships Manager at the Winter Exhibition Opening, Saturday 14 July 2007





37



38



39



40



41



42



43



44

37 Gordon Hookey, Samantha Hobson, Gulumbu Yunupingu, Ricardo Idagi, Ellen José, Richard Bell, Clinton Nain, Vernon Ah Kee, Nici Cumpston, and Julie Gough, artists, *Power & beauty, Indigenous art now* at the Summer Exhibition Opening, 19 November 2007

38 Lesley Alway, Director and Judith Ryan, Guest Curator, *Power & beauty, Indigenous art now* at the Summer Exhibition Opening, 19 November 2007

39 Kendrah Morgan, Curator, Linda Short, Assistant Curator and Lesley Harding, Curator, Tucker Collection & Archive at the Summer Exhibition opening, 19 November 2007

40 Jennifer Darbyshire, Heide Board Director and David Walker at the Winter Exhibition Opening, Saturday 14 July 2007  
Photographer: Jim Lee

41 Vernon Ah Kee, artist, *Power & beauty, Indigenous art now* at the Summer Exhibition Opening, 19 November 2007

42 Pauline McCarthy at the Summer Exhibition Opening, 19 November 2007

43 Jennifer McCamley and Janet Burchill, artists, *COMBINE* at the Summer Exhibition Opening, 19 November 2007

44 Melinda Harper, artist, *COMBINE* at the Summer Exhibition Opening, 19 November 2007



45



46

#### 4.2 HEIDE PUBLIC PROGRAMS

Heide Public Programs presented an energetic series of forums, talks, tours and some new format events in 2007 with a total of nearly 4,000 participants. Many Feature Events sold out owing to the enthusiastic participation of diverse audiences and interest groups. Forums held in the Sidney Myer Education Centre explored the intellectual context of Heide's exhibitions, including *Collecting contemporary art across public and private realms* inspired by Heide's 25th anniversary exhibition *New to the modern: Heide twenty-five years on*. Other forums associated with exhibitions in Heide III: Central Galleries and the Albert & Barbara Tucker Gallery were *Photography in the expanded field: a discussion of photography today*; *The Goddess grins, Women in Melbourne 1930s–1950s: issues of work, play and sexuality*; and *In conversation: Savage Luxury: Modernist Design in Melbourne 1930–1939*. A variety of stimulating and informative papers by excellent speakers promoted lively debates.

Other highlights included: a city walk of 1930s retail architecture and a bus tour of 1930s modernist architecture, both led by architectural historian Professor Philip Goad and Guest Curator and academic Nanette Carter; a guest lecture by Gavin Fry on Albert Tucker; a breakfast event with Andrew Laidlaw, ABC gardening commentator and Principal Gardener at the Royal Botanic Gardens; and *Pick & Eat: a garden and culinary tour*, the first in a series of events to be held collaboratively with Heide Café.

Heide's inaugural Education & Public Programs artist-in-residency project *Homeland* saw artist Kate Just work with migrant community members to make a unique sculptural installation in the Sidney Myer Education Centre. As always, Heide's nineteen Volunteer Guides provided outstanding service maintaining their commitment to ongoing guide training whilst regularly presenting public floortalks and tours on the many aspects of Heide. These included fifty *Heide: Making history* tours in Heide I from July to December with a total of 312 participants.

45 *Homeland*, Kate Just artist residency project, 11–19 August 2007, Sidney Myer Education Centre

46 Philip Goad, Professor of Architecture, University of Melbourne, leads *Modern Melbourne: 1930s architecture* tour, Saturday 8 September 2007



47



48

#### 4.3 HEIDE EDUCATION

2007 was a very successful year for Heide Education, with attendance across various programs totalling 3,596 participants.

As well as servicing a range of schools accessing the museum, Heide Education continued to offer a diverse range of Professional Development sessions for teachers (five during the year), School Holiday Activities for young people and Education Kits available to download from the Heide website.

Heide was well-attended by all levels of the education sector with many primary and secondary schools utilising the immersion opportunities. Education visits totalled 102 in 2007 with students from seventy-two institutions, comprising two pre-schools, seventeen primary schools, forty-five secondary colleges, seven tertiary institutions and one teaching association. Schools embraced the unique opportunity for their students to not only view changing exhibitions, but also tour the Connie Kimberley Sculpture Park, heritage architecture and gardens. Also, with the dedicated space of the Sidney Myer Education Centre, students complemented discussions about the exhibitions and site with related art-making activities.

The Education Centre has allowed Heide to expand upon the types of programs on offer. During the school holidays it was a venue for art workshops, with fifteen unique opportunities for children to work with local artists, many of whom showed in contemporary art exhibitions at Heide. External interest in the Education Centre resulted in Art Education Victoria publishing an article about the space in their magazine ARTicle (autumn 2007 issue).

Heide Education was supported by a team of nineteen volunteers, who assisted with servicing school visits and School Holiday Activities. We thank them for their ongoing commitment and professionalism throughout 2007.

47 Illustrational School Holiday Activity with Ghostpatrol, Wednesday 11 July 2007, Sidney Myer Education Centre

48 Cut up and draw School Holiday Activity with artist Sharon Goodwin, Tuesday 3 July 2007, Sidney Myer Education Centre



49

## 5. COMMERCIAL OPERATIONS



50

### 5.1 HEIDE STORE

Heide Store profiled a mix of locally produced, environmentally conscious and international design pieces, with a variety of price-points to appeal to a broad number of Heide visitors.

Sales growth since 2004, the last full trading year, was 5%, with an average spend per transaction of \$5.70. The expansion of Heide publications and merchandise was a priority for 2007, resulting in increased sales and accounting for 40% of overall purchases. Following the launch of the Heide Home Series of creatively branded merchandise in 2006, the range was extended to include a porcelain Bumblebee Cup, featuring a commissioned artwork by Kate Cotching. A number of stationery items were also produced: twelve new postcards based around the exhibition program and Collection; and six new bookmarks focussing on Heide as a cultural destination.

Heide Store presented several successful retail campaigns including *Growingrowing Heide* (13–21 October) and *Sip & Shop* (24 November). Both events were heavily promoted in print media, translating into excellent sales of featured merchandise. *Sip & Shop* went from strength to strength with an 81% increase in sales from 2006. The event took place on a Saturday morning in November, rather than the usual mid-week evening affair which proved a popular change, as did the invitation to designers to attend and spruik their wares to the captive Christmas shopping audience.

### 5.2 VISITOR SERVICES

Visitor feedback throughout 2007 demonstrated a high level of satisfaction with Heide's strong team of paid and volunteer Visitor Services staff. As the main point of contact with visitors and Heide Members, Visitor Services is committed to maintaining high professional standards that meet or exceed the expectations of all who interact with the Museum.

Visitor Services is responsible for administering five of the Museum's main revenue streams: Membership, admissions, program ticketing, event hire and retail. Visitor Services also manages safety, security and the public environment, and collaborates with other areas of the Museum in support of event management.

Heide's 121 Visitor Services Volunteers maintained their outstanding contribution and commitment to the Museum, with 83% of those recruited in 2006 continuing through 2007. Visitor Services welcomed 25 new volunteers to the team during the course of the year. Visitor Services Volunteers have been invaluable to the success of Heide in 2007, collectively working 5,973 hours.



51

### 5.3 HEIDE MEMBERSHIP

2007 was a year of consolidation for Heide Membership, with ongoing research conducted to benchmark Membership competitively alongside state, national and international membership programs.

At 31 December 2007 there were:

- 822 active subscriptions
- 1,116 Members (i.e. multiple cardholders in some categories)

Heide Membership had an 11% growth in subscriptions and a 20% growth in revenue compared to 2006. Heide Members have enjoyed a range of benefits in 2007, including attending Heide's exhibition opening events, increasing visitation levels to the Museum and participating in Public Programs, School Holiday Activities and retail purchases.

Major incentives and prizes supporting Heide's Membership drives and campaigns were made possible by the support of Heide's Principal Partner Domaine Chandon, Heide Partner Green Point Wines, Heide Supporter Splitrock Natural Springwater and also Hopscotch Films. These campaigns resulted in over 120 subscriptions, 25% from new members and over 50% from past members returning to Heide Membership.

### 5.4 HEIDE CAFÉ

Heide Café enjoyed its busiest operating year to date with 36,968 patrons served, a 29% increase on the last full year of operations (2004).

Heide Partner Ed Dixon Food Design continued as the Café operator and event hire provider for Heide, and also exclusively catered for the Museum's exhibition openings and on-site functions. The Café strengthened its emphasis on using local and seasonal produce, including the use of vegetables, fruit and herbs grown in Heide's Kitchen Garden and Vegetable Garden.

Planning for the Heide Café redevelopment commenced in 2007, with Chris Connell Design appointed as the project designer. The design will extend indoor seating capacity to 100 people, expand and improve the kitchen, and integrate environmentally sustainable systems and amenities, while remaining cognisant of heritage considerations and empathetic to existing architecture on the Heide site. Funded by the Victorian Government and private donors, the \$1.675 million project will see Heide Café reopen in 2009.



52

## 6. HEIDE COLLECTION

In 2007 the focus for the Heide Collection was improved access, primarily through the implementation and development of the Vernon Collection Management System that will provide increased capability for record-keeping and control over the condition, display and movement of works both in the Collection and on loan to the Museum. A strategic review of the Collection Policy also commenced, to be completed in 2008.

Once again, the Collection was well-represented in major external exhibitions throughout Australia and internationally through the ongoing program of outward loans. Significant works were lent to the Art Gallery of New South Wales for *Sidney Nolan: A New Retrospective* and Gordon Bennett's *The Aborigine (Identity of negation: flotsam)* (1994) appeared in the National Gallery of Victoria's major travelling exhibition *Gordon Bennett*. Dina Georgetti's *All day I've built a lifetime* (2006) was on extended loan in 2007 for the Asialink/Heide Museum of Modern Art touring exhibition *The world in painting*.

Heide also supported programming in regional institutions, including loans to La Trobe University Art Museum of Mike Brown's *Jupiter Fly Trap* (1966) and *Kite* (1964), both key works for the exhibition *Kite: Mike Brown and the Sydney 12*. Twelve works were lent to Mornington Peninsula Regional Gallery for the summer exhibition *Aspendale Beach: An Artist's Haven*.

The Collection continued to evolve through donations of major works, together with items relevant to the cultural history of Heide, including: a large donation of books from the Reeds' original library for the Archive; additional material for the Tucker Archive donated by Barbara Tucker; and a gift of drawings of artists Albert Tucker and Sidney Nolan by Louis Kahan.



