



HEIDE MUSEUM OF MODERN ART
2017 ANNUAL REPORT

Museum of
Modern Art
Heide

Cover image:
George Johnson
Construction with Brown Triangle 1986
synthetic polymer paint on canvas
186 x 140 cm
Courtesy of the artist and Charles Nodrum Gallery, Melbourne

CONTENTS

1. CHAIRMAN'S REPORT	2
2. CULTURAL PROGRAMMING & COLLECTIONS	6
2.1 Exhibitions	6
2.2 Collections	12
2.3 Public Programs	19
2.4 Education	20
3. DEVELOPMENT	22
3.1 Funding Sources	22
3.2 Government	23
3.3 Private Giving	23
3.4 Corporate Partners	23
3.5 Heide Foundation Board & Director's Circle	23
3.6 Sponsored Exhibitions	25
4. BUSINESS OPERATIONS	30
4.1 Heide Store	30
4.2 Visitor Services	30
4.3 Membership	31
4.4 Venue Hire	31
4.5 Café Heide	31
5. FACILITIES	32
5.1 Maintenance	32
5.2 Gardens and Grounds	32
6. MARKETING & COMMUNICATIONS	35
6.1 Reach and highlights	35
6.2 Partnerships	35
6.3 Digital	35
6.4 Publications	36
7. GOVERNANCE & PEOPLE	38
7.1 Heide Park & Art Gallery	38
7.2 Board of Directors	39
7.3 Committees	39
7.4 Annual General Meetings	39
7.5 Heide Directors & Executive	40
7.6 Heide Staff	44
7.7 Honorary Appointments	45
7.8 Heide Volunteers	46
8. FINANCIAL STATEMENTS	48
9. NOTES TO THE FINANCIAL STATEMENTS	60
DIRECTORS' DECLARATION	77
INDEPENDENT AUDIT REPORT	78

1. CHAIRMAN'S REPORT

In 2017 Heide Museum of Modern Art appointed a new executive team to steward the future direction of this important Australian cultural organisation, and ensure it flourishes.

Working closely with the Board of Directors, this team developed and began implementing a new vision statement to frame Heide's next stage of development. This vision statement resulted from an extended and collaborative dialogue with Creative Victoria—Heide's key government funding body—to explore sustainable future options for the site, through a Working Party established in 2014. Faithful to the special legacy of Heide, and reflecting its remarkable possibilities, this vision statement is based on three core concepts—provocation, enchantment and surprise:

Heide demonstrates provocative cultural leadership, through:

- Dedication to bold and pathfinding beauty
- Joined-up' cultural practice—art, architecture, sculpture, heritage, landscape, gardens, story, ideas, education, events
- Reputation for curatorial excellence—taking a remarkable Australian 20th Century collection in innovative ways into the future

Heide is a locally, nationally and globally enchanting destination, being:

- A distinctive 'must visit' cultural destination for any visitor to Victoria—and wider Australia
- Effectively networked with similar organisations/communities of interest
- Sophisticated and dynamic in its digital footprint

Heide is a surprising and agile Melbourne cultural institution, through:

- Entrepreneurial partnerships with external stakeholders, maximising leverage—public and private
- Serving and loved by its local community—Manningham/Banyule/Melbourne
- An internal culture that welcomes, engages and inspires curiosity in a diversity of audiences

Through 2017, this vision statement informed Heide's strategic initiatives and management practices. It was complemented by an award-winning rebranding campaign, developed pro bono for Heide by M&C Saatchi. It was also used through 2017 as the basis for scoping a detailed vision document for delivery in early 2018, to support a business case for the next stage of investment (known as 'Heide V') to enable Heide to realise its full potential, as a nationally and world-renowned cultural destination.

Consistent with this vision statement, in 2017 Heide continued to invest in and build on its reputation for curatorial excellence. The highly successful *O'Keeffe, Preston, Cossington Smith: Making Modernism* exhibition (12 October 2016 – 19 February 2017) was followed by the popular and highly acclaimed *Charles Blackman: Schoolgirls* (4 March – 18 June), *Call of the Avant-Garde: Constructivism and Australian Art* (5 July – 8 October) and *Jenny Watson: The Fabric of Fantasy* (4 November – 4 March 2018, travelling from the Museum of Contemporary Art Australia). These major shows anchored a rich exhibition program across Heide's exhibition spaces, that also featured works by New York-based Australian artist Denise Green, Sidney Nolan, Albert Tucker, Fred Williams,



1

Aleks Danko, Peter Booth, Rick Amor, Koji Ryui, the late Mari Funaki and Rebecca Mayo.

Heide complemented these exhibition offerings with highly respected engagement initiatives. These included public programs targeting new and more diverse demographics as well as established audiences (attracting over 10,000 participants), well regarded education programs for educators and school students (reaching over 5,000 participants), and curated conversations reviving Heide's important role as a place of ideas.

As a result, Heide ended 2017 with a strong list of achievements and a healthy balance sheet. Its overall operations revenue totalled \$5.1 million. Ticketed admissions increased by 19% (to 65,000) and overall site visitation by 26% (to 120,000). 2017 also saw a 29% increase in memberships (and the introduction of multi-year memberships), an 11% increase in retail sales (including stronger online retail), and growth of the popular Heide Makers' Market in the Sculpture Park.

Revenue from Heide's successful fundraising dinner again was augmented by generous additional donations from private individuals and foundations. In 2017, these contributions supported the scoping and development of a long-awaited CRM system and other key projects identified by staff across the organisation.

Heide is much more than the sum of these parts; its continuing success depends on the calibre and commitment of its people. Beyond the contributions of Heide's talented and dedicated staff, the organisation enjoys and is indebted to the generosity of its Board of Directors, its Foundation Board, its volunteers, and all its patrons and visitors.

Natasha Cica, the Director & CEO resigned in April 2018. We thank Natasha for her dedication and contribution to Heide.

Also during the year Justin Bown retired from the Board. We thank him for his five years of service to the Board.

We gratefully acknowledge everyone who supported Heide in 2017.

Steven Skala AO
Chairman

April 2018



NOT USE A NEEDLE
DRINK alot
wake up in strange
STAY out places
all NIGHT
WAKE UP IN A GUTTER WITH BLOOD
ice. I did sleep alot.
VW 87





3

2. CULTURAL PROGRAMMING

2.1 EXHIBITIONS

Heide's 2017 exhibition program included ten new exhibitions of modernist and contemporary art, comprising both solo and thematic surveys, and displays of specially commissioned installations. Artists in the Heide circle featured prominently—with Charles Blackman, the Boyd family and Albert Tucker all the subjects of new research—as did artists who began or consolidated their careers in Melbourne, including Fred Williams, Jenny Watson and Rebecca Mayo.

In the Central Galleries the year commenced with *Charles Blackman: Schoolgirls*, showcasing the artist's landmark series of more than fifty major paintings produced between 1952 and 1955. With its themes of isolation, vulnerability and innocence under threat, and distinctive figurative expressionism, the series established Blackman's reputation as a significant painter of modern life in the post-war era.

In July the ambitious *Call of the Avant-Garde: Constructivism and Australian Art* opened across the Central Galleries, Heide II and Kerry Gardner & Andrew Myer Project Gallery—the third in a sequence of exhibitions at Heide examining the evolution, effects and legacy of modernism in Australia. Originating in Soviet Russia, Constructivism changed the course of twentieth-century art and design through its language of geometric forms, its utopian aspirations, and its vision of the artist's role in society. Timed for the centenary year of the Russian Revolution—the cultural wellspring of constructivist ideas—the exhibition explored the influence of this ground-breaking movement on the imaginations of over sixty Australian visual artists from the 1930s to the present day.

Jenny Watson: The Fabric of Fantasy, organised by the Museum of Contemporary Art Australia, opened in the Central Galleries in November, and saw the Melbourne-born, Brisbane-based artist return to her hometown for the most comprehensive survey of her career to date. Initially working in a realistic style, Watson was influenced by her encounters with feminism and punk in the 1970s, turning to her immediate and personal life for inspiration and developing the spontaneous style of painting that characterises her practice today.

In Heide II the work of expatriate Australian artist Denise Green was the subject of a collection-based exhibition from April, celebrating the artist's generous gift to the museum of paintings and drawings representing her oeuvre across four decades. Working thematically and in series, Green has long used archetypal motifs and a geometric vocabulary of shapes to give expressive form to inner states, synthesising a variety of experiences and influences, from art and ideas to politics and world events. This exhibition was followed by *New Acquisitions: The Heide Collection* in October, presenting a selection of works acquired by the museum over the past three years. Among them were sculptures and prints by Aleks Danko, major paintings by Peter Booth and Rick Amor, a large suspended ceiling installation by Koji Ryui, an inventive sculptural vessel by the late Mari Funaki, and garments with textile designs based on Mirka Mora's art, created by the fashion house Gorman in collaboration with the artist.

Exploring the influential role of Heide founders John and Sunday Reed in the development of Australian culture, the *Making History* program continued in Heide I with two new exhibitions. The museum's rich collection of artworks and ceramics by the Boyd dynasty featured from May to November, highlighting the artistic achievements of this remarkable family of artists in the 1940s and 50s. *Nolan at the Newsagent* opened in November, re-imagining a little known but significant art display by the young Sidney Nolan, which was presented in the window of the local Heidelberg newsagency in July 1942. Initiated by Sunday Reed, the display featured Nolan's first serious forays into landscape painting and marked a crucial transition in his creative development.

Also in Heide I, honouring the centenary of Sidney Nolan's birth, a selection of the artist's Ned Kelly works and related archival material was shown. This was accompanied in April by a Virtual Reality experience revealing the face behind the mask in the painting *Ned Kelly: 'Nobody knows anything about my case but myself'* (1945). Created by Andrew Yip and iGLAM at the University of New South Wales working in collaboration with conservator Paula Dredge and the Australian Synchrotron, the VR peeled back layers of paint to reveal an inverted portrait beneath Kelly's helmet.

Paintings and works on paper by Albert Tucker and Fred Williams were the focus of *The Springbrook Landscapes* in the Albert & Barbara Tucker Gallery from March through August. After acquiring a tract of pristine rainforest at Springbrook in the Gold Coast hinterland to save it from subdivision, Albert and Barbara Tucker invited Williams and his family to join them on a holiday there in 1971. Both artists painted the spectacular

surrounds, the resulting images revealing their distinctive working methods and interpretation of the dramatic scenery, to very different ends. *Albert Tucker: Australian Stories* followed in September, bringing together paintings of a cast of legendary characters from Australian history and mythology—bushrangers, convicts and explorers—in harsh and indomitable landscape settings. Developing a highly distinctive iconography that defied nationalist stereotypes, in these images Tucker gave symbolic form to the role of the outsider.

Rebecca Mayo: Habitus was presented in the Kerry Gardner & Andrew Myer Project Gallery as part of the ART+CLIMATE=CHANGE 2017 festival of exhibitions and events in March. For this new work Mayo reflected on Heide's history to create imagery for a series of cloth sandbags which were printed with dyes made from indigenous and introduced plants gathered locally by the artist over the course of a year. Stacked to form a wall in the exhibition space, they made reference to the crisis point of climate change, while also symbolising the cumulative impact of everyday and habitual activities.

In addition to onsite programming, Heide's *Michelle Nikou: a e i o u* exhibition travelled to Benalla Art Gallery, Victoria, Cairns Regional Gallery, Queensland, Samstag Museum, Adelaide and Caloundra Regional Gallery, Queensland. After finishing at Heide in February, *O'Keefe, Preston, Cossington Smith: Making Modernism* had similarly successful seasons at the Queensland Art Gallery, Brisbane from March to June, and the Art Gallery of New South Wales, Sydney from July to October 2017.

Exhibition	Exhibition Dates	Venue	Curator
We Who Love: The Nolan Slates	3 September 2016 – 2 April 2017	Heide II	Guest Curator: Chris McAuliffe
Antonia Sellbach: Open Fields	17 September 2016 – 26 February 2017	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Linda Short
O'Keefe, Preston, Cossington Smith: Making Modernism	12 October 2016 – 19 February 2017	Heide III: Central Galleries and travelling to:	Lesley Harding, Cody Hartley and Carolyn Kastner (GOK Museum) and Denise Mimmocchi (AGNSW)
	11 March – 11 June 2017	QAGOMA	
	1 July – 1 October 2017	AGNSW	
Making History: Charles Blackman	12 November 2016 – 21 May 2017	Heide I	Kendrah Morgan
A Life in Art: Albert Tucker	19 November 2016 – 18 March 2017	Heide III: Albert & Barbara Tucker Gallery	Sue Cramer
Michelle Nikou: a e i o u	28 January – 2 April	Benalla Art Gallery, Victoria	Kendrah Morgan and Melissa Keys (NETS)
	12 May – 18 June 30	Cairns Regional Gallery, Queensland	
	30 June – 1 September	Samstag Museum, Adelaide	
	6 December 2017 – 28 January 2018	Caloundra Regional Gallery, Queensland	
Charles Blackman: Schoolgirls	4 March – 18 June 2017	Heide III: Central Galleries	Kendrah Morgan
Rebecca Mayo: Habitus	4 March – 18 June 2017 (a part of ART+CLIMATE= CHANGE festival)	Heide III: Kerry Gardner & Andrew Myer Project Gallery	Lesley Harding
Albert Tucker and Fred Williams: The Springbrook Landscapes	25 March – 27 August 2017	Heide III: Albert & Barbara Tucker Gallery	Linda Short
Denise Green: The Heide Collection	8 April – 18 June 2017	Heide II	Linda Michael
Making History: The Boyd Family	27 May – 12 November 2017	Heide I	Kendrah Morgan
Call of the Avant-Garde: Constructivism and Australian Art	5 July – 8 October 2017	Heide II, Heide III Central Galleries and Heide III: Kerry Gardner & Andrew Myer Project Gallery	Lesley Harding and Sue Cramer
Albert Tucker: Australian Stories	2 September 2017 – 25 February 2018	Heide III: Albert & Barbara Tucker Gallery	Sue Cramer
New Acquisitions: The Heide Collection	14 October 2017 – 18 March 2018	Heide II	Lesley Harding
Jenny Watson: The Fabric of Fantasy	4 November 2017 – 4 March 2018	Heide III Central Galleries and Heide III: Kerry Gardner & Andrew Myer Project Gallery	Guest Curator: Anna Davies (MCA)
Making History: Nolan at the Newsagent	18 November 2017 – 20 May 2018	Heide I	Guest Curator: Mark Fraser



4

2017 Exhibition Lenders

Albert & Barbara Tucker Foundation
 Rick Amor & Meg Williams
 Liz Anderson
 Justin Andrews
 Anna Schwartz Gallery
 Arc One Gallery
 Art Gallery of Ballarat
 Art Gallery of New South Wales
 Art Gallery of South Australia
 Art Gallery of Western Australia
 Artbank
 Arts Centre Melbourne
 Jane Ashton
 Australian Galleries
 Jennifer Baker
 Dr Terry & Mrs Barbara Batistich
 Bendigo Art Gallery
 Judy Bentwood
 Philip & Beverley Birnbaum
 Felix Blackman
 D.H. Bloom QC
 Bonhams
 Polly Boyd
 David Brand & Fook-Ling Khoo
 Eugene Carchesio
 Castlemaine Art Museum
 Charles Nodrum Gallery

Charles Sturt University Art Collection
 David Chesworth & Sonia Leber
 Bronwyn Clark-Cooler
 Trevor & Heather Cohen
 Julius Colman
 Peter Cripps
 Sarah crowEST
 John Cruthers
 Andrew Curtis
 Kay Curtis
 A.D.S. Donaldson
 The Donkey's Tail
 Arend Ebel
 The Estate of Gordon Bennett
 The Estate of Robert Rooney
 Emily Floyd
 Paula Fox
 Mark Fraser
 Marco Fusinato
 Mark Galea
 Diena Georgetti
 Georgia O'Keeffe Museum
 Simryn Gill
 Gold Coast City Art Gallery
 Rob Gould
 Denise Green
 Neroli Hansen