53



54

**6.1 ACQUISITIONS**

2007.7  
Micky Allan  
*Babies* 1976  
watercolour and coloured pencil  
on silver gelatin print  
seven prints each  
36.0 x 36.0 x 2.5 cm (sight)  
Gift of Peter Corrigan 2007

2007.13  
Rick Amor  
*Maquette for Running man* 1996  
bronze  
14.5 x 21.5 x 7.0 cm  
Gift of the artist 2007

2007.10\*  
John Citizen  
*Interior (green lounge suite)* 2006  
acrylic on linen  
152.0 x 152.0 cm  
Purchased through  
the Heide Foundation 2006

2007.11\*  
John Citizen  
*Coloured people no.14* 2006  
acrylic on linen  
101.0 x 101.0 cm  
Purchased through  
the Heide Foundation 2006

2007.9\*  
Mike Brown  
*It ain't necessarily so ...* 1969–70  
synthetic polymer paint and  
collage on Swiss cotton blind  
234.0 x 111.0 cm  
Purchased through  
the Heide Foundation 2006

2007.15  
DAMP  
*Scene 1* 2001  
synthetic polymer paint on MDF,  
Polaroid photographs  
242.0 x 366.0 cm  
Gift of the artists 2007

2007.14\*  
Diena Georgetti  
*All day I've built a lifetime* 2006  
acrylic on board  
65.5 x 56.5 cm  
Purchased through the Heide  
Foundation with the assistance of Sophia  
Pavlovski-Ross and Philip Ross 2006

2000.331  
Joy Hester  
*Figure at the gate of Heide* c. 1942–43  
pen and ink, chalk and pastel on paper  
32.6 x 37.8 cm  
Gift of Barbara Tucker 2007

2000.349  
Joy Hester  
*Mother and child* (c. 1945)  
brush and ink on paper  
29.6 x 24.0 cm  
Gift of Barbara Tucker 2007

2000.359  
Joy Hester  
*Blue Sweeney* 1946  
brush and ink and pencil on paper  
27.8 x 22.0 cm  
Gift of Barbara Tucker 2007

2000.360  
Joy Hester  
*Fun fair* (c. 1946)  
brush and ink, watercolour,  
coloured chalk and pencil on paper  
20.2 x 25.2 cm  
Gift of Barbara Tucker 2007

2007.8\*  
Rafaat Ishak  
*Superficial tears for white trash*  
(part 1 and part 2) 2005  
synthetic polymer paint  
on composition board  
75.0 x 9.0 x 24.5 cm; 65.0 x 35.5 x 24.5 cm  
Purchased through  
the Heide Foundation 2006

2007.31  
Col Jordan  
*Flash* 1966  
acrylic on plywood  
182.0 x 46.0 x 15.0 cm  
Graeme Sturgeon Trust 2007

2007.32  
Col Jordan  
*Canaveral* 1993  
screenprint  
46.0 x 64.0 cm  
Gift of the artist 2007

2007.4  
Louis Kahan  
*Tucker* c. 1961  
ink on paper  
41.6 x 31.3 cm  
Gift of Lily Kahan 2007

2007.5  
Louis Kahan  
*Bert Tucker* c. 1961  
conté on paper  
54.2 x 37.0 cm  
Gift of Lily Kahan 2007

2007.6  
Louis Kahan  
*Nolan* 1963  
ink and watercolour on paper  
52.0 x 37.5 cm  
Gift of Lily Kahan 2007

53 John Citizen  
*Interior (green lounge suite)* 2006  
acrylic on linen  
152.0 x 152.0 cm  
Heide Museum of Modern Art Collection  
Purchased through the Heide Foundation 2006  
© Gordon Bennett

54 Albert Tucker  
*John Batman and Eliza Callaghan* 1971  
synthetic polymer paint on hardboard  
137.0 x 183.0 cm  
Heide Museum of Modern Art Collection  
Gift of Barbara Tucker 2007  
© Barbara Tucker



55

**6.1 ACQUISITIONS (CONTINUED)**

2007.12\*

Jennifer McCamley, Janet Burchill  
*Barbara Hepworth table* 2006  
Willow slab, polyurethane  
and stainless steel  
74.0 x 282.0 x 94.0 cm  
Purchased through  
the Heide Foundation 2006

2007.1\*

Arlo Mountford  
*The Wanderer meets The Pioneer* 2006  
DVD Master  
Duration: 6.26 minutes  
Purchased through  
the Heide Foundation 2006

2007.2\*

Arlo Mountford  
*The Wanderer meets The Pioneer* 2006  
DVD exhibition copy  
Duration: 6.26 minutes  
Purchased through  
the Heide Foundation 2006

2007.3\*

Arlo Mountford  
*Phone home* 2006  
digital image on photographic paper  
edition 1  
16.5 x 86.0 x 3.0 cm  
Purchased through  
the Heide Foundation 2006

2007.16

Peter Murphy  
*Stifled laugh* 1974  
Imperial 66 typewriter cartridge  
ink on paper  
22.0 x 26.0 x 25.0 cm  
Gift of the artist 2007

2007.17

Peter Murphy  
*You and I were missing* 1974  
Imperial 66 typewriter cartridge  
ink on paper  
22.0 x 26.0 x 25.0 cm  
Gift of the artist 2007

2007.18

Peter Murphy  
*Untitled ('N')* 1974  
bromide print  
30.5 x 25.5 cm  
Gift of the artist 2007

2007.19

Peter Murphy  
*Untitled ('N')* 1974  
ink on paper  
24.5 x 17.0 cm  
Gift of the artist 2007

2007.20

Peter Murphy  
*Untitled ('W')* 1975  
bromide print  
21.0 x 28.0 cm  
Gift of the artist 2007

2007.21

Peter Murphy  
*Untitled ('W')* 1975  
ink on paper  
17.0 x 24.5 cm  
Gift of the artist 2007

2007.23

Peter Murphy  
*Pebble mandala* 1974  
bromide print  
45.0 x 30.5 cm  
Gift of the artist 2007

2007.24

Peter Murphy  
*Double arrow* 1977  
black and white photograph  
28.0 x 35.5 cm  
Gift of the artist 2007

2007.25

Peter Murphy  
*Pole arrow* 1978  
colour photograph  
14.0 x 9.5 cm  
Gift of the artist 2007

2007.26

Peter Murphy  
*Bleeding arrow* 1981  
colour photograph  
23.5 x 17.0 cm  
Gift of the artist 2007

2007.27

Peter Murphy  
*Yin yan arrows* 1980  
black and white photograph  
51.0 x 76.0 cm  
Gift of the artist 2007

2007.28

Peter Murphy  
*Danger* 1981  
colour photograph  
40.0 x 51.0 cm  
Gift of the artist 2007

2007.29

Peter Murphy  
*Mr Del's fun centre* 1982  
colour photograph  
51.0 x 75.5 cm  
Gift of the artist 2007

2007.30

Peter Murphy  
*Mr Del's fun centre* 1982  
colour photograph  
15.5 x 24.0 cm  
Gift of the artist 2007

55 Arlo Mountford  
*The Wanderer meets The Pioneer* (detail) 2006  
still from animation on DVD  
Heide Museum of Modern Art Collection  
Purchased through the Heide Foundation 2006  
© Arlo Mountford





56



57

**6.1 ACQUISITIONS (CONTINUED)**

2000.368

Albert Tucker

*John Batman and Eliza Callaghan* 1971  
synthetic polymer paint on hardboard  
137.0 x 183.0 cm

Gift of Barbara Tucker 2007

185 books and journals

Donation publications previously owned  
by John and Sunday Reed which were  
in the possession of Shelton Lea until  
his death in 2006

Gift of Leith Woodgate 2007

\*Acquired late 2006, accessioned 2007

**6.2 OUTWARD LOANS**

Art Gallery of New South Wales

*Sidney Nolan: A New Retrospective*

03 November 2007–03 February 2008

National Gallery of Victoria:

22 February–18 May 2008

Queensland Art Gallery:

06 June–28 September 2008

1980.66

Sidney Nolan

*Head of Rimbaud* 1938–39

oil, Kiwi boot polish and pencil  
on cardboard

26.9 x 34.3 cm

Purchased from John  
and Sunday Reed 1980

1997.17

Sidney Nolan

*Rosa mutabilis* 1945

enamel on composition board  
92.0 x 122.5 cm

Bequest of John and Sunday Reed 1982

1997.18

Sidney Nolan

*Arabian tree* 1943

Ripolin enamel on plywood

92.0 x 61.5 cm

Bequest of John and Sunday Reed 1982

Asialink

*The world in painting*

Chiang Mai University:

4–31 October 2007

Chulalongkorn University Gallery:

30 November 2007–05 January 2008

Yuchengco Museum:

23 January–13 February 2008

Hanoi Fine Arts Museum:

7–18 April 2008

2007.14

Diena Georgetti

*All day I've built a lifetime* 2006

acrylic on board

65.5 x 56.5 cm

Purchased through the Heide  
Foundation with the assistance of  
Sophia Pavlovski-Ross and Philip Ross 2006

City Museum at Old Treasury, Melbourne

*Amuse yourself: a history of play  
in Melbourne*

8 December 2007–24 February 2008

1982.253

Sidney Nolan

*Ferris wheel* 1945

89.9 x 119.4 cm

Ripolin enamel on composition board

Bequest of John and Sunday Reed 1982

La Trobe University Art Museum

*Kite: Mike Brown and the Sydney 12*  
17 September–02 November 2007

McClelland Gallery + Sculpture Park:  
18 May 2008–10 August 2008

Macquarie University Art Gallery:  
25 August–17 October 2008

Wangaratta Exhibitions Gallery:  
06 December 2008–25 January 2009

Swan Hill Regional Art Gallery:  
01 March–30 April 2009

1982.57

Mike Brown

*Jupiter fly trap* 1966

44.0 x 48.0 x 25.0 cm

enamel paint, mixed media and steel

Bequest of John and Sunday Reed 1982

La Trobe University Art Museum

*Kite: Mike Brown and the Sydney 12*  
17 September–02 November 2007

2005.29

Mike Brown

*Kite* 1964

149.0 x 155.3 cm

gouache and collage on paper  
and wood

Gift of the Trustees of the Museum  
of Modern Art and Design of Australia,  
to the National Gallery of Victoria 1981.  
Transferred to Heide Museum of Modern  
Art by the Council of Trustees of the  
National Gallery of Victoria 2005

56 Mike Brown  
*Jupiter fly trap* 1966  
44.0 x 48.0 x 25.0 cm  
enamel paint, mixed media and steel  
Heide Museum of Modern Art Collection  
Bequest of John and Sunday Reed 1982  
© The Estate of Mike Brown

57 Diena Georgetti  
*All day I've built a lifetime* 2006  
acrylic on board  
65.5 x 56.5 cm  
Heide Museum of Modern Art Collection  
Purchased through the Heide  
Foundation with the assistance of  
Sophia Pavlovski-Ross and Philip Ross 2006  
© Diena Georgetti



58

**6.2 OUTWARD LOANS (CONTINUED)**

Mornington Peninsula Regional Gallery  
*Aspendale Beach: An artists' haven*  
12 December 2007–10 March 2008

1982.195

Mirka Mora  
*(Beautiful Aspendale)* 1961

ink on paper  
28.0 x 38.2 cm

Bequest of John and Sunday Reed 1982

1982.201

Mirka Mora  
*Sunday in the water (Lots of figures)* 1961

ink on paper  
51.0 x 63.9 cm

Bequest of John and Sunday Reed 1982

1989.3

Sweeney Reed  
*Love dunes* 1978

embossed etching on paper  
edition 2/5

41.5 x 55.5 cm

Gift of Barrett Reid 1989

1990.74

Sweeney Reed  
*Reaching (Escape) (4-9/25; 11-14/25; 16-19/25)* 1978

screenprint on cardboard

40.6 x 101.3 cm

Gift of Pamela, Mishka and Danila  
McIntosh 1990

2000.30

Sweeney Reed  
*Horizon* 1977

cast steel

33.0 x 334.0 x 1.0 cm

Gift of Ruth Cowan 2000

2000.214

Albert Tucker

*Beach at Aspendale* 1984

watercolour and pastel on paper  
65.0 x 81.0 cm

On loan from Barbara Tucker 2000

2000.232

Albert Tucker

*Georges Mora at Aspendale* 1980

oil on composition board

65.0 x 52.0 cm

On loan from Barbara Tucker 2000

2000.261

Albert Tucker

*Georges Mora and John Perceval  
at Aspendale* c.1962 1987

watercolour on paper

79.0 x 99.0 cm

On loan from Barbara Tucker 2000

2001.102

Albert Tucker

*Portrait of John Perceval at Aspendale* 1961

type C photograph

37.2 x 27.5 cm

Gift of Barbara Tucker 2001

2001.104

Albert Tucker

*Sunday and John Reed at Aspendale* 1961

type C photograph

27.5 x 37.0 cm

Gift of Barbara Tucker 2001

2001.105

Albert Tucker

*Sunday Reed, Georges Mora, Lucy Beck,  
Mirka Mora at Aspendale* 1961

type C photograph

27.2 x 37.0 cm

Gift of Barbara Tucker 2001

NETS Victoria

*LOOP–Video Art Now*

Hamilton Art Gallery:

19 September–28 October 2007

Warrnambool Art Gallery:

26 April–15 June 2008

Ararat Art Gallery:

21 June–27 July 2008

Horsham Art Gallery:

09 September–02 November 2008

Ballarat Fine Art Gallery:

10 November–21 December 2008

Bendigo Art Gallery:

28 March–26 April 2009

2007.1

Arlo Mountford

*The Wanderer meets The Pioneer* 2006

DVD

duration: 6.26 minutes

Purchased through

the Heide Foundation 2006

58 Albert Tucker

*Sunday Reed, Georges Mora, Lucy Beck,  
Mirka Mora at Aspendale* 1961

type C photograph

27.2 x 37.0 cm

Heide Museum of Modern Art Collection

Gift of Barbara Tucker 2001

© Barbara Tucker

## 7. FACILITIES

### 7.1 MAINTENANCE

Heide's facilities management capabilities were dramatically strengthened in 2007 with the appointment of a Facilities Manager. With the introduction of this role Heide was able to increase its focus on strategic facilities maintenance planning.

Heide's services contracts were reviewed and new contracts introduced, with strong emphasis on the essential services requirements. Consolidation of the fire services and mechanical contracts was implemented to improve the quality of service and assist with life cycle management of both new and old assets. Maintenance schedules were implemented to ensure satisfactory work practices are met with successful outcomes.

Working with Heide's risk assessors, Victorian Managed Insurance Authority, the Museum implemented improved monitoring systems to address the Occupational Health & Safety issues relating to the buildings and gardens.

Heide was a key participant in the working party of the Arts Portfolio Maintenance Assessment project. This project, championed by Arts Victoria and facilitated by Advanced FM, has given Heide the training and tools to monitor and assess the condition of the buildings and property assets, which will enable even greater strategic asset maintenance planning from both a program and financial perspective in the future.



59

### 7.2 GARDENS

Stage 3a water restrictions were introduced in 2007, reducing watering periods to a maximum of four hours per week. Due to its heritage significance, Heide I was partially exempt allowing the garden to be irrigated for eight hours, two days per week. To this end, drip irrigation systems were installed in cultivated flower and vegetable beds in July.

A chemical-free, organic regime was implemented in 2007, with a view to longer-term management. New weed control techniques included:

- regular mulching
- mechanical removal of weed species at an early stage of their life cycle
- ongoing use of hens in a mobile pen
- a re-evaluation of weed species to identify their advantages and uses to an ecosystem.



60

Additional herbs, biennials and perennials were added to the mix of plants in the Kitchen Garden in autumn and new roses planted where old ones had shown irreversible signs of decline. Forty metres of root barrier was installed around the southern and western perimeter of the Kitchen Garden. This non-destructive root management method will ensure that the soil in the Kitchen Garden will not be over-run by tree roots in the future.

Recovery Tree Services was employed to regularly remove declining or unsafe tree specimens and regulate deadwood and decay in all of Heide's trees. All prunings are mulched and stockpiled for use in the garden. All organic matter produced at Heide, including scraps from the Café, are mulched or composted on-site.

Activity in and around the gardens of Heide I continued with a reinvigoration of the orchard, including an organic fertilising regime, and an integrated pest management practice was implemented to improve growth in the area. A 6,100 litre water tank was installed to harvest rain water from the Heide I storage building, and the Vegetable Garden at Heide I was extended.

New works included nine new trees planted in the park during winter, plus a number of shrubs to screen sections of the neighbouring golf course. A selection of snowdrop bulbs were donated by a rare bulb grower and collector, Otto Fauser, while Sophie Adamson from the Briars Roserie in Mt Martha donated two roses: 'Edna Walling' and a David Austin rose, 'Jude the obscure'.



61



62

## 8. COMMUNICATIONS & MARKETING

Following the excitement and changes of the previous year, 2007 presented an opportunity to reaffirm the communications strategy of 'the new Heide' and increase brand awareness. A key objective was to re-engage with established audiences (potentially absent during the closure of 2005–06) and to develop new relationships with the expanding 'leisure market' comprising local, interstate and international visitors.

Heide continued to build upon its award-winning centralised communications strategy and marketing mix, with each campaign including single or multiple elements of the following components:

|                    |              |
|--------------------|--------------|
| Printed collateral | Distribution |
| Publicity/Media    | Website      |
| Direct marketing   | Signage      |
| Advertising        | Events       |

To build on the strengths of past strategies and to expand the Museum's audiences, 2007 saw the return of a number of highly successful marketing campaigns reinforcing Heide's position as one of Melbourne's premier cultural destinations. Focusing on Heide's unique architecture, gardens and collection, these campaigns also promoted Heide's sub-brands, including Heide Café and Heide Store.

*Growingrowing Heide 2007* proved once again to be a highlight for visitors with increased bookings (based on 2006 sales) and sell-out events. A campaign featuring print advertisements, direct mail and brochure distribution proved effective in targeting the passionate garden and nature-loving audience segment.

In 2007 exhibition campaigns were structured around the exhibitions of the Central Galleries of Heide III and the Albert & Barbara Tucker Gallery, with smaller campaigns (chiefly publicity-driven) focussing on Heide II, Kerry Gardner & Andrew Myer Project Gallery and Heide I's *Heide: Making history* display.

Highlights in the communications strategy for the 2007 exhibition program included the extensive marketing mix utilised for *Savage Luxury: Modernist Design in Melbourne 1930–1939*. Heide's partnership with Connex Melbourne provided a number of opportunities to widen the typical reach of a Heide exhibition campaign with access to poster cases at 209 Melbourne train stations and the chance to display a large banner at Flinders Street Station. A less traditional means of promotion was also employed by way of City Circle Tram panels, an opportunity to further communicate with the key commuter audience in Melbourne's CBD.

61 *Savage Luxury: Modernist Design in Melbourne 1930–1939* exhibition poster

62 *Growingrowing Heide 2007* program guide



63

A similar opportunity to reach an increased audience was made possible through Tourism Victoria with access to a Victorian Government outdoor billboard on the Tullamarine freeway. This highly visible site presented an unrivalled opportunity to profile Heide's key summer exhibition – *Power & beauty, Indigenous art now* – to local, interstate and international audiences.

Media coverage remains one of the most effective and efficient tools in Heide's marketing mix for attracting new and existing audiences. Highlights for coverage in 2007 include:

- PRINT: *Monument* (cover); *Wallpaper\** *City Guides*; *The Melbourne Design Guide*; *The Slow Guide to Melbourne*; *Victoria's 2007–2008 Cultural Guide* (cover); regular, extensive coverage in *The Age*, *The Australian*, *Australian Financial Review* and *Herald Sun*
- International press coverage in Germany, Japan, New Zealand, Thailand, United Kingdom, Ukraine
- TELEVISION stories including *Stateline* (ABC TV), *Sunday Arts* (ABC TV), *Getaway* (Channel 9), *Gardening Australia* (ABC TV), *Postcards* (Channel 7)
- RADIO interviews with ABC's *Radio National* and *774 ABC Melbourne*

From Friday 21 September–Sunday 4 November Heide undertook on-site audience research facilitated by casual Heide staff and volunteers with data analysis by Millward Brown. The aim of this research was to gain a better understanding of Heide's audience and to measure general visitor perceptions of the Museum, ranging from changes since the 2005–06 Redevelopment Program, to their views about exhibitions, Heide Café and Heide Store. The 'walk-up' surveys were based on the market research that was carried out in 2006 and provided valuable information and developing trends in the way visitors experience and perceive Heide which will inform future programming and marketing campaigns. Of the total number of visitors surveyed 43% were new visitors, 13% were interstate and overall 93% said they would visit the site again.



64

## 9. DEVELOPMENT

The role of philanthropic relationships and corporate partnerships in the day-to-day operations of Heide is becoming increasingly important as levels of activity in the Museum continue to grow in complexity, quality and accessibility. Total income raised through the Heide Foundation and Partnership frameworks for 2007 was 72% of total operating income, which includes government funding, donations of artworks and non-cash sponsorships.

The level of support committed through the Development structure is a strong endorsement of the direction of the organisation in its 26th year. The passion and dedication of Heide's founding benefactors is mirrored in today's broad range of involvement by all Partners and Donors.

### 9.1 HEIDE FOUNDATION

Throughout 2007 a number of campaigns were developed to raise both funds for and awareness of the Heide Foundation. Over \$554,000 was raised through the Foundation, with individual gifts ranging in scale from gold coin donations at Heide's exhibition opening events through to \$125,000 for a specific capital campaign. An additional \$60,000 was donated to Heide for 2008 projects. The End of Financial Year campaign was greatly expanded this year to include a greater percentage of Heide's key stakeholders and delivered to Heide an additional \$25,000 over budget and a number of new Foundation Donors.

Building on the momentum of the events that were held in 2006, the Heide Foundation Dinner took place on 22 May 2007. Held in the dynamic space of the Albert & Barbara Tucker Gallery and enhanced with a specially designed installation, *Birds*, by artist Sharon Goodwin, this event treated guests to a preview of Heide's 2007–08 summer exhibition program, as well as the Heide III exhibition, *Perfect for every occasion: photography today*. Board Directors hosted individual tables and the evening was convened by Heide Co-Patron Terry Bracks. The event resulted in a number of supporters engaging with the Museum for the first time, once again expanding the group of dedicated Foundation Donors whose support is crucial to the operation of Heide.