Melinda Harper
 Shane Haseman
 Jennifer Hershon
 Veronica Hilbert
 Michael & Gayle Hoy
 The Ian Potter Museum of Art,
 The University of Melbourne
 Raafat Ishak
 Michael Joseph
 Kerry Stokes Collection
 Craig & Connie Kimberley
 La Trobe University Art Institute
 Moshe Lang
 Lauraine Diggins Fine Art
 Margaret McGregor
 Gabriella Mangano
 Silvana Mangano
 Rebecca Mayo
 Rod Menzies
 Milani Gallery
 Monash University Museum of Art
 Felicity St John Moore & Des Moore
 Maryrose Morgan
 Mosman Art Gallery
 Mossgreen Pty Ltd
 Murray Art Museum Albury
 Museum and Art Gallery
 of the Northern Territory



5

Museum of Applied Arts and Sciences
Museum of Contemporary Art Australia

Judith Musgrave

David Mushin

National Gallery of Australia

National Gallery of Victoria

National Library of Australia

Newcastle Art Gallery

Niagara Galleries

Tom Nicholson

John Nixon

NKN Gallery

Rose Nolan

Robert Owen

Francis Parker

Parliament House

Penrith Regional Art Gallery

David Pestorius

Philip Bacon Galleries

Howard & Madeleine Phillips

Debbi Pirrie

Maureen Plavsic

Kerrie Poliness

Queensland Art Gallery | Gallery of Modern Art

Sowmya Rao

Vivienne and Richard Reed

Chris and Frances Roberts

Andrew Robertson

Andrew Rogers

Howard Rogers

Ian Rogers

Norman and Robin Rosenblatt

Roslyn Oxley9 Gallery

Shirley & Lou Rutman

Nike Sawas

Urs Schwarzenbach

Penelope Seidler

Alex Selenitsch

Antonia Sellbach

Caleb Shea

Shepparton Art Museum

Sidney Nolan Estate

Sally Smart

Lawrence Smith

Sotheby's (Australia) Pty Ltd

Barbara Spode

Zara Stanhope

Esther Stewart

Sutton Gallery

TarraWarra Museum of Art

Susan Taylor & Peter Jones

David Thomas

Meredith Turnbull

The University of Queensland Art Museum

The University of Sydney

Valentino S.p.A

Warrnambool Art Gallery

Wesfarmers Art Collection

Michael Whitworth & Candice Bruce

Lyn Williams AM

Justene Williams

Gary Wilson

Theodore Wohng

5 Installation view, *Call of the Avant-Garde: Constructivism and Australian Art, 2017*, Heide Museum of Modern Art, Melbourne, Photograph: Jeremy Weihrauch

6 Installation view, *Call of the Avant-Garde: Constructivism and Australian Art, 2017*, Heide Museum of Modern Art, Melbourne, Photograph: Jeremy Weihrauch





7

2.2 COLLECTIONS

Collections activity in 2017 focused on preparations for launching the Heide Collection online in 2018. This included the photography of artworks, updating records on the database, and securing copyright. An upgrade of the Heide storage bays and staff accommodation was made possible in 2017 with funding assistance from Board Director Dr Nancy Underhill.

During 2017, the Heide Collection was augmented by the acquisition of 86 works of art. These acquisitions were facilitated by the generous support of individuals and organisations who donated specific works or funds for purchases. The museum was very pleased to accept donations of artworks by David Boyd, Lina Bryans, Katthy Cavaliere, Mari Funaki, Mira Gojak, Denise Green, Erica McGilchrist, Mirka x Gorman, Mirka Mora, Philippe Mora, Koji Ryui, Albert Tucker, and Danila Vassiliev. In addition, artists Aleks Danko, Isabel Davies, Denise Green, Alexander Knox, Leif Mahoney and Esther Stewart donated examples of their own work in accordance with Heide's Collections Policy.

The museum's active program of exhibitions drawn from the collection and archive continued in 2017. In Heide I the new *Making History* exhibitions, which focused on the Boyd family and Sidney Nolan, were all collection-based, as were two exhibitions in the Albert & Barbara Tucker Gallery and *Denise Green: The Heide Collection* followed by *New Acquisitions* in Heide II. The Central Galleries major temporary exhibitions *Charles Blackman: Schoolgirls, Call of the Avant Garde: Constructivism and Australian Art*, and *Jenny Watson: The Fabric of Fantasy* also included works from the Heide Collection.

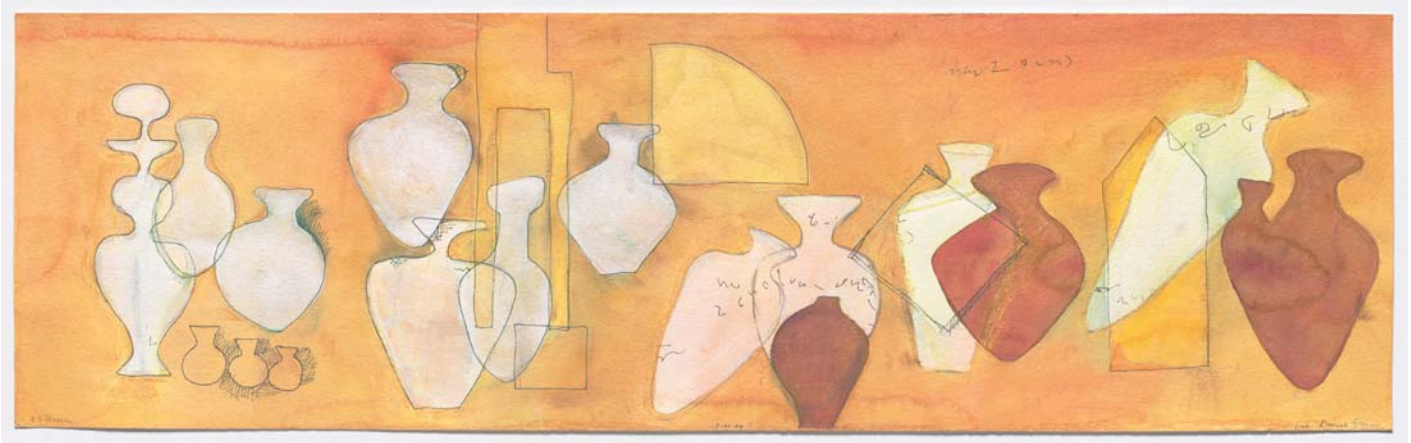
A total of 27 loans from the Collection were made to various institutions and organisations within Australia. Thirteen works were lent to Glen Eira City Council Gallery for the exhibition *Imagined Worlds*, 26 May – 9 July 2017, including Charles Blackman, *Cat*, 1952, [1982.29]; *The Floating Cup (Alice in Wonderland)*, c.1956, [1982.34]; *Girl with Flowers*, 1956, [1982.37]; *Alice's Foot*, c.1975, [2004.28]; *Alice in the Garden*, 1998, [1998.2.5]; Mirka Mora, *Les Enfants Qui S'Aiment*, 1958, [1982.184]; *Untitled (Three Little Girls)*, 1959, [2000.103]; *Untitled (Egyptian Mermaid)*, 1971 [2010.67]; *Untitled (Figures and Tree)*, 1971, [2010.64]; *Untitled (Figure with Serpent)*, 1971, [1982.210]; *Untitled (Cat)*, 1973, [2000.109]; *Untitled (Doll)*, 1974, [2000.105]; *Untitled (Boy with Blue Bird)*, c. 1975, [2000.111]; and *Untitled (Mermaid)*, c.1975, [2000.108].

Four works were on loan to the National Gallery of Victoria for the exhibition *Brave New World: Australia 1930s*, 14 July – 8 October 2017, including Moya Dyring, *Holly*, 1937, [1993.12] and three works by Albert Tucker: *Self Portrait*, 1939, [Archive Collection]; *[Self Portrait]*, c.1939, [2000.304]; and *The Futile City*, 1940, [1980.92]. Tucker's *The Futile City* then travelled to Ballarat Art Gallery for display in *Romancing the Skull*, 13 October 2017 – 28 January 2018. Fred Williams painting, *Trees in Landscape*, 1963, [1982.384], travelled to Geelong Gallery for display in the exhibition *Fred Williams in the You Yangs*, 19 August – 5 November 2017, and two works by Gareth Samson, *Religiosity á la Mode*, 2000, [2010.35] and *He Once was a Flyer* 1965, [2002.11] were lent to the National Gallery of Victoria for the exhibition *Gareth Samson: Transformer*, 15 September 2017 – 28 January 2018.

Queensland Art Gallery | Gallery of Modern Art borrowed Sidney Nolan, *Lake Wabby, Fraser Island*, 1947, [1982.258] for a twelve-month period for inclusion in the re-hang of their Australian collection from 1 September 2017 – 26 October 2018. Sidney Nolan's *Bathers*, 1943, was placed on long term loan to Government House, Melbourne for the period 18 May 2017 – 18 May 2018 and Nolan's *Rosa Mutabilis*, 1945, [1997.17] was on display at the Alexandra Club, Melbourne, from 18 September – 21 December 2017 as part of a year-long loan program with this organisation. Mary Boyd, *Hands*, 1942, [1982.52], was lent to Glen Eira City Council Gallery for the exhibition *Boyd Women*, 6 October 2017 – 10 December 2017 and the Australian National University's Drill Hall Gallery displayed Elizabeth Coats, *Dark Water, Flowing Light: Beam*, 1982, [1992.35] in the exhibition *Liz Coats: Active Seeing*, 19 October 2017 – 17 December 2017. Moya Dyring's *Notre Dame*, c. 1950, [2005.49] travelled to the S.H. Ervin Gallery in Sydney for display in the exhibition *Intrepid Women: Australian Women Artists in Paris 1900–1950*, 1 December 2017 – 11 March 2018.

Heide gratefully acknowledges the continued support of Collections volunteer Mary Waters with archives cataloguing, record maintenance and publications research throughout 2017.

7 Esther Stewart
How to Decorate A Dump 2016
synthetic polymer paint on MDF
overall dimensions 600 x 300 x 400 cm
Donated through the Australian Government's
Cultural Gifts Program by Esther Stewart 2017



8

ACQUISITIONS

2017.1

Denise Green
Buoy 1976
ink on paper
28 x 28 cm
Gift of Denise Green 2017

2017.2

Denise Green
Rooted 1976
ink on paper
22 x 28.3 cm
Gift of Denise Green 2017

2017.3

Denise Green
Sculpture 1976
ink on paper
31.5 x 31.5 cm
Gift of Denise Green 2017

2017.4

Denise Green
#4 Curfew 1977
ink on paper
26.3 x 27 cm
Gift of Denise Green 2017

2017.5

Denise Green
#10 Curfew 1977
ink on paper
26.6 x 28.2 cm
Gift of Denise Green 2017

2017.6

Denise Green
Needle 1977
oil on canvas
152 x 152 cm
Gift of Denise Green 2017

2017.7

Denise Green
Red Curfew 1977
synthetic polymer paint and masking tape on paper
54 x 55 cm
Gift of Denise Green 2017

2017.8

Denise Green
#1 For All and None 1978
charcoal and pastel on paper
44 x 45.5 cm
Gift of Denise Green 2017

2017.9

Denise Green
#3 For All and None 1978
charcoal and pastel on paper
44.5 x 45.5 cm
Gift of Denise Green 2017

2017.10

Denise Green
De-Center 1978
watercolour and pastel on paper
61 x 49.5 cm (irreg.)
Gift of Denise Green 2017

2017.11

Denise Green
Pend/ance #1 1978
oil stick on graph paper
43 x 44.3 cm
Gift of Denise Green 2017

2017.12

Denise Green
Vertical Edge 1978
watercolour and pastel on paper
58.5 x 47 cm
Gift of Denise Green 2017

2017.13

Denise Green
Disperse #3 1979
oil on canvas
152 x 152 cm
Gift of Denise Green 2017

2017.14

Denise Green
Reflected Light #5 1979
ink on grid paper
39.7 x 52.5 cm
Gift of Denise Green 2017

2017.15

Denise Green
Time Afloat 1979
oil stick on graph paper
43 x 43 cm
Gift of Denise Green 2017

2017.16

Denise Green
Conversion #1 1981
oil stick on graph paper
44.5 x 52.7 cm
Gift of Denise Green 2017

2017.17

Denise Green
Conversion #6 1981
oil stick on graph paper
43 x 43.7 cm
Gift of Denise Green 2017

2017.18

Denise Green
Inversion #2 1981
oil stick on graph paper
46.5 x 55.7 cm
Gift of Denise Green 2017

8 Denise Green
#9 Roma 2002
ink and watercolour on paper
27 x 90 cm
Gift of Denise Green 2017



10

2017.19

Denise Green
Love Song #1 1986
oil stick on paper
24.3 x 35.3 cm
Gift of Denise Green 2017

2017.20

Denise Green
Spring and All #1 1986
oil stick on paper
24 x 34.4 cm
Gift of Denise Green 2017

2017.21

Denise Green
Spring and All #11 1986
oil stick on paper
25 x 35.5 cm
Gift of Denise Green 2017

2017.22

Denise Green
Spring and All #19 1986
oil stick on paper
24 x 34.5 cm
Gift of Denise Green 2017

2017.23

Denise Green
La Concha 1988
oil and paint stick on canvas
167 x 167 cm
Gift of Denise Green 2017

2017.24

Denise Green
Imperfect Square 1989
watercolour on paper
27 x 21.5 cm (irreg.)
Gift of Denise Green 2017

2017.25

Denise Green
Palma 1989
watercolour on paper
26.4 x 21.4 cm
Gift of Denise Green 2017

2017.26

Denise Green
Marinara 1997
watercolour on paper
25.5 x 21 cm
Gift of Denise Green 2017

2017.27

Denise Green
Keyboard 1991
oil on canvas
178 x 188 cm
Gift of Denise Green 2017

2017.28

Denise Green
T'song 1991
watercolour on paper
27.4 x 23.4 cm
Gift of Denise Green 2017

2017.29

Denise Green
Atrium 1992
from the series *Black and White*
watercolour on paper
28 x 20.7 cm (irreg.)
Gift of Denise Green 2017

2017.30

Denise Green
Bone White 1992
from the series *Black and White*
watercolour on paper
27 x 21 cm (irreg.)
Gift of Denise Green 2017

2017.31

Denise Green
Crest of Arms 1992
from the series *Black and White*
watercolour on paper
28 x 22.5 cm (irreg.)
Gift of Denise Green 2017

2017.32

Denise Green
La Voiture 1993
from the series *Black and White*
watercolour on paper
27.4 x 22.5 cm
Gift of Denise Green 2017

2017.33

Denise Green
Level 1993
from the series *Black and White*
watercolour on paper
28.5 x 22.8 cm (irreg.)
Gift of Denise Green 2017

2017.34

Denise Green
More and More 1993
from the series *Black and White*
watercolour on paper
26.5 x 22.3 cm (irreg.)
Gift of Denise Green 2017

2017.35

Denise Green
Julianne 'Hers' #13 1997
ink, watercolour and wax crayon on paper
27 x 22.7 cm
Gift of Denise Green 2017

9 Denise Green
Rose (Heide) 2010
coloured pencil and conté crayon on coloured paper
25 x 47.5 cm
Gift of Denise Green 2017



10

2017.36

Denise Green
Julianne 'Hers' #14 1997
ink, watercolour and wax crayon on paper
27 x 22 cm
Gift of Denise Green 2017

2017.37

Denise Green
September 1977 1997
ink, watercolour and wax crayon on paper
28 x 22.5 cm (irreg.)
Gift of Denise Green 2017