64 Barbara Tucker, Heide Patron and Lesley Alway, Heide Director at the 2007 Heide Foundation Dinner, 22 May 2007

Images 64–78  
Photographer: Jim Lee 2007



65

Throughout the year, the Heide Foundation also received considerable support towards its 2007 exhibitions, including *Power & beauty*, *Indigenous art now*; *COMBINE*, Janet Burchill, Jennifer McCamley, Melinda Harper; and the Asialink/Heide Museum of Modern Art touring exhibition *The world in painting* (scheduled for presentation at Heide 26 July–9 November 2008). This support, from organisations such as Sidney Myer Fund and Besen Family Foundation, is another essential element to the development of projects that reflect the new direction that Heide has taken since reopening to the public in July 2006.



66

Through the Heide Foundation, individuals and organisations can support the Museum's creative programs, its capital projects or 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



67

As at 31 December 2007 the Heide Foundation included:

#### Life Benefactor

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

#### Benefactor

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

65 Kerry Gardner, Heide Board Director and Terry Bracks, Heide Patron at the 2007 Heide Foundation Dinner, 22 May 2007

66 Albert & Barbara Tucker Gallery as set for the 2007 Heide Foundation Dinner, 22 May 2007

67 Trevor Tappenden, Heide Chairman and Mark Newman, Heide Board Director





68



69



70



71



72



73

### Principal Donor

Robert O Albert AO & Elizabeth Albert  
Rick Amor  
Arthur A Thomas Trust  
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 Cruthers  
Helen Dick  
Lauraine Diggins  
John Downer AM & Rose Downer  
Diana Fletcher  
Graeme Sturgeon Trust  
Richard & Isabella Green  
Lesley Griffin  
Helen Macpherson Smith Trust  
The Ian Potter Foundation  
John T Reid Charitable Trusts  
Andrea & Richard King  
Inge & Graeme King  
Elizabeth H Loftus  
Corbett & Yueji Lyon  
Maunsell Australia Pty Ltd  
The Myer Foundation  
The Pamcutt Family Foundation  
Sophia Pavlovski-Ross & Phillip Ross  
Pearson Group Australia  
Stuart Purves AM  
Prof John Rickard  
Dick Roennfeldt  
Trevor & Christine Tappenden  
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)

### Donor

Valerie Albiston  
Besen Family Foundation  
Bill Bowness  
Dr Joseph Brown AO OBE  
Terry Campbell AO & Chris Campbell  
Peter D Cole  
Julius Colman  
DAMP Artists' Collective  
Jennifer Darbyshire & David Walker  
Stephen Davies  
David & Kristene Deague  
James Fairfax AO  
Geoff Freeman  
Neilma Gantner  
Robert Gould  
Ian Hicks  
Dr Alison Inglis  
Patricia James  
Lily Kahan  
Julie Kantor  
Michael & Silvia Kantor  
Gillian Kaplan  
Gordon Kennett  
Tom & Sylvia Lowenstein  
Erica McGilchrist  
John & Marita McIntosh  
Naomi Milgrom & John Kaldor  
Dame Elisabeth Murdoch AC DBE  
Dr Richard & Vivienne Reed  
Rae Rothfield  
Sherman Foundation  
Rosemary Simpson

Dr Thomas & Karin Smyth  
Trust Company, as Trustee for the  
Fred P Archer Charitable Trust  
Vicki Varvaressos  
Velik Charitable Trust  
David & Margaret Walsh  
The William Angliss (Victoria)  
Charitable Fund  
Lyn Williams AM  
Leith Woodgate  
Sir John Young AC KCMG  
Anonymous (7)

### Supporters

John & Cecily Adams  
Lewis Bell  
Beth Bruce & Tom Bruce AO  
Jasmine Brunner  
Peter Corrigan  
James Gray  
Hecker Phelan & Guthrie  
John Meade  
Rob Mills  
Nellie Castan Gallery  
William Nuttall  
Maudie Palmer AO  
Louis Partos  
Ken & Gail Roche  
Margaret Ross AM & Dr Ian Ross  
Prof Jenny Strauss  
Janet Whiting & Phil Lukies  
Jenny Yau & Jeremy Loftus-Hills  
Anonymous (4)

68 Christine Campbell, Ann McFarling, Rose Downer and John Downer AM, Heide Board Director at the 2007 Heide Foundation Dinner, 22 May 2007

69 Andy Dinan, Sharon Goodwin, artist, *Never is forever* and Sue Cramer, Heide Public Programs Co-ordinator at the 2007 Heide Foundation Dinner, 22 May 2007

70 Zara Stanhope, Heide Deputy Director & Senior Curator, Terry Bracks and Barbara Tucker, Heide Co-Patrons at the 2007 Heide Foundation Dinner, 22 May 2007

71 Kerry Gardner, Heide Board Director and Andy Dinan at the 2007 Heide Foundation Dinner, 22 May 2007

72 Ed Dixon Food Design hors d'oeuvres at the 2007 Heide Foundation Dinner, 22 May 2007

73 Ken Roche AO, Craig Kimberley, Heide Board Director and Terry Campbell AO at the 2007 Heide Foundation Dinner, 22 May 2007



74



75

**9.2 HEIDE PARTNERSHIPS**

A strong partnership network is an integral component of Heide's ongoing operations and development, and Heide thanks all 2007 Partners who provided vital operational support to the Museum's programming and events throughout the year.

In 2007 corporate support to Heide through the Partnerships structure contributed over \$300,000—approximately \$220,000 and \$81,000 in contra and cash support respectively, 154% over the projected budget. This result was built on the enthusiasm that Partners and Supporters demonstrated after the 2006 reopening and 25th Anniversary. The goal for 2008 will be to maintain this high level of financial and resource support to allow Heide to operate at its optimum level.

Heide expanded its range of supporting organisations to include new Heide Partner, Middletons. Middletons provides cash and pro bono legal support and sits within a group of similarly minded organisations that continue to provide a robust network of assistance that greatly contributes to all aspects of the day-to-day activities of Heide.

Heide continued to engage with a number of Exhibition Partners to enhance the scope of projects, including Connex Melbourne, Australia Council for the Arts, the Queensland Government through its Queensland Indigenous Arts Marketing and Export Agency, and the Victorian Government through its Indemnification Scheme.

**2007 Heide Partners**

**Government Partner**



**Principal Partners**



**Heide Partners**



**Education & Public Programs Partner**



**Heide Supporters**

- Image Online
- Little Creatures Brewing
- Outlook Communications

- Resoution X
- Splitrock Natural Springwater

**Education & Public Programs Supporter**

Zart Art

74 David Pidgeon, Design By Pidgeon and Lesley Alway, Heide Director

75 Councillor Ron Kitchingman, Manningham City Council and Jessica Frean, Heide Development Manager



76



77

**2007 Exhibition Partners**

*Perfect for every occasion: photography today*

**Presenting Partner**

---



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

*The Goddess grins. Albert Tucker and the female image*

**Government Partner**

---



Indemnification for this exhibition is provided by the Victorian Government

*Savage Luxury: Modernist Design in Melbourne 1930–1939*

**Presenting Partner**

---



COMBINE, Janet Burchill, Jennifer McCamley, Melinda Harper

**Exhibition Supporter**

---

Besen Family Foundation

76 Christina Francis and Mark Paterson, Connex

77 Neil Burley, Deborah Bramich and Michael Goldsmith, Anibou



78

*Those who made and those who saw. Portraits of the Heide circle*

**Government Partner**

---



Indemnification for this exhibition is provided by the Victorian Government

*Power & beauty, Indigenous art now*

**Government Partner**

---



Indemnification for this exhibition is provided by the Victorian Government

**Exhibition Partner**

---



**Exhibition Supporter**

---

Sidney Myer Fund

**Heide Café Redevelopment Partners**

---



The Heide Café Redevelopment is supported by the Heide Foundation with significant assistance Mark and Hyeon-Joo Newman, The Sarah and Baillieu Myer Family Foundation and The Myer Foundation

79 *Savage Luxury* banner at Flinders Street Station, Melbourne July–August 2007

## 10. GOVERNANCE

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

### 10.1 BOARD

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

The Board, working with 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 Director/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
- 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 2007, there were six Company-appointed Directors. The Board considers relevant experience, diverse perspectives and complementary arts and museum knowledge and business skills when nominating and appointing new Directors. Details of each Director's skills and experience are set out in a later section of this report.

### Re-election

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

### Board Changes

Ms Kerry Gardner resigned from the Board in May after eight years of service.

At the 2006 AGM held on 29 May 2007, Mr Craig Kimberley and Mr John Downer offered themselves for re-election for three years and were both re-elected unanimously.

### Board Meetings

During 2007, the Heide Board met seven times including a full day of strategic planning on 5 March. Typically Board meetings are held bi-monthly. The Chairman and the Director/Chief Executive Officer meet regularly to discuss business and strategic issues and to agree on Board agendas.

### Board Committees

Three Board Committees operated during 2007. The Audit and Risk Management Committee, and Remuneration and Human Resources Policy Committee meet at least three times a year. Convening as required, the Nominations Committee considers Board vacancies, researches possible candidates and recommends appointments. Members of the Remuneration and Human Resources Policy Committee are Jennifer Darbyshire (Chairperson) and Alison Inglis. Members of the Audit and Risk Management Committee are Mark Newman (Chairperson) and John Downer. The Nominations Committee is chaired by Heide Board Chairman Trevor Tappenden.

### 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 Director/Chief Executive Officer on significant issues. Senior managers and other staff 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 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. The August 2007 Board Meeting was held at the Public Records Office Archive Centre in North Melbourne. This enabled the Board to view the Heide Collection in storage and visit the conservation laboratories of The Centre for Cultural Materials Conservation which undertakes conservation work on the Heide Collection.

### Conflicts of Interest

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

### Annual General Meetings

The Board views AGMs 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 Director/Chief Executive Officer deliver presentations on the Company's performance over the year and respond to questions.

**10.2 HUMAN RESOURCES**

In 2007 Heide established the Remuneration and Human Resources Policy Committee (RHRPC) of the Board with the purpose of:

- assisting the Board in overseeing the remuneration packages of the Director/ Chief Executive Officer and other senior executives who report directly to the Director/Chief Executive Officer having regard to the circumstances of Heide and the performance of the individuals concerned
- monitoring and reviewing Heide's Human Resources (HR) policies and procedures as contained in the HR Policy & Procedures Manual
- reviewing the Chief Executive Officer/ Director's recommendations in relation to key executive appointments and executive succession planning
- reviewing and monitoring changes to Heide's standard Contract of Employment
- performing other duties and activities that it or the Board considers appropriate in the context of this Charter
- reporting and submitting recommendations to the Board on these matters as and when required.

During the year Heide, in consultation with the RHRPC, implemented a comprehensive HR Policies & Procedures manual and introduced new staff contracts under this policy manual in compliance with *WorkChoices* requirements. Heide Senior Management Group, in consultation with the Remuneration and RHRPC and Heide's legal advisors, continue to monitor the state of workplace relations under the newly elected Federal Government to ensure that all compliance obligations are met and a safe, productive and satisfactory work place is provided for all Heide employees.

**10.3 RISK MANAGEMENT**

Risk Management is a key element of effective corporate governance. Heide has a comprehensive Risk Management policy and framework based on the Australian Standard for Risk Management (AS / NZS 4360: 2004). It has developed risk action plans and specific procedures for managing the Company's financial, asset, operational and project risks.

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

Key priorities for Heide in Risk Management include:

- Occupational Health and Safety
- Strategic Facilities and Gardens Planning & Maintenance
- Emergency Response and Disaster Management Planning
- Human Resource Management
- Financial Management and Internal Control
- Security
- Event Risk Management

In 2007, Heide's insurers, the Victorian Managed Insurance Association (VMIA), performed an assessment of the quality, comprehensiveness and maturity of Heide's Risk Management Framework, issuing a positive rating of 'Good.' In 2007 Heide was again awarded a 'Silver' rating for the fourth consecutive annual site risk survey.

#### 10.4 BOARD DIRECTORS & SENIOR MANAGEMENT PERSONNEL

##### Directors

##### **Trevor Tappenden** **Chairman**

Trevor Tappenden joined the Board in April 2002, taking up the position of Chairman in August 2002. Mr Tappenden is an independent Company Director, Chartered Accountant (ACA), Fellow of the Australian Institute of Company Directors and a former Managing Partner of Ernst & Young (Melbourne). He is currently a Councillor of RMIT University and holds Director roles with RMIT Vietnam, Committee for Economic Development of Australia, 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. Mr Tappenden is Chair of Heide's Nominations Committee.

##### **Kerry Gardner** **Deputy Chair (until May 2007)**

Kerry Gardner joined the Board in December 1999, taking up the role of Deputy Chair in August 2002. Ms Gardner is a marketing consultant with a career in product and media marketing. She sits as a judge for the Australian Business Arts Foundation Awards and for The Sidney Myer Performing Arts Awards, and is on the Steering Committee of the Australian Environmental Grantmakers Network. Ms Gardner is an active member of the Myer Foundation in both the arts and environment grant-making areas, and participates in international environmental and philanthropic discussion. Ms Gardner resigned from the Board in May 2007.

##### **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 in 2006, her current role being Legal Australia's Head of Corporate and Operations. She has previously worked in private legal practice in Melbourne and London and in major Australian corporations. 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 Vincent's & 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. Mr Downer is a Fellow of the Institution of Engineers Australia, Institution of Engineers (UK), and 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 a Senior Lecturer and Head of the Art History program at the University of Melbourne. She is also the course co-ordinator for the MA Art Curatorship program. Dr Inglis has been a member of several museum boards, including the Council of Trustees of the National Gallery of Victoria and the Donald Thomson Collection Committee of the Melbourne Museum. She holds a PhD from the University of Melbourne and her key research areas include the art of nineteenth-century Britain and the history of art museums and collecting in Australia. Dr Inglis is a member of Heide's Remuneration & Human Resources 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 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.



**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 problems. Decisions and issues are discussed at weekly staff and unit meetings.

**Lesley Alway  
Director/Chief Executive Officer**

BA (Hons), B.Ed, MBA

Ms Alway joined Heide in August 2003 and has previous Director/CEO experience in cultural organisations, including as Director, Arts Victoria (1997–2000) and Director, Artbank (1991–95).

**Anna Draffin  
Deputy Director,  
Head of Communications  
& Development (on maternity leave  
from September 2007)**

BA, B.Comm

Ms Draffin joined Heide in 2003 as the Marketing & Development Manager. 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**

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

**Lesley Harding  
Acting Deputy Director,  
Head of Communications & Development  
(from September 2007)**

BA (Hons), Postgrad Dip  
(Curatorial Studies), MA

Ms Harding joined Heide in March 2005 as Curator, Tucker Collection & Archive. Previous positions include Senior Curator, Victorian Arts Centre Trust, and Curator & Gallery Manager, National Art School, Sydney.

**Zara Stanhope  
Deputy Director, Senior Curator**

BA, B.Comm (Hons), MA

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

**Company Members  
at 31 December 2007:**

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  
Dr Alison Inglis  
Craig Kimberley  
Julia King  
Tom Lowenstein  
Sarah McKay  
Ian McRae  
Bryce Menzies  
Mark Newman  
Dr Tom Quirk  
Michael Roux  
Ken Ryan  
Deryk Stephens  
Trevor Tappenden  
David Walsh

**11. STAFF & VOLUNTEERS****Staff**

Lesley Alway  
*Director/Chief Executive Officer*

**Curatorial & Programming**

Zara Stanhope  
*Deputy Director,  
Senior Curator*

Sue Cramer  
*Public Programs Co-ordinator*

Lesley Harding  
*Curator, Tucker Collection  
& Archive  
Acting Deputy Director,  
Head of Communications  
& Development  
(from September 07)*

Stephanie Karavasilis  
*Education Officer  
(from October 07)*

Kendrah Morgan  
*Curator*

Katarina Paseta  
*Exhibitions &  
Collection Manager  
(to June 07)*

Jennifer Ross  
*Registrar*

Linda Short  
*Assistant Curator*

Laura Stedman  
*Exhibitions &  
Collection Manager  
(from July 07)*

Clayton Tremlett  
*Education Officer  
(to September 07)*

**Communications & Development**

Anna Draffin  
*Deputy Director,  
Head of Communications  
& Development (maternity  
leave from September 07)*

Sarah Aitken  
*Marketing Manager, Acting  
Communications Director  
(from September 07)*

Phoebe Bruce  
*Foundation &  
Partnerships Manager  
(to October 07)*

Maria Davies  
*Visitor & Membership  
Services Manager*

Jessica Freaan  
*Grants Manager  
(to October 07)  
Development Manager  
(from November 07)*

Carolyn Harris  
*Senior Visitor Services Officer*

Nick Hays  
*Governance &  
Development Officer  
(to October 07)  
Development Manager  
(from November 07)*

Rebecca Renshaw  
*Visitor & Membership  
Services Assistant Manager*

Bruce Thomson  
*Retail Manager & Buyer*

**Visitor Services Officers**

Sofi Basseghi  
Effie Belbin  
Louise D'Adam (to April 07)  
Stella Loftus-Hills  
Michelle Mills  
Simone Nolan  
Penny Peckham  
Brian Pieper  
Rachael Walker

**Business Services**

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

**Gardens**

Nicholas Harrison  
*Head Gardener*  
Danae Jeanes  
*Gardener*

**Volunteers****Curatorial & Programming  
Volunteer Guides**

Davina Johnson  
*Team Leader*

Jennifer Stanisich  
*Deputy Team Leader*

Valma Angliss AM  
Jenny Anson  
Gay Cuthbert  
Shirley Daffen  
Judy Davies  
Rosie Derrick  
Gordon Ennis  
Susan Fahey  
Bill Gillies  
Rosanne Green  
Elle Hanson  
Patty Hodder  
Jill Nicol  
Olivia Porter  
Claire Richardson  
James Robinson  
Jane Robinson

**On leave of absence**

Kate Chapman  
Jill Curry  
Frances Duckett  
Valerie Hill  
Karen Lanceley-Drew  
Jan Simmons  
Peter Thomas

**Trainee Volunteer Guides**

Jan Andrews  
Adam Bushby  
Lynne Curtis  
Esther Gyorki  
Judith Hughes  
Bianca Rohjle

**Curatorial & Programming  
Volunteers & Interns**

Jess Booth  
Helen Hughes  
Genevieve Osborn  
Melanie Rowe  
Nicole Salvo  
Rachael Walker  
Mary Waters

**Education Volunteers**

Julie Batty  
Isobel Bond  
Judy Bridges  
Joanne Campbell  
Irene Cook  
Jasmin Dwyer  
Diane Goetze  
Lara James  
Marita Kelly  
Grace Longato  
Kerry Lucas  
Milanda Matthews  
Kathryne Meagher  
Robyn Northway  
Craig O'Shanesy  
Henriette Propper  
Kylie Stevenson  
Kate Stones  
Erin Voth

**Communications &  
Development****Visitor Services Volunteers**

Heather Adam  
 Emma Agius  
 Robert Albie  
 Jan Andrews  
 Libby Austen  
 Rebecca Barwick  
 Margaret Belcher  
 Alice Bennett  
 Lisa Bernardo  
 Lula Black  
 Bronwyn Blackie  
 Alyshia Boddenberg  
 Katy Bowman  
 Margaret Breare  
 Sue Breen  
 Ros Brown  
 Barbara Burton  
 Adam Bushby  
 Illona Caldow  
 Laura Castagnini  
 Sophine Chai  
 Ron Chapman  
 Annie Cleveland  
 Jessica Cohen  
 Catherine Copley  
 Frances Cowie  
 Mandy Cunningham  
 Susan Davies  
 Laura Devenish  
 Ann Dickey  
 Jessica Disler  
 Doriana Duo  
 Robin Edwards  
 Fiona Efron  
 Kylie Franklin  
 Kathleen Frith  
 Jeanette Fry  
 Robin Gibson  
 Ya'ara Gilan  
 Bill Gillies  
 Bev Gray  
 Tom Greenaway  
 Esther Gyorki

Leona Haintz  
 Chelsea Harris  
 Cathy Harrison  
 Mary Harry  
 Susan Hase  
 Del Heaton  
 Ann Henderson  
 Tessa Hildebrand  
 Kylie Hill  
 Karen Hinde  
 Heather Howes  
 Helen Hughes  
 Marian James  
 Pamela Jaup  
 Jan Kondarovskas  
 Priscilla Lane  
 Felicity Lathrop  
 Jacqui Lester  
 Sheryl McCowan  
 Nanette McCubbin  
 Lorraine McInnes  
 Monica McKean  
 Julie Mackie  
 Anne McLachlan  
 Virginia McNamara  
 Margaret Martin  
 Robert Mihajilovski  
 Elizabeth Mohnacheff  
 Jane Mooney  
 Kate Murphy  
 Roisin Murphy  
 Elsebeth Murray  
 Helen Murray  
 Sue Nunis  
 Jenny Osborne  
 Rae O'Shaughnessy  
 Murray Pearce  
 Margaret Peppard  
 Judith Perry  
 Michelle Phillips  
 Jess Pinney  
 Tessa Purcell  
 Siobhan Rawlin  
 Jan Raymond  
 Vivienne Reed  
 Barbro Roberts  
 Natasha Salera  
 Karen Salter

Nicole Salvo  
 Claire Sarandis  
 Naomi Savio  
 Lesley Schmidt  
 Cameron Shaw  
 Jan Simmons  
 Carrie Smith  
 Samantha Sokolis  
 Carmel Speer  
 Julie Stevens  
 Bridget Stokell  
 Jasmine Targett  
 Denise Thamrin  
 Griselda Toh  
 Adriano Toniolo  
 Louise Vains  
 Margaret Van de Walle  
 Christine Visentin  
 Shirley Walker  
 Megg Walstab  
 Mary Waters  
 Fiona Wilson  
 Nancy Wood  
 Camille Woodward  
 Leonie Wray  
 Maree Xuereb  
 Anna Yau  
 Eleisha Yau  
 Janel Yau

**Marketing Intern**

Robert Lee

**Archiving Interns**

Margaret Breare  
 Fiona Efron  
 Griselda Toh  
 Megg Walstab  
 Mary Waters  
 Fiona Wilson

**Development Interns**

Alyshia Boddenberg  
 Fiona Wilson

**12. FINANCIAL  
STATEMENTS**

|                                    | PAGE |
|------------------------------------|------|
| DIRECTORS' REPORT                  | 46   |
| AUDITOR'S INDEPENDENCE DECLARATION | 49   |
| INCOME STATEMENT                   | 50   |
| STATEMENT OF CHANGES IN EQUITY     | 52   |
| STATEMENT OF CASH FLOWS            | 54   |
| NOTES TO THE FINANCIAL STATEMENTS  | 55   |
| DIRECTOR'S DECLARATION             | 71   |
| INDEPENDENT AUDIT REPORT           | 72   |

**Director's Report**

Your directors present their report on the company for the financial year ended 31 December 2007.