2017.38

Denise Green
#9 Roma 2002
ink and watercolour on paper
27 x 90 cm
Gift of Denise Green 2017

2017.39

Denise Green
#11 Kleve 2002
ink, watercolour and airbrushed acrylic on paper
27 x 65 cm
Gift of Denise Green 2017

2017.40

Denise Green
Kleve Vert 2002
ink, watercolour and airbrushed acrylic on paper
27.7 x 63.5 cm
Gift of Denise Green 2017

2017.41

Denise Green
Kleve with Window 2002
ink, watercolour and airbrushed acrylic on paper
27.5 x 59.5 cm
Gift of Denise Green 2017

2017.42

Denise Green
Casper #5 2003
watercolour and airbrushed acrylic on paper
22.3 x 74.5 cm
Gift of Denise Green 2017

2017.43

Denise Green
Evening 2010
coloured pencil and conté crayon on coloured paper
26.5 x 47 cm
Gift of Denise Green 2017

2017.44

Denise Green
For David O'Connell 2010
coloured pencil and conté crayon on coloured paper
26 x 47 cm
Gift of Denise Green 2017

2017.45

Denise Green
Rose (Heide) 2010
coloured pencil and conté crayon on coloured paper
25 x 47.5 cm
Gift of Denise Green 2017

2017.46

Denise Green
Sand 2010
coloured pencil and conté crayon on coloured paper
26.7 x 45.9 cm
Gift of Denise Green 2017

2017.47

Mari Funaki
Untitled 2008
heat-blacked mild steel
4.8 x 16 x 15.5 cm
Gift of Marian Hosking 2017

2017.48

David Boyd, Hermia Boyd
Bowl c.1960
glazed stoneware
25 x 30 x 30 cm
Gift of Barbara Blackman AO 2017

2017.49

Leif Mahoney
Really 1974
dot matrix print
83.8 x 38 cm
Gift of Leif Mahoney 2017

2017.50

Leif Mahoney
Evie 1974
dot matrix print
280 x 38 cm
Gift of Leif Mahoney 2017

2017.51

Leif Mahoney
Dimicandum 1974
dot matrix print
280 x 38 cm
Gift of Leif Mahoney 2017

2017.52

Mira Gojak
Star Gaze 2007
plastic chairs
3 plastic chairs, each sliced into multiple sections, installation dimensions variable
Donated through the Australian Government's Cultural Gifts Program by Maddocks 2017

10 Mari Funaki
Container 2008
heat-blacked mild steel
4.8 x 16 x 15.5 cm
Gift of Marian Hosking 2017



11

2017.53

Koji Ryui
Frost (Composition #3) 2006
plastic drinking straws, nylon, glue
23 parts, installation dimensions variable
Donated through the Australian Government's
Cultural Gifts Program by Maddocks 2017

2017.54

Katthy Cavaliere
untitled home 2007, 2016
chromogenic colour print on silver-based
metallic paper
44 x 65.5 cm
Gift of the Estate of Katthy Cavaliere 2017

2017.55

Katthy Cavaliere
nest 1 2010, 2016
chromogenic colour print on silver-based paper
88 x 120 cm
Gift of the Estate of Katthy Cavaliere 2017

2017.56

Mirka Mora, Lisa Gorman, Gorman
Mirka Dreaming Skirt 2016
shell: 55% silk, 45% linen
lining: 100% acetate
Gift of Lisa Gorman 2017

2017.57

Mirka Mora, Lisa Gorman, Gorman
Mirka Dreaming Jacket 2016
shell: 100% cotton
lining: 100% cotton
filling: 100% polyester
Gift of Lisa Gorman 2017

2017.58

Mirka Mora, Lisa Gorman, Gorman
Mirka Dreaming Pant 2016
main: 97% cotton 3% elastane;
lining: 100% acetate
Gift of Lisa Gorman 2017

2017.59

Mirka Mora, Lisa Gorman, Gorman
Mirka Rainbow Silk Top 2016
silk
Gift of Lisa Gorman 2017

2017.60

Mirka Mora, Lisa Gorman, Gorman
Mirka Rainbow Sweater 2016
cotton
Gift of Lisa Gorman 2017

2017.61

Mirka Mora, Lisa Gorman, Gorman
Mirka Rainbow Skirt 2016
main: 96.6% cotton, 2.2% terylene, 1.2%
spandex
pocket lining: 100% cotton
Gift of Lisa Gorman 2017

2017.62

Mirka Mora, Lisa Gorman, Gorman
Mirka Rainbow Silk Dress 2016
shell: 100% silk;
lining: 100% polyester
Gift of Lisa Gorman 2017

2017.63

Mirka Mora, Lisa Gorman, Gorman
Mirka Embrace Pencil Skirt 2016
shell: 97% cotton, 3% elastane
lining: 97% polyester, 3% elastane
Gift of Lisa Gorman 2017

2017.64

Mirka Mora, Lisa Gorman, Gorman
Mirka Embrace Tee Dress 2016
main: 100% silk
trim: 98% viscose, 2% elastane
Gift of Lisa Gorman 2017

2017.65

Mirka Mora, Lisa Gorman, Gorman
Mirka Little Friends Shift 2016
shell: 60% linen, 40% cotton with shisha
embroidery detail
lining: 100% cotton
Gift of Lisa Gorman 2017

2017.66

Mirka Mora, Lisa Gorman, Gorman
Mirka Little Friends Dress 2016
shell: 60% linen, 40% cotton with
shisha embroidery detail
lining & binding: 100% cotton
Gift of Lisa Gorman 2017

2017.67

Isabel Davies
Pale Perpendicular 1971
Perspex and anodised aluminium
122 x 44 cm
Gift of Isabel Davies 2017

2017.68

Isabel Davies
Square Variation 1 2017
mixed media, Perspex
14 x 14 cm
Gift of Isabel Davies 2017

2017.69

Isabel Davies
Square Variation 2 2017
mixed media, Perspex, anodised aluminium
14 x 14 cm
Gift of Isabel Davies 2017

2017.70

Isabel Davies
Square Variation 3 2017
mixed media, Perspex, anodised aluminium
14 x 14 cm
Gift of Isabel Davies 2017

11 Katthy Cavaliere
untitled home 2007, 2016
chromogenic colour print on silver-based metallic paper
44 x 65.5 cm
Gift of the Estate of Katthy Cavaliere 2017



12

2017.71

Isabel Davies
Square Variation 4 2017
mixed media, Perspex, anodised aluminium
14 x 14 cm
Gift of Isabel Davies 2017

2017.72

Isabel Davies
Studio Reflections 1975
carbon pencil, collage, wash
73 x 53 cm
Gift of Isabel Davies 2017

2017.73

Isabel Davies
Constructed View 1977
carbon pencil, collage, wash
74 x 53 cm
Gift of Isabel Davies 2017

2017.74

Isabel Davies
Broken Night 1976
synthetic polymer paint on canvas,
Perspex, found objects
109 x 109 cm
Gift of Isabel Davies 2017

2017.75

Isabel Davies
Music Box Cacatua Galerita 1993
limed sugar pine box, paper collage,
found objects, Perspex
45 x 36 x 25 cm
Gift of Isabel Davies 2017

2017.76

Lina Bryans
Street Scene Fitzroy c.1947
oil on canvas on composition board
45 x 42 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2017

2017.77

Danila Vassilieff
Fitzroy Street Scene 1938
oil on plywood
45 x 60 x 3.5 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2017

2017.78

Danila Vassilieff
Children Playing c.1949
oil on board
34.5 x 52 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2017

2017.79

Danila Vassilieff
Madonna and Child 1950
Lilydale marble
31.5 x 18 cm
Donated through the Australian Government's
Cultural Gifts Program by Anthony Scott 2017

2017.80

Esther Stewart
How to Decorate A Dump 2016
synthetic polymer paint on MDF
6 parts, 176 x 160 cm; 176 x 160 cm; 180 x 240
cm; 180 x 140 cm; 180 x 140 cm; 75 x 92 x 26 cm;
overall approx. 600 x 300 x 400 cm
Donated through the Australian Government's
Cultural Gifts Program by Esther Stewart 2017

2017.81

Alexander Knox
5.19 2008
glass, stainless steel, aluminium, fluorescent
lights, epoxy paint, acrylic sheet and electronics
120 x 178 x 16 cm
Donated through the Australian Government's
Cultural Gifts Program by Alexander Knox 2017

2017.82.1

Aleks Danko
A SING SONG 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*
three-colour lithograph
105 x 75 cm
Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017

2017.82.2

Aleks Danko
SING AN EMBOSSED SONG 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*
lithograph and blind embossing
105 x 75 cm
Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017

2017.82.3

Aleks Danko
SING WHITE, EXCITE, IMPRESS 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*
lithograph and blind embossing
105 x 75 cm
Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017

12 Danila Vassilieff
Madonna and Child 1950
Lilydale marble
31.5 x 18 cm
Donated through the Australian
Government's Cultural Gifts Program
by Anthony Scott 2017



13

2017.82.4

Aleks Danko

FROM A NOUN TO A VERB 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*

lithograph

105 x 75 cm

Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017**2017.82.5**

Aleks Danko

SING CRAZY WHITE SONG 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*

lithograph and blind embossing

105 x 75 cm

Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017**2017.82.6**

Aleks Danko

SING CRAZY RED SONG 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*

lift ground, aquatint, etching and lithograph

105 x 75 cm

Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017**2017.82.7**

Aleks Danko

SING, FOAM, FUME, SANG 2004
from the series *A SING SONG
OF NEVER SEVEN EVER/EVER*

duotone two-colour lithograph

105 x 75 cm

Donated through the Australian Government's
Cultural Gifts Program by Aleks Danko 2017**2017.83**

Philippe Mora

Georges and Marcel Discuss Mayonnaise 2015

synthetic polymer paint on cardboard

45 x 61 cm

Gift of Tim and Skye Klingender 2017

2017.84

Mirka Mora

Two Angels with Bird 1980

cotton, silk, cotton thread, sequin, plastic beads

58 x 56.5 x 5 cm

Purchased with funds donated
by Beverley Jenkins 2017**2017.85**

Erica McGilchrist

The Crowd 1951heat polymerising synthetic polymer paint
on linen

104 x 114 cm

Purchased with funds donated
by Mark Newman 2017**2017.86**

Albert Tucker

Bus Stop 1954

oil on composition board

62 x 81 cm

Gift of the Albert and Barbara
Tucker Foundation 2017

13 Albert Tucker

Bus Stop 1954
oil on composition board
62 x 81 cm

Heide Museum of Modern Art

Gift of the Albert & Barbara Tucker Foundation 2017

© The Estate of Barbara Tucker. Courtesy of Sotheby's Australia



14

2.3 PUBLIC PROGRAMS

Heide delivers high quality, imaginative public programs to complement the museum's exhibitions, collections, history, landscape and architecture. These activities provide visitors with opportunities to interact with art and ideas through participation, and become immersed in the life of the museum. The range of programs, from Art Talks to workshops for both children and adults, as well as specially themed events, plays a key role in engaging new and diverse audiences.

In 2017 Heide offered a total of 481 public programs, which were attended by 10,665 visitors. Of these, 338 were free activities attracting 7,845 visitors and 143 paid programs with 2820 participants.

Highlights included:

- *Writing Concepts: Art in the Time of Trump*—part of a public lecture series produced by Jan van Schaik;
- *Art & Terror*—a panel discussion presented with the Goethe-Institut, and recorded for broadcast on ABC RN Big Ideas. Guests were Professors Charlotte Klonk (Humboldt Universität zu Berlin), Fritz Breithaupt (Indiana University, Bloomington), Julian Savulescu (University of Oxford), Desmond Manderson and Fiona Jenkins (Australian National University); and
- *The European Eye: The Dusseldorf School of Photography & Beyond*—a presentation by Dr Stefan Gronert, Curator of Photography and New Media at the Sprengel Museum in Hanover.

Children's programs at Heide included the perennially popular school holiday art workshops, Art Club, Art Kinder, and detective trails, as well as a new initiative for infants, Art Babies—sessions for which were doubled due to demand and sold out during the year.

Weekend creative workshops for adults continued in 2017 and were well attended, with *Learn the Art of Screen Printing with Spacecraft Studio* and *Wreath-Making with Loose Leaf* in particular receiving outstanding feedback. In 2017 Heide also introduced Date Night, which attracted new visitors to the galleries and grounds.

In partnership with Manningham City Council, in March Heide presented its third family-friendly Pop Up Cinema, screening *Babe*, which drew 400 attendees. Heide also partnered with Manningham Council to develop Tai Chi in the Sculpture Park, a new ongoing weekly activity as part of the council's *Live Well in Bulleen* program.

In line with the exhibition program Heide continued to partner with Cinema Nova on the Art & Cinema series of film screenings: *Battleship Potemkin* and *Man with a Movie Camera* were shown during the exhibition *Call of the Avant-Garde: Constructivism and Australian Art*, and *Dogs in Space* during *Jenny Watson: The Fabric of Fantasy*. In addition, a sell-out screening of *Monsieur Mayonnaise* about the early lives of key Heide circle figures, Georges and Mirka Mora, was held in February.

Heide also partnered with the public architecture event Open House Melbourne to showcase the award-winning, heritage-listed modernist house, Heide II, attracting 500 visitors over the last weekend in July.

Heide's Volunteer Guides delivered daily exhibition and history tours, presenting specialised research to 4,378 attendees across 322 tours throughout the year. Heide thanks the 16 Volunteer Guides who delivered these tours:

Jan Andrews, Lynne Curtis, Gay Cuthbert, Judy Davies, Bill Gillies, Elle Hanson, Judith Hughes, Marg McRobbie, Judy Milne-Pott, Jill Nicol, Maria Panettieri, Nasrin Rasoulzadeh, Kym Salt, Jessemyn Schippers, Helen Stewart, and Barb Yuncken.



15

2.4 EDUCATION

Heide provides a broad range of learning opportunities inspired by its collections and exhibitions. In 2017 Heide education programs continued to receive vital support from Victoria's Department of Education and Training through the Strategic Partnerships Program. This was the third year of the triennial partnership, which has funded the development and delivery of high quality visual arts programming for students.

Overall attendance for education programs was 5,204 in 2017. For students, Heide presented high-quality programs complementing the Victorian curriculum and providing an overview of the museum, its exhibitions, artists, history and the Sculpture Park. With a focus on literacy, critical and creative thinking, and personal and social learning, programs included *Ways of Looking*, *Exhibition in Focus*, *Heide History*, *Write about Art*, *Colour Me Green*, and *Visual Thinking Strategies*. VCE programs included: *Art Industry Contexts*, *Inside the Museum*, *Analytical Frameworks*, and *VCD Design in Practice*. Students were also offered *Responding to Art* tours and facilitated workshops, empowering them to experience art and museums in a positive way, and become lifelong learners, visitors and supporters of the arts.

In addition, funding from the Department of Education and Training enabled Heide to offer free programs to students during Education Week.

A diverse range of teacher professional development programs was another important aspect of Heide's education offerings in 2017, attracting 412 attendees. Programs focused on specific exhibitions, developing effective teaching approaches, and fostering the dynamic exchange of ideas between educators. The programs included: *Engaging in Indigenous Culture in Your Classroom*, *Sensory Learning in the Visual Arts*, a *Teaching Constructivism* professional development suite (*Weaving Constructivism*, *Printing Constructivism* and *Sculpting Constructivism*), *Visual Thinking Strategies for Museums Next 2017*, and *Advanced Visual Thinking Strategies*.

Heide also hosted a Visual Thinking Strategies Advanced Practicum in March, with VTS trainer Heidi Arbogast travelling to Melbourne from Seattle, Washington to work with ten Australian educators who use VTS in their schools and museums.