**1. GENERAL INFORMATION****a. Directors**

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

| <b>Names</b>        | <b>Appointed/Resigned</b> |
|---------------------|---------------------------|
| Jennifer Darbyshire |                           |
| John Downer         |                           |
| Kerry Gardner       | Resigned 29 May 2007      |
| Alison Inglis       |                           |
| Craig Kimberley     |                           |
| Mark Newman         |                           |
| Trevor Tappenden    |                           |

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

**b. Operating results**

The surplus of Heide Park & Art Gallery amounted to \$ 1,445,523 (2006: \$1,696,953).

**c. Business review**

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

**d. State of affairs**

No significant changes in the company's state of affairs occurred during the financial year.

**e. Principal Activity**

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

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

**f. Events subsequent to balance date**

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

**g. Likely developments**

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

**h. Environmental regulation**

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

**i. Dividends**

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

**j. Proceedings**

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.

**2. INFORMATION ON DIRECTORS**

|  |  |
|--|--|
| <b>Jennifer Darbyshire</b><br>Qualifications     | Senior Legal Counsel, National Australia Bank<br>BA, LLB (Hons), LLM, Grad Dip<br>(Company Secretarial Practice) |
| Special Responsibilities                         | Chair: Remuneration and Human Resources<br>Policy Committee  |
| <b>John Downer</b><br>Qualifications             | Engineer & Company Director<br>BEng (Hons)   |
| Special Responsibilities                         | Chair: Audit and Risk Management<br>Committee (from January 2008)  |
| <b>Kerry Gardner</b><br>Special Responsibilities | Company Director<br>Deputy Chairman (until May 2007)   |
| <b>Alison Inglis</b><br>Qualifications           | Associate Dean, University of Melbourne<br>BA (Hons), PhD  |
| Special Responsibilities                         | Remuneration and Human Resources<br>Policy Committee   |
| <b>Craig Kimberley</b>                           | Company Director   |
| <b>Mark Newman</b><br>Qualifications             | Executive Director & Chief Investment<br>Officer, K2 Asset Management<br>BEcon                                   |
| Special Responsibilities                         | Chair: Audit and Risk Management<br>Committee (until December 2007)  |
| <b>Trevor Tappenden</b><br>Qualifications        | Chartered Accountant, Company Director<br>ACA  |
| Special Responsibilities                         | Chairman<br>Audit and Risk Management<br>Committee (from January 2008)   |

**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:

|                     | <b>Audit &amp; Risk<br/>Management Committee</b> |                    | <b>HR Remuneration<br/>and Policy Committee</b> |                    | <b>Directors Meetings</b>    |                    |
|---------------------|--|--------------------|---|--------------------|------------------------------|--------------------|
|                     | Number eligible<br>to attend                     | Number<br>attended | Number eligible<br>to attend                    | Number<br>attended | Number eligible<br>to attend | Number<br>attended |
| Jennifer Darbyshire | -  | -                  | 3   | 3                  | 6                            | 6                  |
| John Downer         | 3  | 2                  | -   | -                  | 6                            | 5                  |
| Kerry Gardner       | -  | -                  | -   | -                  | 2                            | 2                  |
| Alison Inglis       | -  | -                  | 3   | 3                  | 6                            | 6                  |
| Craig Kimberley     | -  | -                  | -   | -                  | 6                            | 3                  |
| Mark Newman         | 3  | 3                  | -   | -                  | 6                            | 4                  |
| Trevor Tappenden    | -  | -                  | -   | -                  | 6                            | 5                  |



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

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

**Insurance premiums paid for directors**

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium was \$ 812 for each director.

Jennifer Darbyshire  
John Downer  
Kerry Gardner  
Alison Inglis  
Craig Kimberley  
Mark Newman  
Trevor Tappenden

**4. AUDITOR'S INDEPENDENCE  
DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 5.

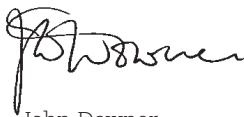
Signed in accordance with a resolution of the Board of Directors:

Director:



Trevor Tappenden

Director:



John Downer

21 April 2008

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2007 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  
21 April 2008  
Partner

**Income Statement  
for the year ended 31 December 2007**

| <b>Operating Activities</b>                            | Note | 2007<br>\$         | 2006<br>\$       |
|--|------|--------------------|------------------|
| Revenue from operating activities                      | 2    | 2,165,944          | 2,123,425        |
| Cost of goods sold                                     |      | (69,484)           | (54,099)         |
| Employee benefits expense                              |      | (1,398,369)        | (1,230,838)      |
| Repairs and maintenance                                |      | (134,082)          | (130,056)        |
| Depreciation, amortisation and impairment              |      | (352,273)          | (277,600)        |
| Insurance  |      | (92,588)           | (83,884)         |
| Collection expenses                                    |      | (55,555)           | (62,653)         |
| Exhibition expenses                                    |      | (453,132)          | (445,867)        |
| Marketing expenses                                     |      | (414,490)          | (374,804)        |
| Reopening expenses                                     |      | -                  | (105,371)        |
| Inventory write off                                    |      | -                  | (4,214)          |
| Contractors fees                                       |      | (93,759)           | (58,131)         |
| Utilities  |      | (116,539)          | (99,086)         |
| Relocation expenses                                    |      | -                  | (18,809)         |
| Borrowing Costs  |      | (305)              | -                |
| Other expenses from operating activities               |      | (230,219)          | (135,889)        |
| <b>Total operating expenses</b>                        |      | <b>3,411,155</b>   | <b>3,081,300</b> |
| <b>Net surplus (deficit) from operating activities</b> |      | <b>(1,245,211)</b> | <b>(957,875)</b> |
| <b>Investing Activities</b>                            |      |                    |                  |
| Dividends revenue from other corporations              | 2    | 81,676             | 93,471           |
| Interest revenue from other persons                    | 2    | 28,124             | 10,035           |
| Gain on sale of investments                            | 2    | 752,581            | 7,182            |
|  |      | 862,381            | 110,688          |
| Brokerage costs  |      | (11,982)           | (1,071)          |
| <b>Net surplus (deficit) from investing activities</b> |      | <b>850,399</b>     | <b>109,617</b>   |

The accompanying notes form part of this concise financial report

**Income Statement  
for the year ended 31 December 2007**

| <b>Philanthropic Activities</b>                                   | Note | 2007<br>\$ | 2006<br>\$ |
|---|------|------------|------------|
| Donations and sponsorships<br>(including gifts in kind)           |      | 576,588    | 732,362    |
| Donated works of art (at market value)                            | 2    | 997,943    | 246,050    |
|   |      | 1,574,531  | 1,574,531  |
| Development expenses  |      | (15,596)   | (70,321)   |
| <b>Net surplus (deficit)<br/>from philanthropic activities</b>    |      | 1,558,935  | 908,091    |
| <b>Capital Activities</b>   |      |            |            |
| Donations   |      | 155,000    | 509,615    |
| Government grants   |      | 128,457    | 1,171,757  |
| Interest revenue from other persons                               | 2    | 2,715      | 21,031     |
|   |      | 286,172    | 1,702,403  |
| Capital redevelopment expenses                                    |      | (4,772)    | (65,284)-  |
| <b>Net surplus (deficit) from capital activities</b>              |      | 281,400    | 1,637,119  |
| <b>Net surplus (deficit) for the year<br/>from all activities</b> |      | 1,445,523  | 1,696,953  |

The accompanying notes form part of this concise financial report

**Statement of Changes in Equity  
for the year ended 31 December 2007**

| <b>Assets</b>                        | Note | 2007<br>\$        | 2006<br>\$        |
|--------------------------------------|------|-------------------|-------------------|
| <b>Current assets</b>                |      |                   |                   |
| Cash and cash equivalents            | 5    | 1,603,889         | 520,134           |
| Trade and other receivables          | 6    | 1,404,872         | 193,442           |
| Inventories                          | 7    | 71,519            | 67,803            |
| Other current assets                 | 8    | 48,987            | 42,049            |
| <b>Total current assets</b>          |      | <b>3,129,267</b>  | <b>823,428</b>    |
| <b>Non-current assets</b>            |      |                   |                   |
| Financial assets                     | 9    | 1,117,440         | 1,558,793         |
| Property, plant and equipment        | 10   | 11,751,373        | 11,894,723        |
| Works of Art                         | 8    | 36,221,109        | 35,206,758        |
| <b>Total non-current assets</b>      |      | <b>49,089,922</b> | <b>48,660,274</b> |
| <b>Total Assets</b>                  |      | <b>52,219,189</b> | <b>49,483,702</b> |
| <b>Liabilities</b>                   |      |                   |                   |
| <b>Current liabilities</b>           |      |                   |                   |
| Trade and other payables             | 11   | 2,542,232         | 730,438           |
| Short-term borrowings                | 12   | 7,223             | 9,635             |
| Short-term provisions                | 13   | 87,928            | 92,915            |
| <b>Total current liabilities</b>     |      | <b>2,637,383</b>  | <b>832,988</b>    |
| <b>Non-current liabilities</b>       |      |                   |                   |
| Other long-term provisions           | 13   | 4,134             | 4,134             |
| <b>Total non-current liabilities</b> |      | <b>4,134</b>      | <b>4,134</b>      |
| <b>Total Liabilities</b>             |      | <b>2,641,517</b>  | <b>837,122</b>    |
| <b>Net Assets</b>                    |      | <b>49,577,672</b> | <b>48,646,580</b> |
| <b>Equity</b>                        |      |                   |                   |
| Reserves                             | 14   | 39,261,810        | 38,778,299        |
| Accumulated surpluses                |      | 10,315,862        | 9,868,281         |
| <b>Total Equity</b>                  |      | <b>49,577,672</b> | <b>48,646,580</b> |