Epping Secondary College completed their second year of the VTS School Partnership with Heide, supported by a generous grant from the CASS Foundation and a private donation. Koonung Secondary College completed its fourth year of the program, which has now engaged over 1,150 students. The partnership included multiple visits to the museum throughout the year and complimentary museum admission for students to visit Heide with their families.

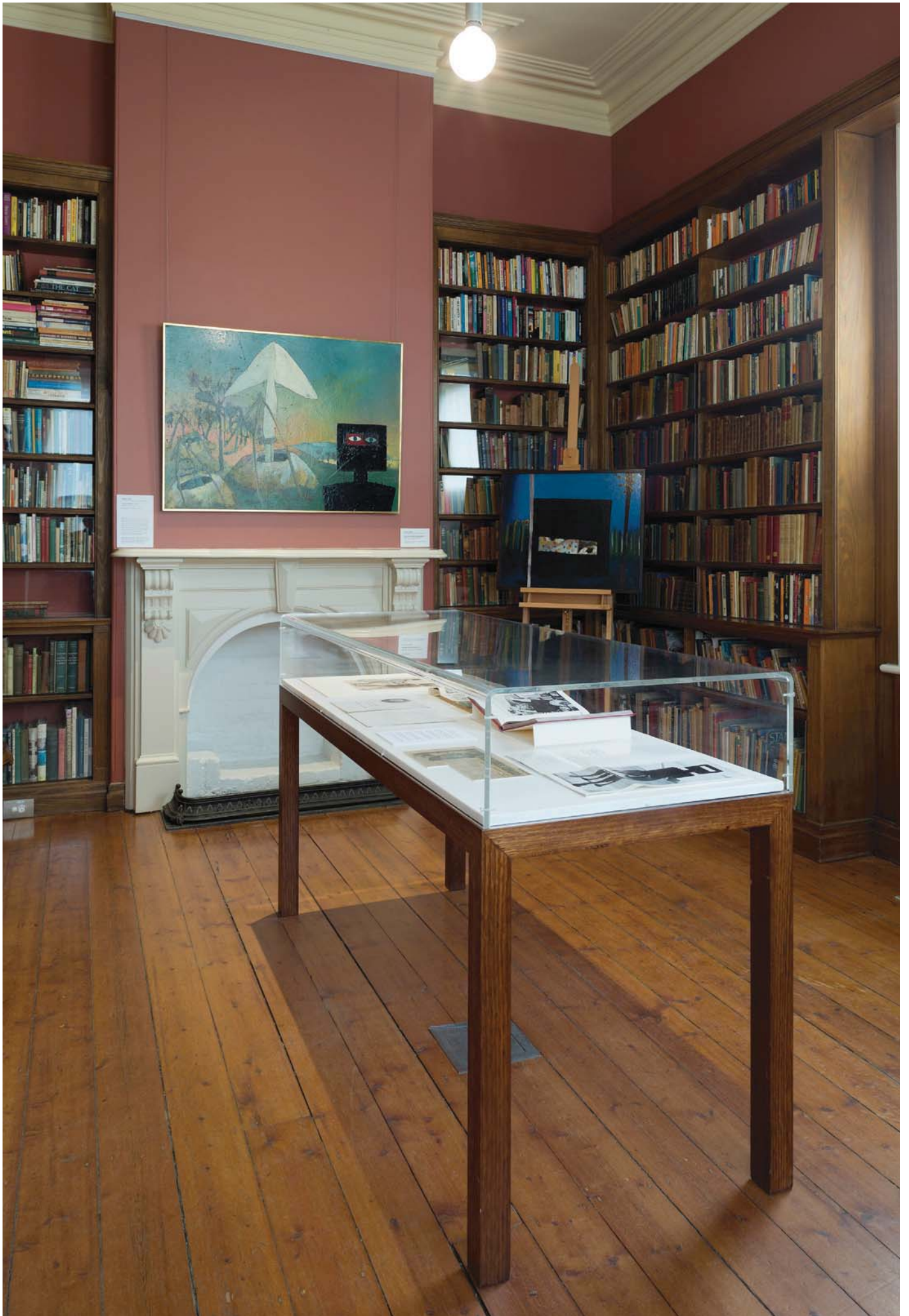
In 2017 participants travelled from Korea, New South Wales, South Australia, Queensland and regional Victoria to learn about Visual Thinking Strategies at Heide.

Heide's Education Manager completed a Visual Thinking Strategies Coaching Workshop at the Frye Museum in Seattle in July 2017, with the financial assistance of the American-Australian Association's Dame Joan Sutherland Fund. This visit included a presentation on Heide's VTS program at the Seattle Art Museum.

Throughout the year, education resources for students from early-learning to VCE study were made available online for teachers and students. Resources produced this year included *Sensory Learning in the Visual Arts*, and *Yingabeal: The Wurundjeri Scarred Tree at Heide*—a resource supporting the Indigenous history of Heide, including a film: <https://vimeo.com/174616022>.

Heide thanks the artists and educators who helped deliver education programs in 2017: Heidi Arbogast, Janelle Campbell, Jo Clyne, Gary Foley, Irabina Autism Services, Raafat Ishak, Rebecca Knaggs, Robyne Latham, Inbar Niv, Kerrie Poliness, Mark Threadgold, Haily Tran and The Yellow Dance Spot.

Heide also thanks the 21 Education Volunteers who supported its programs: Ana-Maria Antunes, Ellen Frances Bradley, Judith Bridges-Tull, Jessica Brodie, Stephanie Carroll, Madelief Debeij, Mary-Liz Dore, Marianthi Fadakis, Melanie Flynn, Melinda Haldane, Mel Hartigan, Heather Lee, Susan Jane Lowe, Janine McGuinness, Brenda Mason, Lesley Nisbet, Pauline O'Shannessy-Dowling, Roslyn Ann Prato, Cathy Price, Katie Stackhouse, Julie Stagg, Elise Thogersen, and Deborah Thompson.



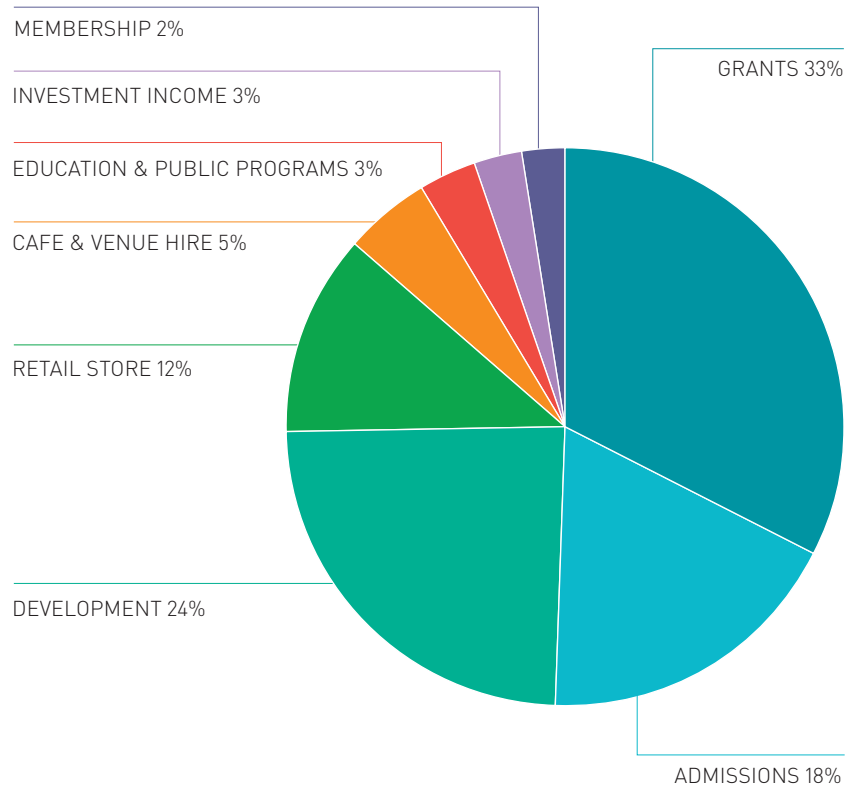
3. DEVELOPMENT

3.1 FUNDING SOURCES

Heide relies on financial support from government and philanthropic partners, private individuals and corporate sponsors to operate. This support is augmented by revenue from Heide's business operations.

In 2017 Heide received financial and in-kind support totalling \$3,854,950 (Grants \$1,654,701, Donations and Sponsorship \$2,220,249). Cash donations were \$529,782, in-kind support from partners and sponsors was \$707,017 and donated works of art were valued at \$963,450.

Heide's income breakdown for 2017 was as follows:



3.2 GOVERNMENT

Through Creative Victoria's Organisations Investment Program, the Victorian Government provided \$1,404,660 to Heide in 2017, pursuant to a successful four-year funding application in the 2016 round of that program. Heide thanks Creative Victoria for this support, which is vital to its operations. A further \$204,499 in Victorian State grants was received for maintenance and education programs.

The museum also enjoys an important partnership with the City of Manningham, which deepened in 2017. Heide is now represented on the Manningham Advisory Committee for Arts & Culture. In 2017, an Arts & Culture grant from the City of Manningham enabled the development of Heide's new wayfinding guide (app).

The museum additionally received funding support from the City of Bulleen to pilot Tai Chi classes in the Sculpture Park.

3.3 PRIVATE GIVING

The philanthropy of John and Sunday Reed was fundamental in the establishment of Heide in 1981, and continues to inspire substantial private giving to the museum from a range of sources.

We thank all those who pledged funds in 2017, as well as those who enabled the continued growth of the Collection by donating works of art.

Heide particularly thanks Foundation Board Chairman Mark Newman, and the Albert & Barbara Tucker Foundation for their generous and ongoing support.

The museum's major fundraising initiative in 2017 was a dinner in November at the Sofitel Melbourne on Collins. It raised a total of

\$167,895 through ticket sales, auction lots, donation pledges and purchases of a limited edition print. We thank guest speaker and auctioneer Mark Fraser, event manager Jo Hawley and Lousje Skala for ensuring a successful event, as well as the friends and former staff who provided additional support. Heide also thanks the sponsors of this event: Sofitel Melbourne on Collins (major sponsor), Aesop, Sanpellegrino, Acqua Panna, Pana Chocolate, Hub Furniture, Gunn & Taylor Printers, John Gollings Photography and Loose Leaf. We are grateful to individuals and businesses who generously contributed auction items: Alistair Trung, Anna Schwartz Gallery, Annabel Butler, The Ark Clothing Co., Emily Colliver—Art Pharmacy, Bill Bowness AO and Diana Heggie, Brett Torossi—Avalon Retreats, Broadsheet, Cinema Nova, Cutler & Co., Daine Singer Gallery, Emily Floyd, Matthew Scully—Evolva Architects, Gretal Harrison—FINK Design, Jason Smith—Director of Geelong Gallery, Hub Furniture, Louis Li—Jackalope Hotels, John Gollings, Kerry Phelan, Erna Walsh, KFive + Kinnarps, Marian Hosking, Mark Newman, MECCA Cosmetics, Melanie Katsalidis—Pieces of Eight, Melbourne Recital Centre, Museums Victoria, Rolex, Sofitel Melbourne on Collins, Sarah and Ted Watts, Wona Bae and Charlie Lawler—Loose Leaf, Zoe Croggon, and Zoos Victoria.

3.4 CORPORATE PARTNERS

Partnerships with the corporate sector are critical to Heide's success and growth. They bring both financial and in-kind support, and provide valuable marketing and promotional opportunities.

Heide acknowledges the contributions of all its partners and sponsors with gratitude.

In 2017, we continued established partnerships with Broadsheet (Lead Media Partner), Sofitel Melbourne on Collins (Hotel Partner) and Gunn & Taylor Printers (Print Partner).

Key sponsorships continued or developed with Acqua Panna, Aesop, Arnold Bloch Leibler, Art Processors, Avant Card, Bed, Bath N' Table, 148 Brown's Road, Cinema Nova, IAS Fine Art Logistics, John Gollings Photography, M&C Saatchi, Melbourne Airport, *Melbourne's Child*, Oppeus International Executive Recruitment and Sanpellegrino.

3.5 HEIDE FOUNDATION BOARD & DIRECTOR'S CIRCLE

The Heide Foundation Board was established to grow the Foundation's revenue and to support Heide's engagement with donors. We thank all our members: Mark Newman (Chairman), Sophie Gannon, Jono Gelfand, Diana Heggie, Amit Holckner, Alison Inglis, Kerry Phelan, Lousje Skala, Steven Skala AO, Michael Trovato, Linda Wachtel, Erna Walsh, Sarah Watts, and Terry Wu.

The Heide Director's Circle works alongside the Heide Foundation to attract ongoing financial support for the museum. Funds raised through donations from members of the Director's Circle are used to support Heide's exhibition program, and to acquire works for the Collection. Heide thanks all members of the Director's Circle: Robert and Karen Boscarato, Jennifer Darbyshire and David Walker, Mark Newman, Steven Skala AO and Lousje Skala, Sarah and Ted Watts, Robyn & Ross Wilson, and Terry Wu and Melinda Tee.

HEIDE FOUNDATION**PRINCIPAL BENEFACTORS**

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MAJOR EXHIBITION SPONSORS

LEAD MEDIA PARTNER



HOTEL PARTNER



PRINT PARTNER



PRINCIPAL SPONSOR



MAJOR SUPPORTERS



SUPPORTERS



MARKETING AND MEDIA PARTNERS



3.6 SPONSORED EXHIBITIONS

WE WHO LOVE: THE NOLAN SLATES

IN CONJUNCTION WITH

SUPPORTED BY



ANTONIA SELLBACH: OPEN FIELDS

SUPPORTERS

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



O'KEEFFE, PRESTON, COSSINGTON SMITH: MAKING MODERNISM

MAJOR PARTNERS



PRESENTING PARTNERS



LEAD MEDIA PARTNER

HOTEL PARTNER

PRINT PARTNER



SUPPORTED BY



3.6 SPONSORED EXHIBITIONS

CHARLES BLACKMAN: SCHOOLGIRLS

LEAD MEDIA PARTNER

HOTEL PARTNER

PRINT PARTNER



SUPPORTERS



REBECCA MAYO: HABITUS

ART+CLIMATE=CHANGE 2017 (www.climarte.org) is a festival of exhibitions and events harnessing the creative power of the arts to inform, engage and inspire action on climate change. Rebecca Mayo's work has been supported by an Australian Postgraduate Award through the School of Art, Australia National University.



ALBERT TUCKER AND FRED WILLIAMS: THE SPRINGBROOK LANDSCAPES

SUPPORTER



ALBERT TUCKER: AUSTRALIAN STORIES

SUPPORTER



3.6 SPONSORED EXHIBITIONS

CALL OF THE AVANT-GARDE: CONSTRUCTIVISM AND AUSTRALIAN ART

LEAD MEDIA PARTNER

HOTEL PARTNER

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SUPPORTER



JENNY WATSON: THE FABRIC OF FANTASY

Exhibition organised by the
Museum of Contemporary
Art Australia



LEAD MEDIA PARTNER

HOTEL PARTNER

PRINT PARTNER



MAKING HISTORY: NOLAN AT THE NEWSAGENT

SUPPORTER





4. BUSINESS OPERATIONS

Business Operations at Heide comprises the Heide Store, Visitor Services, Membership, Events and Venue Hire.

4.1 HEIDE STORE

In 2017 the Heide Store generated \$590,017 (ex GST) in revenue, representing an 11% increase on 2016.

Record sales were achieved in the first quarter from publications and merchandise related to the *O'Keefe, Preston and Cossington Smith: Making Modernism* exhibition. Strong sales continued throughout the exhibitions *Charles Blackman: Schoolgirls* and *Call of the Avant Garde: Constructivism and Australian Art*.

In 2017 the online store was reviewed and re-designed to offer an extension of available products, with an emphasis on publications and exclusive merchandise. Online sales accounted for 2.2% of total retail sales in 2017.

Heide participated in the annual Melbourne Art Book Fair at the National Gallery of Victoria in March 2017. This three-day event provided the opportunity to present Heide catalogues past and present, as well as profile the museum's upcoming exhibitions.

The Heide Store also offered the museum's cohesive merchandise at each Heide Makers' Market in 2017.

4.2 VISITOR SERVICES

The Visitor Services staff are usually the first point of contact for visitors, members and other key stakeholders. With the support of volunteers, these staff aim to ensure visitor satisfaction through the delivery of high-quality, pro-active customer service to physical, telephone and on-line visitors.

Visitor Services staff also administer revenue from admissions, education programs, public programs, the Heide Store and Heide memberships.

They are also responsible for exhibition invigilation, site safety and security in the public environment, corporate event delivery, and the Volunteer Program at the museum.

Admissions (excluding education and public programs)

Ticketed admissions to exhibitions totalled 64,815 in 2017, generating revenue of \$916,767. This represented a 19% increase on 2016.

An additional 55,108 people visited the larger site (including the museum's gardens and Sculpture Park), bringing the total number of visitors to 119,923 in 2017.

Heide Volunteer Program

At the end of 2017, the Volunteer Program involved 237 volunteers who contributed a total of 13,604 hours to the museum. Visitor Services undertook three recruitment cycles in 2017, resulting in the successful appointment and training of 84 new volunteers across Visitor Services, Education and Gardens.



17

4.3 MEMBERSHIP

In 2017 new memberships at Heide generated \$124,116, representing a 21% increase on 2016. We attracted 2,888 individual members by the end of 2017 (noting there were multiple cardholders in some subscription categories), which represented a 29% increase on 2016. In November 2017, Heide began offering two-year and three-year membership options, which have proved popular.

Heide members enjoyed a range of benefits including:

- Free admission to exhibitions;
- Discounts on programs;
- Discounts in the Heide Store;
- Discounts at Café Heide; and
- Discounts at partner organisations: the Australian Centre for the Moving Image, The Robin Boyd Foundation and Lido Cinemas.

Exclusive private viewing events for members were staged for each major Heide exhibition in 2017.

4.4 VENUE HIRE

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

In 2017 venue hire generated \$62,293, a 23% increase on 2016.

This included hiring fees related to the popular Heide Makers' Market, a collaboration between the museum and the Rose St Artists' Market which commenced in 2016. Operating in Heide's sculpture park on the second Saturday of each month from spring through autumn, the market offers a diverse range of handcrafted goods with a focus on art, design and local makers.

4.5 CAFÉ HEIDE

Through 2017, Café Heide was licenced to the Orletto group.

Café Heide provided catering support for a range of Heide events in 2017, including exhibition openings, public programs and education programs.



18

5. FACILITIES

5.1 MAINTENANCE

During 2017 Heide undertook the following major maintenance projects:

- Replacement of the deteriorated timber in the walkway to the Sidney Myer Education Centre, with galvanised channelling; and
- Continued upgrades to the museum's air-conditioning system, including reconfiguring the systems controls to make power savings and simplify the system for easier fault diagnosis.

A lack of stormwater infrastructure across the site continued to be a problem in 2017, following heavy summer storms, resulting in damage to the lower carpark and walkways. Discussions continued with Creative Victoria to develop a longer-term solution to this problem.

Replacement of the twelve-year-old humidifiers linked to the air-conditioning system was another project identified as a priority in 2017.

In 2017, we investigated the best options for accessing high speed internet. It is expected that Heide will be connected to the National Broadband Network some time in 2018.

Maintaining Heide's buildings and grounds to ensure compliance with stringent international museum environmental conditions continued to be costly and time consuming through 2017, given the complexity of the site. Heide greatly appreciates the funding support of Creative Victoria in meeting this challenge.

5.2 GARDENS AND GROUNDS

In 2017, Melbourne's mean maximum temperatures were above average, coupled with slightly below average rainfall. Although April was the wettest since 2001, the start to winter was the second driest on record, with a damaging frost early in July. Spring rainfall totals were also drier than average, with a record-breaking mini heatwave at the end of November. Heavy rain in early December—totalling 117.5 mm at Heide—flooded the Birrarung Lawn, the Wild Wood & Cow Paddock, and caused major damage to the garden path network.

2017 projects in the gardens and grounds included the rehabilitation of the Helen MacPherson Smith Garden and the replacement of the Works Yard east and south fences.

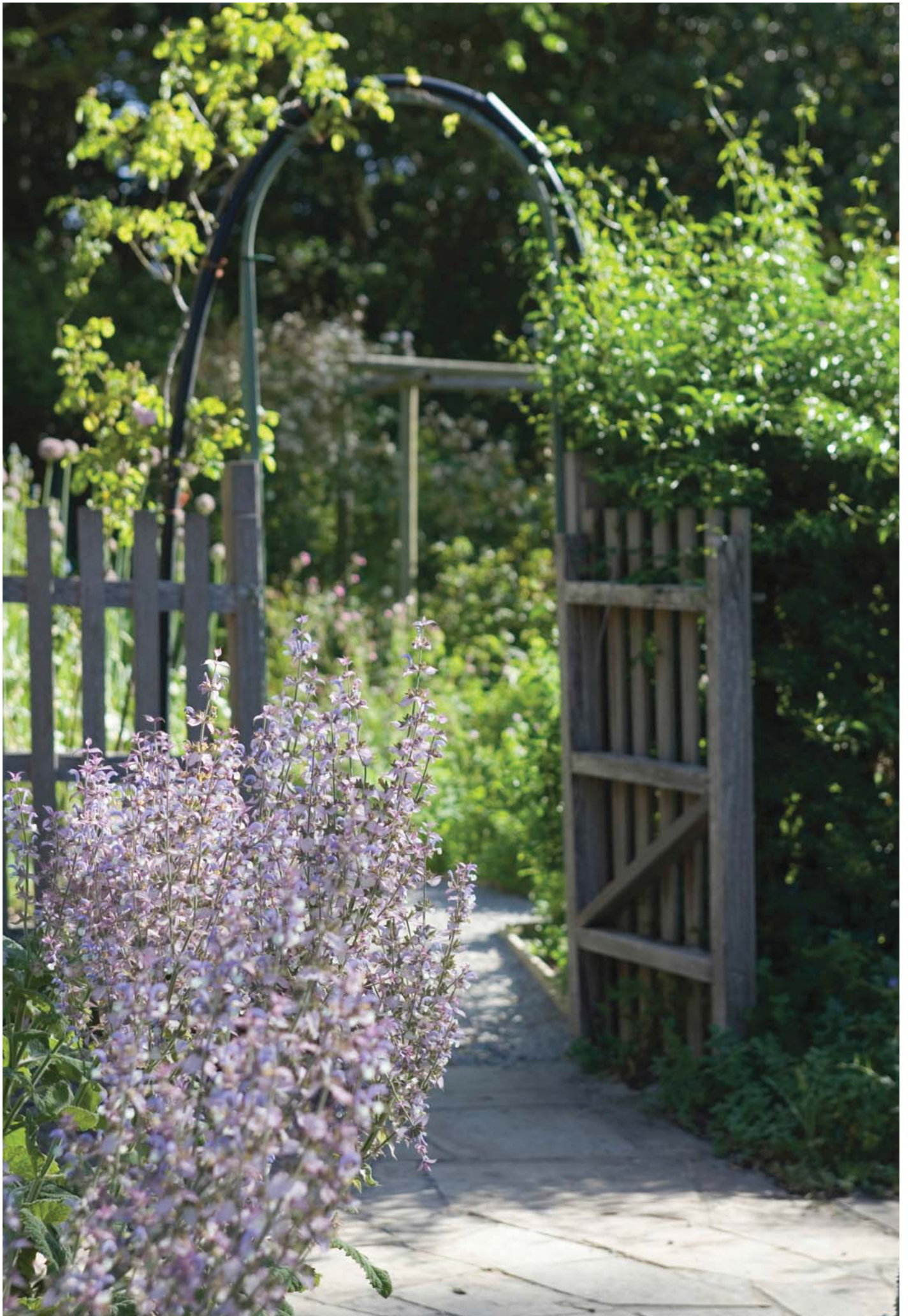
Additionally, mobile planter boxes designed by artists were installed in the Café Heide courtyard. Plant material from the gardens was supplied for development by Spacecraft of retail product exclusive to Heide and for botanical installations at Heide's annual fundraising dinner in 2017.

The artists' gardens at Heide featured in the 2017 publication *Native: Art and Design with Australian Plant* by Kate Herd & Jela Ivankovic-Waters. Heide's kitchen gardens were featured in 'The Gardenettes' web series and an article in *The Weekly Review*.

Gardens staff continued to supply Café Heide with fresh, seasonal produce from the kitchen gardens. They also delivered public talks and tours, including the Head Gardener's Riparian Woodland Restoration tour for Sustainable Gardening Australia. Heide also hosted two gardener internships for an Associate Degree in Urban Horticulture with Rachel Jackson, and a Bachelor of Agriculture with Jemma Stefanou.

The essential, monthly arboricultural and Sculpture Park turf visits by Recovery Tree Services and Programmed Property Services continued in 2017 with financial assistance from Creative Victoria.

Heide thanks the volunteers who supported maintenance of its gardens and grounds in 2017: Emily Albion, Mahlani Anastasiou, Janne Bonnett, Maria Irene Brandani, Paige Collinson, Alice Crowe, Thomas De Aizpurua, Sue Hay, Megan Hallowes, Pasquale Marinelli, Sharon McMahon, Nicholas Melaluka, Nicole Milella, Tahlia Pearce-Butcher, Olga Retzepoglou, Edward Robinson, Jemma Stefanou, Margaret Stirkul, Laurie Swiss and Georgina Wish-Wilson.



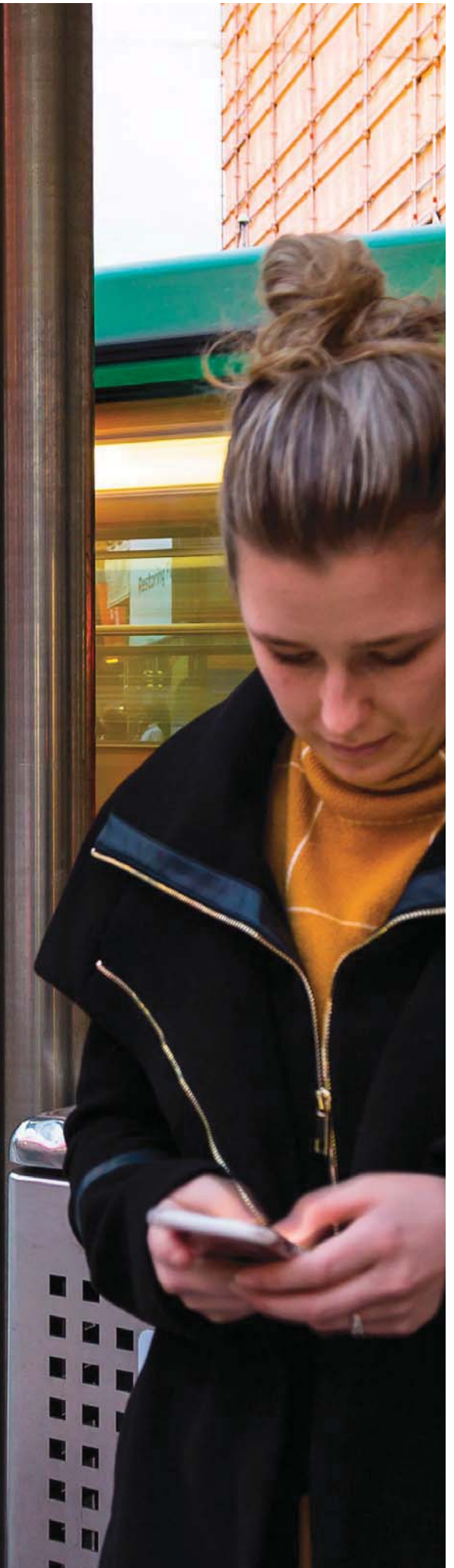
ADSHEL



Line Art
Piet Mondrian
1930
Museum of Modern Art
New York, NY

The People's Panel

Museum of Modern Art
Heide





21

6. MARKETING & COMMUNICATIONS

6.1 REACH AND HIGHLIGHTS

Heide Marketing and Communications staff are responsible for promoting the organisation, its exhibitions and programs effectively through targeted messaging across a range of paid, earned and owned media.

In 2017, 583 media mentions reached 40 million people, representing a combined advertising value of \$3.7 million.

2017 marketing highlights included:

- Integrated marketing campaigns for the major Heide exhibitions *Charles Blackman: Schoolgirls*, *Call of the Avant-Garde: Constructivism and Australian Art* and *Jenny Watson: The Fabric of Fantasy*;
- Celebrating the centenary of Sidney Nolan's birth, including by promoting a virtual reality experience in Heide I—which featured on the front page of *The Age* newspaper in April;
- Design and delivery of 'The People's Panel' brand awareness campaign, with M&C Saatchi inviting people to share their opinions about artworks through interactive digital panels installed in the Heide galleries, and in Adshel spaces in high traffic areas of Melbourne's CBD. The campaign won Best Creative Execution at the 2017 Outdoor Media Association (Q3) awards; and

- Developing a digital wayfinding guide (app) to help visitors navigate and understand the site and its history.

6.2 PARTNERSHIPS

The following partnerships extended the reach and impact of Heide's marketing efforts:

Broadsheet, Sofitel Melbourne on Collins, *The Saturday Paper*, M&C Saatchi, Cinema Nova, *Vault Magazine*, Bed, Bath N' Table, Melbourne Airport and *Melbourne's Child*.

6.3 DIGITAL

In 2017, the Heide website continued to be a key source of information for visitors with 332,000 sessions (an increase of 21% from 2016), 228,000 users (and increase of 22%) and 879,000 page views (an increase of 17%). \$151,000 in revenue was generated through the website via ticketing, programs, store, memberships and donations. The Heide website received a High Commendation for Best Institution Website in the 2017 Museums Australasia Multimedia and Publication Awards.

Social media channels played an increasingly important role at the museum through 2017:

 **20,400**
Facebook page likes

 **+13%**
increase from 2016

 **37,000**
Instagram followers

 **+48%**
increase from 2016

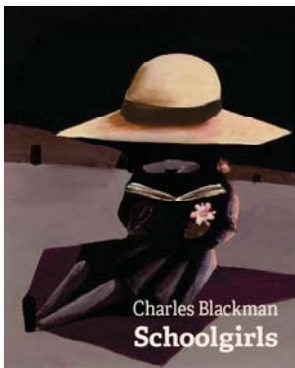
2,200
visitor posts

 **36,000**
Video views

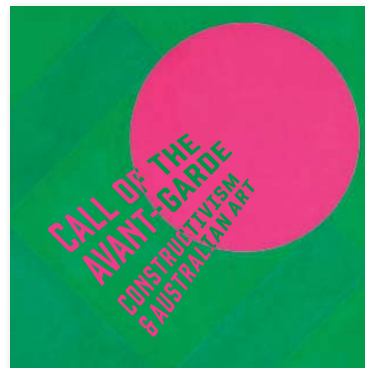
 **11,574**
eNews subscribers

 **856,000**
Search engine marketing impressions

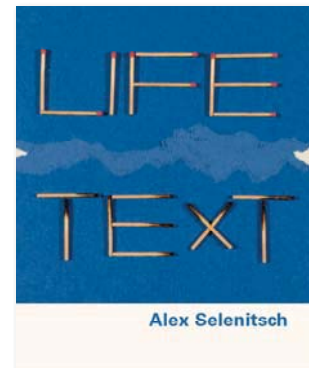
6.4 PUBLICATIONS



Curator: Kendrah Morgan
Title: Charles Blackman: Schoolgirls
Description: Paperback, 80 pages; Essays by Kendrah Morgan and Chris Wallace-Crabbe
Print run: 1,000 +500 reprint
RRP: \$29.95



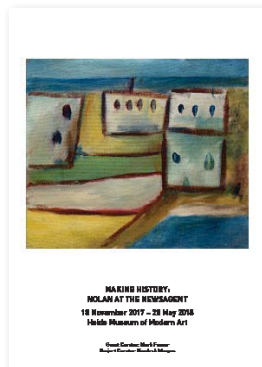
Curators: Sue Cramer and Lesley Harding
Title: Call of the Avant-Garde: Constructivism and Australian Art
Description: Hardback, 164 pages with 24 texts by external scholars including Lucina Ward, Elena Taylor, Ian McLean, and Ann Stephen
Print run: 1,250
RRP: \$29.95



In 2017, Heide's graphic designer Ramona Hamilton-Lindsay was shortlisted for the inaugural Cornish Family Prize for Art and Design Publishing (part of the Melbourne Art Book Fair), for her contribution to the 2016 publication *Alex Selenitsch: Life/Text*.