The accompanying notes form part of this concise financial report

**Statement of Changes in Equity  
for the year ended 31 December 2007**

|                                    | Retained Surplus<br>(Deficit)<br>\$ | Asset Revaluation<br>Reserve<br>\$ | Donated Artworks<br>Reserve<br>\$ | Financial Assets<br>Revaluation Reserve<br>\$ | Total<br>\$       |
|------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|---|-------------------|
| <b>2007</b>                        |                                     |                                    |                                   |   |                   |
| Balance at 1 January 2007          | 9,868,281                           | 22,358,320                         | 15,161,616                        | 1,258,363                                     | 48,646,580        |
| Surplus from ordinary activities   | 1,445,523                           | -                                  | -                                 | -   | 1,445,523         |
| Revaluation increment (decrement)  | -                                   | -                                  | -                                 | (514,431)                                     | (514,431)         |
| Transfers to reserve               | (997,942)                           | -                                  | 997,942                           | -   | -                 |
| <b>Balance at 31 December 2007</b> | <b>10,315,862</b>                   | <b>22,358,320</b>                  | <b>16,159,558</b>                 | <b>743,932</b>                                | <b>49,577,672</b> |

|                                    | Retained Surplus<br>(Deficit)<br>\$ | Asset Revaluation<br>Reserve<br>\$ | Donated Artworks<br>Reserve<br>\$ | Financial Assets<br>Revaluation Reserve<br>\$ | Total<br>\$       |
|------------------------------------|-------------------------------------|------------------------------------|-----------------------------------|---|-------------------|
| <b>2006</b>                        |                                     |                                    |                                   |   |                   |
| Balance at 1 January 2006          | 8,397,379                           | 14,024,597                         | 14,935,566                        | 1,072,413                                     | 38,429,955        |
| Surplus from ordinary activities   | 1,696,952                           | -                                  | -                                 | -   | 1,696,952         |
| Revaluation increment              | -                                   | 8,333,723                          | -                                 | 185,950                                       | 8,519,673         |
| Transfers to reserve               | (226,050)                           | -                                  | 226,050                           | -   | -                 |
| <b>Balance at 31 December 2006</b> | <b>9,868,281</b>                    | <b>22,358,320</b>                  | <b>15,161,616</b>                 | <b>1,258,363</b>                              | <b>48,646,580</b> |

The accompanying notes form part of this concise financial report

**Statement Of Cash Flows  
for the year ended 31 December 2007**

|  | Note      | 2007<br>\$       | 2006<br>\$         |
|--|-----------|------------------|--------------------|
| <b>Cash from operating activities</b>                          |           |                  |                    |
| Receipts from customers  |           | 794,323          | 472,757            |
| Receipts from donations and sponsorships                       |           | 576,589          | 709,203            |
| Payments to suppliers and employees                            |           | (2,987,724)      | (3,142,157)        |
| Grant receipts   |           | 1,740,158        | 2,117,107          |
| Dividends received   |           | 94,659           | 93,414             |
| Interest received  |           | 30,839           | 68,398             |
| Interest paid  |           | (305)            | –                  |
| <b>Net cash provided by (used in)<br/>operating activities</b> | <b>18</b> | <b>248,539</b>   | <b>318,722</b>     |
| <b>Cash flows from investing activities</b>                    |           |                  |                    |
| Capital grant and pledge receipts                              |           | 383,457          | 995,700            |
| Proceeds from sale of investments                              |           | 780,254          | 231,982            |
| Acquisition of property, plant and equipment                   |           | (208,923)        | (3,391,783)        |
| Acquisition of other non current assets                        |           | (16,410)         | –                  |
| Acquisition of other investments                               |           | (100,750)        | –                  |
| <b>Net cash provided by (used in)<br/>investing activities</b> |           | <b>837,628</b>   | <b>(2,164,101)</b> |
| <b>Cash flows from financing activities</b>                    |           |                  |                    |
| Repayment of borrowings  |           | (2,412)          | (19,404)           |
| <b>Net cash provided by (used in)<br/>financing activities</b> |           | <b>(2,412)</b>   | <b>(19,404)</b>    |
| <b>Net increase (decreases) in cash held</b>                   |           | <b>1,083,755</b> | <b>(1,864,783)</b> |
| Cash and cash equivalents at beginning of year                 |           | 520,134          | 2,384,917          |
| <b>Cash at end of financial year</b>                           | <b>5</b>  | <b>1,603,889</b> | <b>520,134</b>     |

The accompanying notes form part of this concise financial report

## Notes to the Financial Statements for the year ended 31 December 2007

### NOTE 1. ACCOUNTING POLICIES

#### a. General information

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

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

#### b. Basis of preparation

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

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

#### c. Income taxes

No current or deferred income tax assets or liabilities have been raised by the company as it is exempt from income tax under Division 50 of the Income Tax Assessment Act. The company has sought and received confirmation of its income tax exempt status from the Australian Taxation Office under the Charitable Institution rules outlined in the Act.

#### d. Inventories

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

#### e. Property, plant and equipment

##### Land and buildings

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

##### Improvements

The company acts as a government appointed committee of management with respect to the property known as Heide Park and Art Gallery. The directors are of the opinion that the custodianship over Heide Park is permanent in nature and therefore they believe that it is appropriate to value the leasehold improvements on a basis consistent with AASB 116 Property, Plant and Equipment. The value of capitalised leasehold improvements will be amortised over their expected useful life (applicable amortisation rate used is 2.5%). Leasehold improvements are amortised over 40 years.

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

#### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

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

#### Depreciation

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

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

|                        |      |
|------------------------|------|
| Buildings              | 2.5% |
| Plant and Equipment    | 20%  |
| Computer Equipment     | 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. Deferred Income**

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

**k. Revenue**

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

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

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

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

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

Donation income is recognised when it is received.

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

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

**l. Goods and Services Tax (GST)**

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

**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 2007. At 31 December 2007, the available assets within the trust fund amounted to \$2,542.

**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**

| Note                                    | 2007<br>\$ | 2006<br>\$ |
|---|------------|------------|
| <b>Operating activities</b>             |            |            |
| – sale of goods                         | 193,333    | 137,570    |
| – admissions                            | 324,926    | 245,003    |
| – government grants                     | 1,494,952  | 1,644,692  |
| – other                                 | 152,733    | 96,160     |
| Total Revenue from Operating Activities | 2,165,944  | 2,123,425  |
| (a) Dividend revenue from:              |            |            |
| other corporations                      | 81,676     | 93,471     |
| (b) Interest revenue from:              |            |            |
| other persons                           | 30,839     | 31,066     |

**Significant Revenue**

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

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Donated works of art at market value | 997,943   | 246,050   |
| Government grants                    | 1,494,952 | 1,644,692 |
| Gain on sale of investments          | 752,582   | 7,182     |

**NOTE 3: SURPLUS FROM ORDINARY ACTIVITIES**

|  | 2007<br>\$ | 2006<br>\$ |
|--|------------|------------|
| <hr/>  |            |            |
| <b>Surplus (deficit) from Ordinary Activities<br/>has been determined after:</b> |            |            |
| <b>(a) Expenses from Ordinary Activities</b>                                     |            |            |
| Depreciation of property, plant and equipment                                    | 67,673     | 97,097     |
| Amortisation of leasehold improvements   | 284,598    | 180,504    |
| Write down of inventory  | –          | 4,214      |
| Remuneration of auditor  |            |            |
| Auditing or reviewing the financial report                                       | 16,000     | 14,950     |
| Other services   | 2,250      | 1,774      |
| Foreign currency translation deficits (gains)                                    | –          | 15         |
| <b>(b) Revenue and Net Gains</b>   |            |            |
| Net gain on disposal of non-current assets:                                      |            |            |
| –Investments   | 752,582    | 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)

Jennifer Darbyshire

John Downer

Kerry Gardner

Alison Inglis

Craig Kimberley

Mark Newman

Trevor Tappenden

**Other Key Management Personnel—  
Compensation**

Lesley Alway

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

Anna Draffin

BA, B.Comm  
(Deputy Director—Head of Communications and Development)—to September 2007

Paula Greene

BS(Hons), Postgrad cert (Art History),  
USCPA, (Business and Finance Manager),

Lesley Harding

BA(Hons), Postgrad dip (Cultural Studies),  
MA (Acting Deputy Director—Head of Communication and Development)  
from September 2007

Zara Stanhope

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

|                    | Short-term benefits |                      | Total   |
|--------------------|---------------------|----------------------|---------|
|                    | Salary & fees<br>\$ | Superannuation<br>\$ | \$      |
| <b>2007</b>        |                     |                      |         |
| Total compensation | 396,807             | 35,629               | 432,436 |
|                    | 396,807             | 35,629               | 432,436 |

|                    | Short-term benefits |                      | Total   |
|--------------------|---------------------|----------------------|---------|
|                    | Salary & fees<br>\$ | Superannuation<br>\$ | \$      |
| <b>2006</b>        |                     |                      |         |
| Total compensation | 331,147             | 29,803               | 360,950 |
|                    | 331,147             | 29,803               | 360,950 |

**NOTE 5: CASH AND CASH EQUIVALENTS**

|                  | 2007      | 2006    |
|------------------|-----------|---------|
|                  | \$        | \$      |
| Cash on hand     | 3,272     | 2,980   |
| Cash at bank     | 1,243,408 | 517,154 |
| Deposits at call | 357,209   | –       |
|                  | 1,603,889 | 520,134 |

**NOTE 6: TRADE AND OTHER RECEIVABLES****Current**

|                               |           |         |
|-------------------------------|-----------|---------|
| Trade receivables             | 152,128   | 26,994  |
| Government grant - operations | 712,937   | –       |
| Government grant - capital    | 250,000   | –       |
| New development pledges       | –         | 100,000 |
| Other receivables             | 289,807   | 66,448  |
|                               | 1,404,872 | 193,442 |

**NOTE 7: INVENTORIES****Current**

|                         |        |        |
|-------------------------|--------|--------|
| At net realisable value |        |        |
| Stock on hand           | 71,519 | 67,803 |
|                         | 71,519 | 67,803 |

**NOTE 8: OTHER ASSETS**

|                    | 2007<br>\$ | 2006<br>\$ |
|--------------------|------------|------------|
| <b>Current</b>     |            |            |
| Prepayments        | 48,987     | 42,049     |
| <b>Non-Current</b> |            |            |
| Works of art       | 36,221,109 | 35,206,758 |

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 \$7,882,050 which has not been recorded as an asset of the company.