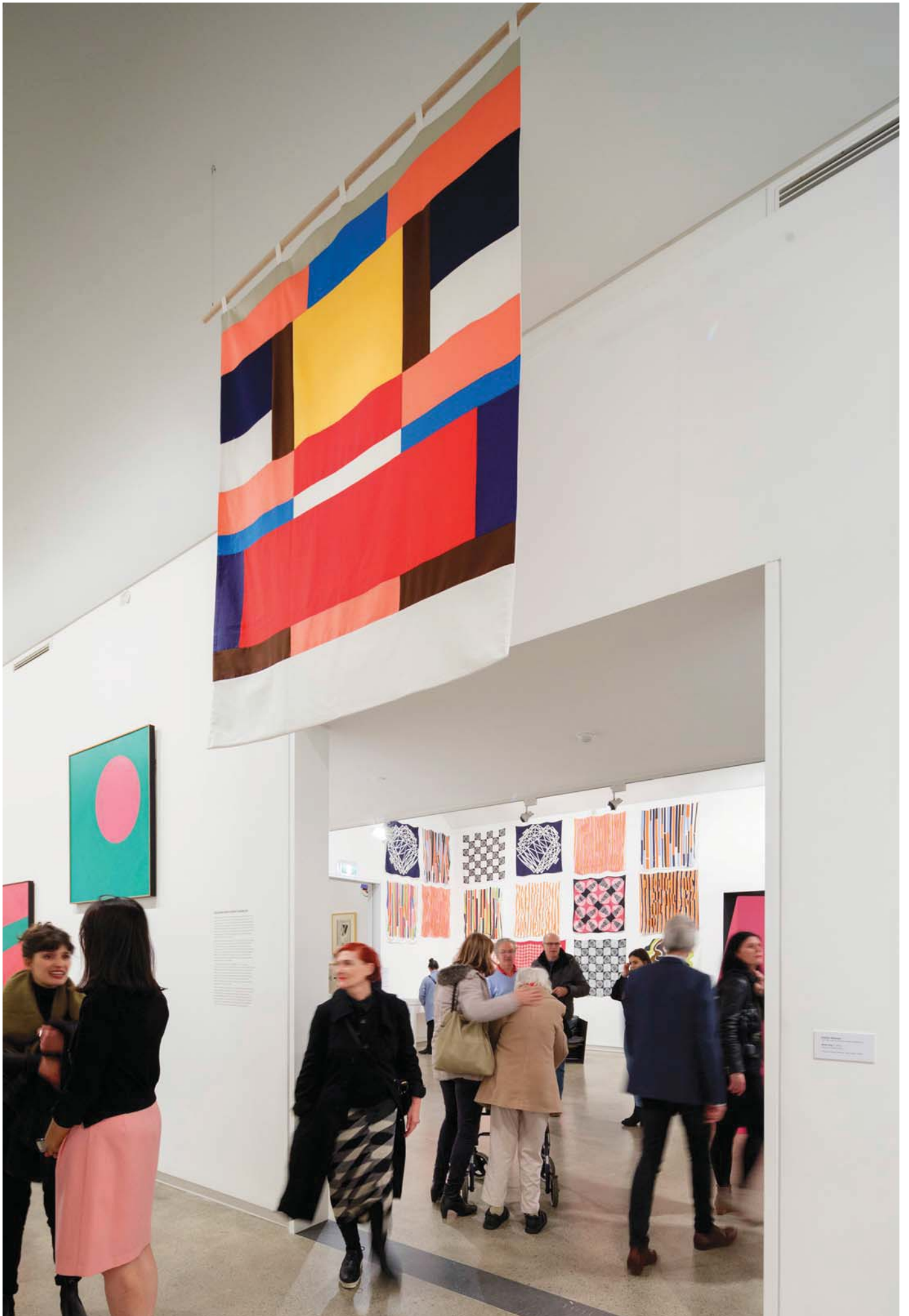


Curator: Lesley Harding
Title: Rebecca Mayo: Habitus
Description: 24 page online catalogue
Readership: 961 reads, 3,123 impressions



Guest Curator: Mark Fraser
Title: Nolan at the Newsagent
Description: 17 page online catalogue
Readership: 850 reads, 2,704 impressions

23 Opening Night, *Call of the Avant-Garde: Constructivism and Australian Art*, 2017, Heide Museum of Modern Art, Melbourne, Photograph: Jeremy Weihrauch



7. GOVERNANCE & PEOPLE

7.1 HEIDE PARK & ART GALLERY

Heide Park & Art Gallery (trading as Heide Museum of Modern Art) is a company limited by guarantee, governed by the Corporations Act 2001 (Cth).

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.

The company's objectives and purposes are outlined in its constitution and these include acting as a Committee of Management under the Crown Lands Reserve Act 1978 (Vic) with respect to the property known as Heide II, Heide III, and surrounding parks and gardens. The company owns, in its own right, the property known as Heide I.

Company members as at 31 December 2017:

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

7.2 BOARD OF DIRECTORS

The Heide Board of Directors works to safeguard stakeholder interests, to optimise operational viability and provide sound asset management.

The Board of Directors provides leadership within a framework of prudent and effective controls, which enables risks to be assessed and managed. With Heide's executive team, the Board of Directors is responsible for the museum's overall business performance.

The Board of Directors is responsible for approving goals and directions, organisational strategic plans and performance targets.

The Board of Directors ensures that appropriate policies, procedures and systems are in place to manage risk, optimise business performance and maintain high standards of ethical behaviour and legal compliance.

The Corporations Act requires Directors to disclose any conflicts of interest and to generally abstain from participating in any discussion or voting on matters in which they have a material personal interest. A Director who believes he or she may have a conflict of interest or material personal interest in a matter is required to disclose the matter in accordance with Corporations Act requirements.

Heide's Board of Directors must have no fewer than four Directors as members. Victoria's Minister for the Arts is entitled to appoint two Directors. Directors are subject to re-election by rotation at Annual General Meetings at least every three years, and can serve for a maximum of nine years in total.

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

The Board of Directors met six times in 2017.

At the end of 2017, the Heide Board of Directors comprised the following members:

Steven Skala AO (Chairman)

Justin Bown (until June 2017)

Kate Jenkins (government appointment)

Jono Gelfand

John Lee (government appointment)

Nancy Underhill

Terry Wu

Sharni Zoch

7.3 COMMITTEES

The constitution enables the Board of Directors to delegate their power to committees. These committees may include Directors, Members, and/or individuals external to the museum.

In 2017, the following committees operated:

- Governance and Human Resources Committee;
- Finance, Audit and Risk Management Committee;
- Development Committee;
- Investment Committee; and
- Heritage Committee.

7.4 ANNUAL GENERAL MEETINGS

The Annual General Meeting is an important opportunity for the Board of Directors of Heide to communicate with Company Members. A representative of Heide's auditor, Seward Dawson, is invited to be available to answer questions about the audit preparation and content of the audit report. The Chairman and the Director & CEO deliver presentations on the Company's performance over the year and answer questions.

The 2017 Annual General Meeting was held on Thursday 27 April.



23

7.5 HEIDE DIRECTORS AND EXECUTIVE

Steven Skala AO (Chairman)

Mr Steven Skala AO joined the Board in January 2016 and was appointed Chairman.

Steven is a banker and company director, and previously practiced law for many years. He is Vice Chairman, Australia of Deutsche Bank AG, Chairman of the Clean Energy Finance Corporation (CEFC), Chairman of BlueChilli Technologies Pty. Ltd., Deputy Chairman of the General Sir John Monash Foundation and a Director of the Centre for Independent Studies. A former Chairman of both the Australian Centre for Contemporary Art (ACCA) and Film Australia, Steven also has been a Director of the Australian Ballet, the Australian Exhibitions Touring Agency and the Walter & Eliza Hall Institute of Medical Research. He retired in 2015 from the Board of the Australian Broadcasting Corporation where he served for 10 years.

A Member of the International Council of the Museum of Modern Art (MoMA) in New York since 2003, Steven was appointed an Officer of the Order of Australia for his service to the arts, education, business and commerce in 2010.

Justin Bown (Director; to June 2017)

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

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

Jono Gelfand (Director)

Mr Jono Gelfand joined the Board in December 2011.

Jono has over twenty-five years' experience in the retail marketing industry and general management. He has held senior positions at SRG International, across the two major retail brands of Spotlight Stores and Anaconda Stores.

Currently COO and co-owner of Ishka Retail Stores, Jono manages the company's retail operations, marketing, logistics, and online divisions.

Kate Jenkins (Director)

Ms Kate Jenkins joined the Board in April 2013.

Kate is the Federal Sex Discrimination Commissioner, and is also on the Board of Carlton Football Club. From 2013 to 2016 Kate was the Victorian Equal Opportunity and Human Rights Commissioner.

Prior to 2013, Kate was the lead partner of Herbert Smith Freehills' Australian equal opportunity law practice and an experienced employment lawyer and educator. Kate holds honours degrees in Law and Arts.

John Lee (Director)

Mr John Lee joined the Board in April 2013.

John is a Registered Architect and a Fellow of the Australian Institute of Architects. John has been a Director of the Melbourne office of McGlashan Everist Architects since 1986 and has been responsible for the practice winning numerous architectural awards—the Royal Australian Institute of Architects President's Award, two National Architecture Awards and multiple Victorian Architecture Awards.

John is a regular awards juror and member of the Association of Consulting Architects Australia, Learning Environments Australasia and the Deakin University School of Architecture and Built Environment Education Advisory Board.

24 Installation view, *Call of the Avant-Garde: Constructivism and Australian Art*, 2017, Heide Museum of Modern Art, Melbourne. Photograph: Jeremy Wehrauch

Terry Wu (Director)

Dr Terry Wu joined the Board in April 2013.

Terry is a specialist plastic, reconstructive and aesthetic surgeon. He is a member of the Australian Society of Plastic Surgeons, the American Society of Plastic Surgeons, the Australasian Society of Aesthetic Plastic Surgeons, and a Fellow of the Royal Australasian College of Surgeons. Terry is a consultant specialist at Peter MacCallum Cancer Centre, Box Hill Hospital, and Monash Health. Terry served for ten years as the Supervisor of Training for plastic surgery at Peter MacCallum Cancer Centre.

Terry is a keen supporter and collector of contemporary Australian art. He is a Board Member at the Australian Centre for the Moving Image and the National Association of Visual Arts, and supports institutions and events including the Biennale of Sydney and the Australian Pavilion in Venice.

In 2014 Terry established John Street Studios to provide quality affordable studio spaces for artists in inner-city Melbourne.

Nancy Underhill (Director)

Dr Nancy Underhill joined the Board in January 2016.

Nancy is an author, curator and art historian. Educated at Bryn Mawr College, Pennsylvania and the Courtauld Institute, London, she was Foundation Head of Art History and inaugural Director of the University Art Museum with the University of Queensland.

She has served on the Visual Arts Board of the Australia Council, chaired the Art Association of Australia and the Museums Association of Australia, been a Visiting Fellow at the Humanities Research Centre at ANU, and at the Centre of Australian Studies, Kings College, London.

Her books include *Sidney Nolan: A Life* (2015), *Nolan on Nolan: Sidney Nolan in His Own Words* (2007), *Letters of John Reed* (co-edited 2001), and *Making Australian Art 1916 – 1949* (1991). Nancy currently is Deputy to Lisa Gasteen AO at the Lisa Gasteen National Opera School, Brisbane.

Sharni Zoch (Director)

Ms Sharni Zoch joined the Board in April 2013.

Sharni is a partner in KPMG's Risk Consulting practice. She has over twenty years' audit and risk management experience, working in corporate and Big 4 professional services environments with large, multi-national clients.

Sharni has worked in Melbourne, New York, London and Asia. She has a Bachelor of Commerce from the University of Melbourne and is a Chartered Accountant.

Natasha Cica (Director & Chief Executive Officer from April 2017 to April 2018)

Dr Natasha Cica joined Heide Museum of Modern Art in April 2017 as Director & CEO.

In 2014 Natasha founded Kapacity.org, which works globally to help leaders, teams and organisations deliver effective and sustainable change. Previously she was the Director of the Inglis Clark Centre, University of Tasmania. In 2013 she was recognised by the Australian Financial Review and Westpac Banking Group as one of Australia's 100 Women of Influence, in the category of innovation. She was an inaugural recipient of a Sidney Myer Creative Fellowship in 2011.

Natasha holds a doctorate in Law from the University of Cambridge, a Master of Arts from King's College London, and a Bachelor of Law (Hons) from the Australian National University.

Linda Michael (Acting Director and CEO until April 2017; Deputy Director, Senior Curator until June 2017)

Linda Michael joined Heide Museum of Modern Art in November 2008 as Deputy Director and Senior Curator. She was Acting Director & CEO from December 2016 to April 2017.

Her previous positions include Senior Curator, Monash University Museum of Art, Melbourne, and Senior Curator, Museum of Contemporary Art, Sydney.

Linda has a Bachelor of Arts (Hons) and a Postgraduate Diploma (Editing and Publishing).

**Lesley Harding (Senior Curator,
Head of Exhibitions, from July 2017)**

Lesley Harding joined Heide Museum of Modern Art in 2005 as Curator.

Her previous roles include Senior Curator, Arts Centre Melbourne and Curator, National Art School, Sydney.

Lesley has a Bachelor of Arts (Hons), a Master of Arts (Art History), and a Postgraduate Diploma (Art Curatorship and Museum Management) all from the University of Melbourne.

**Kendrah Morgan (Senior Curator,
Head of Collections, from July 2017)**

Kendrah Morgan joined Heide Museum of Modern Art as Assistant Curator in 2003 and was Curator from July 2004 to July 2017.

Her previous positions include Assistant Curator, New Zealand and International Art, Auckland Art Gallery Toi o Tāmaki, New Zealand and Assistant Director, The Lane Gallery, Auckland.

Kendrah has a Bachelor of Arts (Art History, First Class Hons) and a Master of Arts (Art History) degrees from the University of Auckland.

**Tim Sligo
(Chief Operating Officer, from August 2017)**

Tim Sligo joined Heide Museum of Modern Art as Chief Operating Officer in August 2017.

His previous roles include Senior Manager at PricewaterhouseCoopers, Business Analyst at News Limited, COO at News Life Media, and Treasurer at Chippendale Creative Precinct.

Tim has a Bachelor of Commerce degree from the University of Melbourne.

**Barb Taylor (Development Director, appointed
November 2017, commenced January 2018)**

Barb Taylor joined Heide Museum of Modern Art in December 2017.

Her previous roles include Fundraising Manager at Justice Connect, Fundraising and Marketing Manager at Ardoch Youth Foundation, and Director of Development at Waterford Kamhlaba United World College of Southern Africa in Swaziland. She has held fundraising roles at the University of the Arts, London, Somerset House and the Courtauld Institute of Art.

Barb has a Bachelor of Arts degree from the University of Melbourne.

**Anouska Phizacklea (Business, Finance &
Human Resources Manager, until June 2017)**

Anouska joined Heide Museum of Modern Art in November 2015. Her previous roles include Finance & Operations Manager at the Australian Centre for Contemporary Art (ACCA).

Anouska has also held positions in art research, collection valuations, logistics and administration in commercial galleries and auctions houses in the UK and Australia.



7.6 HEIDE MUSEUM OF MODERN ART STAFF

As at 31 December 2017, Heide employed the following staff:*Director & CEO*

Natasha Cica

Senior Curator, Head of Exhibitions

Lesley Harding

Senior Curator, Head of Collections

Kendrah Morgan

Chief Operating Officer

Tim Sligo

Development Director

Barb Taylor (appointed November 2017)

Curator

Sue Cramer

Registrar

Jennifer Ross

Collections Manager

Svetlana Matovski

Exhibitions Manager

Julia Powles

Office Manager and EA to the Director & CEO

Diane de Mascarel (appointed November 2017)

Marketing & Communications Manager

Sue Curwood

Marketing & Communications Coordinator

Claire Miovich

Graphic Designer

Ramona Hamilton-Lindsay

Public Programs Manager

Bernadette Alibrando

Education Manager

Carly Grace

Project Manager

Brigid Cara

Retail Manager & Buyer

Monica McKean

Events & Membership Coordinator

Kasey Lack

Facilities Manager

Paul Galassi

Head Gardener & Caretaker

Dugald Noyes

Gardeners

David Murphy

Katie Grace

Visitor Services and Volunteer Program Manager

Alice Dickins

Senior Visitor Services Officers

Lili Belle Birchall

Michelle Hambur

Visitor Services Officers

Karen Adams

Karen Hinde

Eliza Jung

Seren Little

Mara Lythgo

Nola Orr

Jennifer Papas

Kevin Pearson

Penny Peckham

Jessica Pitcher

Sophie Prince

Jake Treacy

Education and Public Programs Officers

Fiona Cabassi

Melanie Hartigan

7.7 HEIDE MUSEUM OF MODERN ART HONORARY APPOINTMENTS

Patrons	Lady Nolan (1926–2016) 2011
Terry Bracks AM	Mark Newman 2012
Sir Rupert Hamer AC KCMG (1916–2004)	Hyeon-Joo Newman 2012
Barbara Tucker (1934–2015)	Joan Clemenger AO 2013
Fellows	Richard Haese 2014
H. Norman B. Wettenhall AM (1915–2000) 1988	John Downer AM 2015
Georges Mora (1913–1992) 1989	Rose Downer 2015
Maria Prendergast OAM 1990	Charles Blackman OBE 2017
Baillieu Myer AC 1992	Barbara Blackman AO 2017
Loti Smorgon AO (1919–2013) 1993	
Victor Smorgon AC (1913–2009) 1993	
Barrett Reid AM (1926–1995) 1994	
Tom Quirk 1995	
Maudie Palmer AO 1997	
Stephen Charles AO QC 1998	
Christine Collingwood 1999	
Albert Tucker AO (1914–1999) 2000	
Barbara Tucker (1934–2015) 2000	
Tom Lowenstein OAM 2002	
William J. Forrest AM 2005	
John Gollings AM 2006	
Inge King AM (1915–2016) 2006	
Neil Everist (1929–2016) 2007	
Mirka Mora 2008	
David Walsh 2009	
Craig Kimberley OAM 2010	
Connie Kimberley 2010	

7.8 HEIDE VOLUNTEERS

Heather Adam	Jude Bridges-Tull	Chiara Dalla Costa	Andy (Andrea) Esnouf	Melinda Haldane	Diesel (Yukyung) Kang
Jessie Adams	Jessica Brodie	Catherine Dattner	Sharon Evans	Maria Halkias	HanaKaras
Maria Albert Thanaraj	Lauren Brown	Judy Davies	Marianthi Fadakis	Megan Hallowes	Reetika Khanna
Emily Albion	Samantha Brown	Barbara Davies	Tony Fagioli	Lynne Halls	Anita King
Mahlani Anastasiou	Lizzie Brown	Beryl Davis	Susan Fahey	Elle Hanson	Lucinda Knight
Anthea Andrews	Elyssia Bugg	Thomas De Aizpurua	Imogen Fairweather	Inga Harper	William Kogoi
Jan Andrews	Alessandra Burato	Laura De Neeffe	Rachel Farrington	Cathy Harrison	Jan Kozak
Ana Maria Antunes	Rosemary Burdett	Madelief Debeij	Judy Ferguson	Diane Haskings	Isobel Lake
Ebru Apaydin Yazici	Samantha Burton	Adrian Del-Re	Kayla Flett	Sue Hay	Christine Lavender
Gila Arab	Michelle Caithness	Ronald Deschamps	Melanie Flynn	Melissa Healy	Natalie Lawson
Aphroditi Athanasopoulos	Stephanie Carroll	Siena Di Domenico	Clare Flynn	Tara Heffernan	Nicola Lay
Christina Atkinson	Anjana Chakravorty	Ann Dickey	Anthony Fong	Amy Hersch	Carolyn Leach-Paholski
Nicola Aylward	Ron Chapman	Sandra Dimitrijevic	Bianca Fox	Reham Heshmat	Heather Lee
Alessandra Azzone	Min (Yun Min) Chen	Mary-Liz Dore	Elena Fragapane	Melinda Hilton	Christina Lemonis
Louis Balis	Lisa Cheung	Tanis Douglas	Denise Frawley	Samantha Holcombe	Elena Leong
Korey Barbousas	Caterina Chng	Miranda Downie	Eliza Freeman	Heather Howes	Carla Leske
Emma Barnes	Marie Christodoulaki	Matthew Ducza	Gabrielle Ganasalingam	Judith Hughes	Keith Lessel-Young
Andrea Baxter	Emily Churchill	Elizabeth Dufty	Taryn Gater	Allan Innocent	Nini Li
Lula Black	Jane Clark	Sandra Dunne	Ruth Gazzola	Penny (Penelope) Jackson	Artemis Lialios
Nicola Blumenthal	Ruth Clifford	Sue (Susan) East	Bill Gillies	Ali Jafari	Swe Lie Lim
Janne Bonnett	Gill Coleman	Helen Efthimiou	Lena Glass	Cristal Johnson	Jenny Louey
Kylie Bowden	Mary Collings	Anna El Samad	Eva Gory	Chloe Jones	Susan Lowe
Katy Bowman	Paige Collinson	Safa El Samad	Lucy (Lucinda) Gow	Rachel Jones	Mark Lowrey
Ellen Bradley	Neil Coverdale	Jan Eldred	Heather Grafton	Eliza Jung	Mara Lythgo
Maria Irene Brandani	Alice Crowe	Erin Ellis	Bev Gray	Lynette Kalms	Frank Maas
Andrew Bretherton	Lynne Curtis	Janette Ellis	Tom Greenaway		
	Gay Cuthbert	Hosna Eqbal			

Catherine Mahoney	Jeremy Mitchell	Sophie Prince	Veronica Smith	Heather Trotter	Anne Wynn
Charlotte March	Dominique Montalto	Stephanie Pucinischi	Jessica Solty	Hsin Hui Tsai	Wenying Yao
Joanne Marchese	Philippa Murdoch	Svetlana Raab	Katie Stackhouse	Gina (Gerogia) Tsarouhas	Barbara Yuncken
Pat (Pasquale) Marinelli	Helen Murray	Priyanka Rajendra	Julie Stagg	Margaret Van de Walle	Ying Zhang
Patricia Martin	Michelle Nicholson	Nasrin Rasoulzadeh	Virginia Staggs		Winnie Zhu
Ivan Masic	Jill Nicol	Harriet Reed	Kirbi Stamp	Bianca Varbaro	
Brenda Mason	Lesley Nisbet	Vivienne Reed	Jemma Stefanou	Johnathan Vyssaritis	
Cynthia McAfee	Emma Nixon	Jude Reilly	Stuart Steinfort	Jenni Walker	
Kerri McConchie	Katja Novakovic	Olga Retzepoglou	Ann-Katrin Sterling	Kate Wallace	
Michael McCosker	Philippa O'Brien	Jo-Ellen Robilliard	Helen Stewart	Lorraine Wallis	
Janine McGuinness	Jodie O'Keefe	Edward Robinson	Margaret Stirkel	Megg Walstab	
Fiona McIntosh	Nell Olsson-Young	Kara Rodski	Lynne Stockdale	Garry Walters	
Kathy (Katherine) McKenzie	Pauline O'Shannessy- Dowling	Silvana Romeo	Elisa Stone	Mary Waters	
Zara McKenzie	Laurie Paine	Sandra Roorda	Bryony Stringer	Kathryn Watty	
Anne McLachlan	Tim Panaretos	Lauren Ryan	Laurie Swiss	Cynthia Wells	
Margaret McRobbie	Maria Panettieri	Maryam Safinia	Joan Syme	Lola Wenn	
Nicholas Melaluka	Murray Pearce	Man (Shahimon) Said	Victor Tang	Saskia Wetter	
Faye Meldrum	Tahlia Pearce- Butcher	Adrianna Saloumidis	Winnie Tang	Georgina Whish- Wilson	
Katherine Meredith	Cynthia Pereira	Kym Salt	Louise Tate	Tiffany Willenbery	
Irene Messer	Marina Perkovich	Nadija Saluwadana	Maria Teresa Tavares Costa	Emma Williams	
Nicole Milella	Danielle Pezzi	Jessemyn Schippers	Elise Thogersen	Heika Williams	
Adriana Milevoj	Dianne Phillips	Alana Seal	Helen Thomas	Ella Willow- Chambers	
Judy Milne-Pott	Annamaria Plescia	Ane (Adriane) Septianingrum	Deborah Thompson	Bec Wisby	
Sepideh Minagar	Roslyn Prato	Meg Sheehan	Emma Thomson	Wendy Wong	
Mahdi Mirzaei	Cathy Price	Jan Shrimpton	Ying Tian	Benice Woolley	
		Megan Smart	Genevieve Trail		

8. FINANCIAL STATEMENTS**8. FINANCIAL STATEMENTS 48**

Directors' Report	49
Auditor's Independence Declaration	54
Statement of Profit or Loss and Other Comprehensive Income	55
Statement of Financial Position	57
Statement of Changes in Equity	58
Statement of Cash Flows	59
Notes to the Financial Statements	60
Directors' Declaration	77
Independent Audit Report	78

9. NOTES TO THE FINANCIAL STATEMENTS 60

Note 1: Summary of Significant Accounting Policies	60
Note 2: Revenue	64
Note 3: Surplus for the Year	65
Note 4: Cash and Cash Equivalents	65
Note 5: Trade and Other Receivables	65
Note 6: Inventories	66
Note 7: Financial Assets	66
Note 8: Property Plant and Equipment	67
Note 9: Other Assets	69
Note 10: Trade and Other Payables	69
Note 11: Borrowings	70
Note 12: Provisions	70
Note 13: Capital and Leasing Commitments	71
Note 14: Reserves	71
Note 15: Economic Dependence	72
Note 16: Related Parties	72
Note 17: Cash Flow Information	73
Note 18: Financial Risk Management	74
Note 19: Contra Sponsorship	75
Note 20: Fair Value Measurements	75
Note 21: Company Details	76

DIRECTORS' DECLARATION 77

DIRECTORS' REPORT

The Directors present this report on Heide Park & Art Gallery (the company) for the financial year ended 31 December 2017.

Directors

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

Justin Bown (resigned June 2017)

Jono Gelfand

Kate Jenkins

John Lee

Steven Skala AO

Nancy Underhill

Terry Wu

Sharni Zoch

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

Principal Activities

The principal activities of the company during the financial year were to research and deliver outstanding exhibitions, publications, education and public programs that profiled artists central to Heide's history and contemporary art practice, and that displayed and interpreted Heide's nationally significant collection. There have been no significant changes in the nature of these activities during the year.

Short-term objectives

Heide's short-term objectives are:

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

Long-term objectives

The company's long-term objectives are:

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

Strategy for achieving short and long-term objectives

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

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

Directors' Profiles

Justin Bown (resigned June 2017)	Director, Pinnacle Group Australia
Qualifications	BA (Hons), MBA, Registered Psychologist
Special Responsibilities	Finance, Audit and Risk Management Committee, Governance and Human Resources Committee, Chair: Investment Committee
Jono Gelfand	COO and Co-owner Ishka Retail Stores
Qualifications	BEcon, EMBA
Special Responsibilities	Chair: Development Committee, Foundation Board
Kate Jenkins	Federal Sex Discrimination Commissioner
Qualifications	BA (Hons), LLB (Hons), GAICD
Special Responsibilities	Chair: Governance and Human Resources Committee
John Lee	Director, McGlashan Everist Pty Ltd Architects
Qualifications	B.Arch, Registered Architect Victoria, FRAIA
Special Responsibilities	Heritage Committee

Steven Skala AO	Vice Chairman Australia, Deutsche Bank AG
Qualifications	BA LLB (Hons), BCL
Special Responsibilities	Chairman
Nancy Underhill	Deputy Director, Lisa Gasteen Opera School
Qualifications	BA, MPhil., Phd
Special Responsibilities	Governance and Human Resources Committee, Heritage Committee
Terry Wu	Plastic, Reconstructive and Aesthetic Surgeon, Peter MacCallum Cancer Centre
Qualifications	MBBS, FRACS (Plast.)
Special Responsibilities	Development Committee, Foundation Board
Sharni Zoch	Partner, KPMG Australia
Qualifications	BComm, Chartered Accountant
Special Responsibilities	Chair: Finance, Audit and Risk Management Committee

Meetings of Directors

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

AGM & Board meetings

	Number eligible to attend	Number attended
Justin Bown (resigned June 2017)	4	4
Jono Gelfand	7	5
Kate Jenkins	7	7
John Lee	7	7
Steven Skala AO	7	7
Nancy Underhill	7	7
Terry Wu	7	6
Sharni Zoch	7	6

Contribution in winding up

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the company. At 31 December 2017 the total amount that members of the Company are liable to contribute if the Company wound up is \$1,500 (2016: \$1,500).

Reporting obligations

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


Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Division 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included as page 54 of this financial report and forms part of the Director's Report.

Signed in accordance with a resolution of the Directors.



Sharni Zoch
Director



Steven Skala AO
Chairman

Dated on the 20th day of April 2018



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

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017 there have been no contraventions of applicable code of professional conduct in relation to the audit:

A handwritten signature in black ink that reads "Seward Dawson".

Seward Dawson Chartered Accountants

A handwritten signature in black ink that reads "Jeffrey Tulk".