**NOTE 9: FINANCIAL ASSETS****Available-for-sale Financial Assets Comprise:**

|   |           |           |
|---|-----------|-----------|
| Listed investments, at fair value         |           |           |
| Shares in listed corporations             | 1,117,440 | 1,558,793 |
| Total available-for-sale financial assets | 1,117,440 | 1,558,793 |

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

**NOTE 10: PROPERTY PLANT AND EQUIPMENT**

|  | 2007<br>\$        | 2006<br>\$        |
|--|-------------------|-------------------|
| <b>Land and Buildings</b>                  |                   |                   |
| Freehold land at deemed cost               | 500,000           | 500,000           |
| Buildings                                  |                   |                   |
| At deemed cost                             | 1,100,000         | 1,100,000         |
| Less accumulated depreciation              | (137,500)         | (110,000)         |
| <b>Total buildings</b>                     | <b>962,500</b>    | <b>990,000</b>    |
| <b>Plant and Equipment</b>                 |                   |                   |
| Capital works in progress                  | 68,504            | -                 |
| Plant and equipment                        |                   |                   |
| At cost                                    | 723,818           | 672,804           |
| Less accumulated depreciation              | (589,751)         | (522,077)         |
| <b>Total plant and equipment</b>           | <b>134,067</b>    | <b>150,727</b>    |
| Computer software                          |                   |                   |
| At cost                                    | 30,941            | -                 |
| Less accumulated depreciation              | (3,610)           | -                 |
| <b>Total computer software</b>             | <b>27,331</b>     | <b>-</b>          |
| Leasehold improvements                     |                   |                   |
| Improvements                               | 10,775,214        | 10,716,750        |
| Less accumulated amortisation              | (716,243)         | (462,754)         |
| <b>Total leasehold improvements</b>        | <b>10,058,971</b> | <b>10,253,996</b> |
| <b>Total property, plant and equipment</b> | <b>11,751,373</b> | <b>11,894,723</b> |

| <b>Movements in Carrying Amounts</b> | Freehold<br>land<br>€ | Buildings<br>€ | Leasehold<br>improvements<br>€ | Plant and<br>Equipment<br>€ | Capital works<br>in progress<br>€ | Computer Software<br>€ | Total<br>€   |
|--------------------------------------|-----------------------|----------------|--------------------------------|-----------------------------|-----------------------------------|------------------------|--------------|
| Balance at the beginning of year     | 500,000               | 990,000        | 10,253,996                     | 150,727                     | -                                 | -                      | 11,894,723   |
| Additions                            | -                     | -              | 58,465                         | 51,014                      | 68,504                            | 30,941                 | 208,924      |
| Depreciation expense                 | -                     | (27,500)       | (253,490)                      | (67,674)                    | -                                 | (3,610)                | (352,274)    |
| Carrying amount at the end of year   | \$500,000             | \$962,500      | \$10,058,971                   | \$134,067                   | \$68,504                          | \$27,331               | \$11,751,373 |

**NOTE 11: TRADE AND OTHER PAYABLES**

|                                     | 2007<br>\$       | 2006<br>\$     |
|-------------------------------------|------------------|----------------|
| <b>Current</b>                      |                  |                |
| Unsecured liabilities               |                  |                |
| Trade payables                      | 499,709          | 460,878        |
| Deferred income – other             | 150,000          | 100,000        |
| Deferred income – government grants | 1,542,808        | 145,063        |
| Other payables                      | 349,715          | 24,497         |
|                                     | <b>2,542,232</b> | <b>730,438</b> |

**NOTE 12: BORROWINGS**

|                             |              |              |
|-----------------------------|--------------|--------------|
| <b>Current</b>              |              |              |
| Credit card amounts payable | 7,223        | 9,635        |
|                             | <b>7,223</b> | <b>9,635</b> |

**NOTE 13: PROVISIONS**

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| <b>Employee Entitlements</b>        |               |               |
| Opening balance at 1 January        | 97,049        | 63,084        |
| Additional provisions               | 87,072        | 82,343        |
| Utilised during the period          | (92,059)      | (48,378)      |
| <b>Balance at 31 December</b>       | <b>92,062</b> | <b>97,049</b> |
| <b>Analysis of Total Provisions</b> |               |               |
| Current                             | 87,928        | 92,915        |
| Non-current                         | 4,134         | 4,134         |
|                                     | <b>92,062</b> | <b>97,049</b> |



**NOTE 14: 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 2007 was \$22,358,320.

**b. Financial Asset Revaluation Reserve**

The financial asset revaluation reserve records the unrealised gain on financial investments. The balance of the Financial Asset Revaluation Reserve at 31 December 2007 was \$743,931.

**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 2007 was \$16,159,558. Subsequent revaluation of the Works of Art are recognised in the Asset Revaluation Reserve.

**NOTE 15: CAPITAL AND LEASING COMMITMENTS****a. Capital Expenditure Commitments**

Capital expenditure commitments, payable not later than 12 months contracted for:

|                       |   |        |
|-----------------------|---|--------|
| Redevelopment program | - | 10,000 |
|                       | - | 10,000 |

**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**

| <b>Reconciliation of cashflow from operations with surplus for the year</b> | 2007<br>\$     | 2006<br>\$     |
|---|----------------|----------------|
| Net surplus / deficit for the year  | 1,445,523      | 1,696,953      |
| <b>Non-cash flows in surplus</b>  |                |                |
| Amortisation  | 284,599        | 180,504        |
| Depreciation  | 67,674         | 97,097         |
| Net gain/(loss) on sale investments   | (752,582)      | (7,182)        |
| Works of art (donated)/written off  | (997,942)      | (226,050)      |
| Capital grants and donations  | (383,457)      | (995,700)      |
| Movement in accounts payable in relation to purchase of fixed assets        | -              | 351,402        |
| <b>Changes in assets and liabilities</b>                                    |                |                |
| (Increase)/decrease in trade and term receivables                           | (1,211,430)    | 133,305        |
| (Increase)/decrease in other assets   | (6,938)        | 5,267          |
| (Increase)/decrease in inventories  | (3,716)        | (41,759)       |
| Increase/(decrease) in trade payables and accruals                          | 364,051        | (121,401)      |
| Increase/(Decrease) in grants received in advance                           | 1,447,745      | (787,679)      |
| Increase/(decrease) in provisions   | (4,988)        | 33,965         |
|   | <b>248,539</b> | <b>318,722</b> |

**NOTE 19: FINANCIAL INSTRUMENTS****19a. Interest Rate Risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's 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:

|                                    | Weighted Average<br>Effective<br>Interest Rate |           | Floating<br>Interest Rate |                | Maturing<br>within 1 Year |            | Non-interest<br>Bearing |                  | Total            |                  |
|------------------------------------|--|-----------|---------------------------|----------------|---------------------------|------------|-------------------------|------------------|------------------|------------------|
|                                    | 2007<br>%                                      | 2006<br>% | 2007<br>\$                | 2006<br>\$     | 2007<br>\$                | 2006<br>\$ | 2007<br>\$              | 2006<br>\$       | 2007<br>\$       | 2006<br>\$       |
| <b>Financial Assets</b>            |  |           |                           |                |                           |            |                         |                  |                  |                  |
| Cash and cash equivalents          | 3.87   | 6.00      | 706,933                   | 517,154        | 357,209                   | –          | 539,747                 | 2,980            | 1,603,889        | 520,134          |
| Trade and sundry<br>receivables    | –  | –         | –                         | –              | –                         | –          | 1,404,872               | 193,442          | 1,404,872        | 193,442          |
| Investments                        | –  | –         | –                         | –              | –                         | –          | 1,117,440               | 1,558,793        | 1,117,440        | 1,558,793        |
| <b>Total Financial Assets</b>      |  |           | <b>706,933</b>            | <b>517,154</b> | <b>357,209</b>            | <b>–</b>   | <b>3,062,059</b>        | <b>1,755,215</b> | <b>4,126,201</b> | <b>2,272,369</b> |
| <b>Financial Liabilities</b>       |  |           |                           |                |                           |            |                         |                  |                  |                  |
| Trade and sundry payables          | –  | –         | –                         | –              | –                         | –          | 499,259                 | 496,641          | 499,259          | 496,641          |
| <b>Total Financial Liabilities</b> |  |           | <b>–</b>                  | <b>–</b>       | <b>–</b>                  | <b>–</b>   | <b>499,259</b>          | <b>496,641</b>   | <b>499,259</b>   | <b>496,641</b>   |

**NOTE 19: FINANCIAL INSTRUMENTS (CONT.)****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:

|                         | 2007                  |                      | 2006                  |                      |
|-------------------------|-----------------------|----------------------|-----------------------|----------------------|
|                         | Carrying amount<br>\$ | Net Fair value<br>\$ | Carrying amount<br>\$ | Net Fair value<br>\$ |
| <b>Financial Assets</b> |                       |                      |                       |                      |
| Listed investments      | 1,117,440             | 1,117,440            | 1,558,793             | 1,558,793            |
|                         | 1,117,440             | 1,117,440            | 1,558,793             | 1,558,793            |

**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 2007 the number of members was 27 (2006: 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 \$223,981 (2006: \$164,821).

**NOTE 22: CHANGE IN ACCOUNTING POLICY**

Accounting Standards issued but not yet effective

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

| <b>AASB Amendment</b> | <b>AASB Standard Affected</b>   | <b>Nature of change in Accounting Policy and Impact</b>  | <b>Application Date of the Standard</b> | <b>Application Date for the company</b> |
|-----------------------|---|--|---|---|
| 2007-4                | Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038) | All options that exist under IFRSs are included in the Australian equivalents to IFRSs   | 1 July 2007                             | 1 January 2008                          |
| 2007-5                | Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities AASB 102  | Requires inventory held for distribution by Heide to be measured at cost, adjusted where applicable for any loss of service potential. | 1 July 2007                             | 1 January 2008                          |
| 2007-7                | Amendments to Australian Accounting Standards (AASB 1, 2, 4, 5, 107 & 128)  | All options that exist under IFRSs are included in the Australian equivalents to IFRSs   | 1 July 2007                             | 1 January 2008                          |

**NOTE 23: COMPANY DETAILS**

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

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 27, 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 2007 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

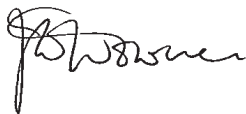
This declaration is made in accordance with a resolution of the Board of Directors.

Director:



Trevor Tappenden

Director:



John Downer

21 April 2008

**Scope**

We have audited the accompanying financial report of Heide Park & Art Gallery, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

**Directors' responsibility for the financial report**

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

**Auditor's responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

**Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Heide Park & Art Gallery on 21 April would be in the same terms if provided to the directors as at the date of this auditor's report.

**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 financial position as at 31 December 2007 and of the 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

21 April 2008

Partner



**Heide Museum of Modern Art**

7 Templestowe Road

Bulleen Victoria 3105 Australia

T +613 9850 1500

F +613 9852 0154

info@heide.com.au

[www.heide.com.au](http://www.heide.com.au)

Tues–Fri 10am–5pm

Sat/Sun/Public Hols 12noon–5pm