Jeff Tulk
Partner

Blackburn VIC
Dated 20 April 2018

	Note	2017 \$	2016 \$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
For the Year Ended 31 December 2017			
Operating Activities			
Revenue from operating activities	2	5,092,661	4,672,733
Programming expenses		(468,908)	(401,154)
Marketing expenses		(964,434)	(750,315)
Collection expenses		(128,516)	(155,963)
Commercial operations expenses		(28,568)	(45,729)
Costs of goods sold		(293,651)	(296,808)
Repairs and maintenance		(255,996)	(217,706)
Grounds and gardens		(62,573)	(47,641)
Utilities		(139,230)	(138,307)
Insurance		(91,626)	(83,867)
Depreciation, amortisation and impairment	3 ; 8	(198,462)	(393,114)
Employee benefits expense		(2,138,598)	(2,074,388)
Other expenses from operating activities		(265,278)	(165,499)
Total operating expenses		(5,035,840)	(4,770,491)
Net Surplus (deficit) from operating activities		56,821	(97,758)
Investing Activities			
Gain on sale of investments	3	85,987	82,664
Brokerage costs		(4,010)	(625)
Net surplus (deficit) from investing activities		81,977	82,039

	Note	2017 \$	2016 \$
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont)			
For the year ended 31 December 2017			
Capital activities			
Donated works of art (at market value)	2	963,450	1,431,134
Net surplus (deficit) from capital activities		963,450	1,431,134
Net surplus for the year from all activities		1,102,248	1,415,415
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on available-for-sale financial assets		68,321	74,322
Revaluation gain/(losses) from Works of Arts		8,714,653	(197,037)
Revaluation gain/(losses) from Land and Buildings		-	(4,405,234)
Items that have been reclassified subsequently to profit or loss:			
Realised gain from available-for-sale financial assets		(85,987)	(82,664)
Total comprehensive income		9,799,235	(3,195,198)

STATEMENT OF FINANCIAL POSITION
For the Year Ended 31 December 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	687,245	959,853
Trade and other receivables	5	851,327	867,832
Inventories	6	126,068	86,330
Other current assets	9	173,461	126,172
Current financial assets	7	89,900	87,524
TOTAL CURRENT ASSETS		1,928,001	2,127,711
NON-CURRENT ASSETS			
Financial assets	7	1,067,746	757,681
Property plant and equipment	8	7,988,869	8,131,223
Other non-current assets	9	67,434,945	57,749,542
TOTAL NON-CURRENT ASSETS		76,491,560	66,638,446
TOTAL ASSETS		78,419,561	68,766,157
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,269,432	1,370,165
Borrowings	11	1,843	5,418
Provisions	12	189,416	221,503
TOTAL CURRENT LIABILITIES		1,460,691	1,597,086
NON-CURRENT LIABILITIES			
Provisions	12	5,089	14,525
TOTAL NON-CURRENT LIABILITIES		5,089	14,525
TOTAL LIABILITIES		1,465,780	1,611,611
NET ASSETS		76,953,781	67,154,546
EQUITY			
Accumulated surpluses		10,115,957	9,999,669
Reserves		66,837,824	57,154,877
TOTAL EQUITY		76,953,781	67,154,546

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2017

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Donated Artworks Reserve \$	Financial Assets Revaluation Reserve \$	Equipment Replacement Reserve \$	Total \$
2017						
Balance at 1 January 2017	9,999,669	30,539,273	26,199,140	299,477	116,987	67,154,546
Surplus for the year	1,102,248	-	-	-	-	1,102,248
Revaluation increment / (decrement)	-	8,714,653	-	(17,666)	-	8,696,987
Transfers to and from reserves						-
Donated artworks reserve	(963,450)	-	963,450	-	-	-
Equipment Replacement Reserve	(22,510)	-	-	-	22,510	-
Balance at 31 December 2017	10,115,957	39,253,926	27,162,590	281,811	139,497	76,953,781

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Donated Artworks Reserve \$	Financial Assets Revaluation Reserve \$	Equipment Replacement Reserve \$	Total \$
2016						
Balance at 1 January 2016	10,052,375	35,141,544	24,768,006	307,820	80,000	70,349,745
Surplus for the year	1,415,415	-	-	-	-	1,415,415
Revaluation increment / (decrement)	-	(4,602,271)	-	(8,343)	-	(4,610,614)
Transfers to and from reserves						-
Donated artworks reserve	(1,431,134)	-	1,431,134	-	-	-
Equipment Replacement Reserve	(36,987)	-	-	-	36,987	-
Balance at 31 December 2015	9,999,669	30,539,273	26,199,140	299,477	116,987	67,154,546

STATEMENT OF CASH FLOWS

For the Year Ended 31 December 2017

	Note	2017 \$	2016 \$
Cash from operating activities:			
Receipts from customers, donations and sponsorship		2,797,331	1,812,705
Payments to suppliers and employees		(4,460,751)	(3,904,172)
Grant receipts		1,639,616	2,264,340
Dividends received		52,521	65,062
Interest received		6,418	6,111
Net cash provided by operating activities	17	35,135	244,046
Cash flows from investing activities:			
Proceeds from sale of investments		497,654	208,280
Acquisition of term deposit		-	(87,524)
Acquisition of property, plant and equipment		(56,108)	(21,932)
Acquisition of other non-current assets		(745,704)	(9,545)
Net cash provided by (used in) investing activities		(304,158)	89,279
Cash from financing activities:			
New short term borrowings drawn/(repaid)		(3,585)	2,818
Net cash provided by (used in) financing activities		(3,585)	2,818
Net increase (decreases) in cash held		(272,608)	336,143
Cash and cash equivalents at beginning of year		959,853	623,710
Cash at end of financial year	4	687,245	959,853

9. NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

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

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

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

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

b. Income Tax

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

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

c. Cash and Cash Equivalents

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

d. Inventories

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

e. Property Plant and Equipment

Land and buildings

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

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

Plant and equipment

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

Leasehold improvements

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

Depreciation

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

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

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

Impairment

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

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

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

f. Leases

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

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

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

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

g. Financial Instruments**Recognition**

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

Available-for-sale financial assets

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

Fair value

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

Loans and receivables

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

Impairment

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

h. Works of Art

The company undertook an independent valuation of the works of art in full as at 31 December 2017. The valuation was conducted by Charles Nodrum Gallery. Further details of the valuation are provided as part of Note 20. Works of art are valued at fair market value and any changes to the market value of works of art held are reflected in Other Comprehensive

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

i. Employee Benefits

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

j. Deferred Income

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

k. Revenue

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

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

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

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

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

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

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

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

l. Goods and Services Tax (GST)

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

m. Graeme Sturgeon Memorial Trust

The Graeme Sturgeon Memorial Trust is a trust established to promote the creation and appreciation of Australian contemporary sculpture. The trust funds are administered by Heide Park & Art Gallery but are excluded from the financial statements as the funds must be appropriated in accordance with the deed of trust. The financial statements of the trust have not been audited as at 31 December 2017. The unaudited financial statements of the trust disclose net available assets of \$1,721 (2016: \$1,721).

n. Comparative Figures

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

o. Impairment of Assets

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

p. Critical Accounting Estimates and Judgments

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

Land and building valuation

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

The adoption of the Government's valuation required a change in Heide's valuation method for buildings and leasehold improvements to depreciated replacement cost. The change in valuation method ensured consistency with the approach taken in valuing all Land and Buildings under Heide's control and aligns with the Government's Valuation methodology and timeframes. This is appropriate as Heide acts as the Government's Committee of Management for 7 Templestowe Rd. This is also consistent with the social value approach.

The change in valuation method for buildings and leasehold improvements resulted in a revaluation down by net \$4.4 million over all Land, buildings and leasehold improvements which was taken to the Asset Valuation Reserve and other Comprehensive Income at 31st December 2016. This amount was offset against prior revaluations upwards of Land and Buildings.

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

Works of Art valuations

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

q. New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods.

AASB 9: Financial Instruments – applicable to annual reporting periods beginning on or after 1 January 2018.

The impact of AASB 9 will depend on the election to be made under the new accounting standard. This has not yet been determined but will impact

on the statement of profit or loss, however any impact is not expected to be significant.

AASB 15: Revenue from Contracts with Customers – applicable to annual reporting periods beginning on or after 1 January 2018.

AASB 15 is not expected to have a significant impact on the financial statements given the nature of the company's revenue.

AASB 16: Leases – applicable to annual reporting periods beginning on or after 1 January 2019.

AASB 16 has the potential to significantly impact on the operating result of the company, however this is still to be determined as further analysis of the current leasing arrangements is yet to be undertaken.

NOTE 2: REVENUE

		2017 \$	2016 \$
Operating activities			
Sale of goods		590,017	531,725
Admissions		916,767	771,485
Grants	A	1,654,701	1,625,427
Donations and sponsorship	B	1,236,799	1,067,758
Interest and dividends	(a) ; (b)	69,133	71,173
Other		625,244	605,165
Total Revenue from Operating Activities		5,092,661	4,672,733

(a) Dividend revenue from other corporations		62,715	65,062
(b) Interest revenue from other persons		6,418	6,111

Significant Revenue

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

Donated works of art (at market value)	(c)	963,450	1,431,134
Triennial State Funding	A	1,404,660	1,370,400
VIC State Grants	A	204,499	172,811
Local Government Grants	A	36,842	28,858
Donations and sponsorship (cash)	B	529,782	542,761
Donations and sponsorship (gifts in kind)	B	707,017	524,997

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

	2017 \$	2016 \$
NOTE 3: SURPLUS FOR THE YEAR	Surplus / (Deficit) for the year has been determined after:	
(a) Expenses from Ordinary Activities		
Depreciation of property, plant and equipment	53,287	75,126
Amortisation of leasehold improvements	145,175	317,988
Rental expense on operating leases	8,280	15,872
(b) Revenue and Net Gains		
Net gain on disposal of investments	(85,987)	(82,664)
	2017 \$	2016 \$
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	7,352	16,605
Cash at bank	679,893	943,248
	687,245	959,853
	2017 \$	2016 \$
NOTE 5: TRADE AND OTHER RECEIVABLES	CURRENT	
Trade receivables	858,327	875,282
Provision for doubtful debts (a)	(7,000)	(7,450)
	851,327	867,832
(a) Provision for doubtful debts		
Past experience indicates that no impairment allowance is necessary in respect of trade debtors 'past due 0 – 30 days'. The movement in the provision for doubtful debts has been determined after a review of amounts outstanding at 31 December 2017.		
Balance at 1 January 2017	(7,450)	(7,450)
Net decrease to doubtful debts	450	-
Balance at 31 December 2017	(7,000)	(7,450)

	2017 \$	2016 \$
NOTE 6: INVENTORIES		
CURRENT		
Goods for resale - at cost	126,068	86,330

	2017 \$	2016 \$
NOTE 7: FINANCIAL ASSETS		
Available-for-sale Financial Assets		
Equity investments - ASX listed entities	1,067,746	757,681

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

Current Financial Assets

Term deposit	89,900	87,524
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The Heide Café Performance Bond is held in Trust and has been invested in a term deposit that expires within a year.

	2017 \$	2016 \$
NOTE 8: PROPERTY PLANT AND EQUIPMENT		
Land and Buildings		
<i>Freehold land at fair value</i>		
Independent valuation - 2016	2,950,000	2,950,000
Total land	2,950,000	2,950,000
 <i>Buildings at fair value</i>		
Independent valuation - 2016	449,000	449,000
Less accumulated depreciation	(10,357)	-
Total buildings	438,643	449,000
 Plant and Equipment		
<i>Plant and equipment</i>		
At cost	1,574,640	1,518,532
Less accumulated depreciation	(1,466,239)	(1,393,309)
Total plant and equipment	108,401	125,223
 <i>Computer software</i>		
At cost	21,654	21,654
Less accumulated depreciation	(21,654)	(21,654)
Total computer software	(0)	635
 Leasehold improvements		
Independent valuation in 2016	4,607,000	4,607,000
Less accumulated depreciation	(115,175)	-
Total leasehold improvements	4,491,825	4,607,000
Total property, plant and equipment	7,988,869	8,131,223

NOTE 8: PROPERTY PLANT AND EQUIPMENT (cont)

Movements in Carrying Amounts

	Freehold land \$	Buildings \$	Plant and equipment \$	Computer software \$	Leasehold improvements \$	Total \$
2017						
Balance at the beginning of year	2,950,000	449,000	125,223	-	4,607,000	8,131,223
Additions	-	-	56,108	-	-	56,108
Disposals	-	-	-	-	-	-
Depreciation expense	-	(10,357)	(72,930)	-	(115,175)	(198,462)
Revaluation increment/(decrement)	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Carrying amount at the end of year	2,950,000	438,643	108,401	-	4,491,825	7,988,869

NOTE 9: OTHER ASSETS

	2017 \$	2016 \$
Current		
Prepayments	69,807	46,258
Accrued income	103,654	79,914
	<u>173,461</u>	<u>126,172</u>
Non-Current		
Works of art	67,434,945	57,749,542
	<u>67,434,945</u>	<u>57,749,542</u>
Directors' basis of valuation:		
At independent valuation - 31 December 2017	67,434,945	56,505,901
Donations received based on independent valuation		1,234,096
Acquisition at cost		9,545
	<u>67,434,945</u>	<u>57,749,542</u>

In addition to the works of art owned by the company or subject to enduring stewardship arrangement disclosed above, the value of works of art on long-term loan to the company or subject to non-enduring stewardship arrangements total \$7,129,900 which has not been recorded as an asset of the company.

NOTE 10: TRADE AND OTHER PAYABLES

	2017 \$	2016 \$
Current		
Unsecured liabilities		
Trade payables	373,869	435,451
Other payables		
- Deferred income	722,964	730,542
- Other payables (GST)	44,251	69,628
- Employee accruals	40,824	47,020
Café Heide Performance Bond (held in Trust)	87,524	87,524
	<u>1,269,432</u>	<u>1,370,165</u>

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

	2017 \$	2016 \$
NOTE 11: BORROWINGS		
Current		
Credit card amounts payable	1,843	5,418
	<u>1,843</u>	<u>5,418</u>

	2017 \$	2016 \$
NOTE 12: PROVISIONS		
Opening balance at 1 January 2017	236,028	286,482
Additional provisions raised during the year	65,121	124,402
Amounts used	(106,644)	(174,856)
Balance at 31 December 2017	<u>194,505</u>	<u>236,028</u>

Analysis of Total Provisions

Current	189,416	221,503
Non-Current	5,089	14,525
	<u>194,505</u>	<u>236,028</u>

Provision for Long-term Employee Benefits

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

NOTE 13: CAPITAL AND LEASING
COMMITMENTS

	2017 \$	2016 \$
a. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable—minimum lease payments:		
• not later than 12 months	8,280	8,280
• later than 12 months but not later than five years	22,080	30,360
• greater than five years	-	-
	<u>30,360</u>	<u>38,640</u>

The 2017 operating lease balance relates to a photocopier and 3 laser printers (contract expires September 2021).

NOTE 14: RESERVES

	2017 \$	2016 \$
a. Asset Revaluation Reserve		
Records revaluations of non-current assets	39,253,926	30,539,273
b. Donated Artworks Reserve		
Represents the value of works of art donated or bequeathed to the company. Subsequent revaluations of the Works of Art are recognised in the Asset Revaluation Reserve.		
	27,162,590	26,199,140
c. Financial Asset Revaluation Reserve		
Records the unrealised gain on financial investments	281,811	299,477
d. Equipment Replacement Reserve		
Represents the joint contribution of the company and licenced operator of the Café Operator (Orletto Holdings trading as Café Heide) to fund replacement of café equipment.		
	139,497	116,987

NOTE 15: ECONOMIC DEPENDENCE

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

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

Following an organisational restructure in 2017, key management personnel are determined to be the Board of Directors, Director/Chief Executive Officer, Chief Operating Officer, two Senior Curators and the Development Director. In 2016 key management personnel were determined to be the Board of Directors, Director/Chief Executive Officer, Deputy Director and the Business, Finance & HR Manager.

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

During 2017, there were no new or existing loans to directors.

ii. Compensation for Key Management Personnel

Directors of the Company have not been remunerated for the financial year.

Other key management personnel compensation comprised the following:-

	2017 \$	2016 \$
Short term benefits	482,738	291,688

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

iii. Key Management Personnel

The company's related parties include its Board of Directors as described below.

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

Justin Bown (resigned June 2017)	Jono Gelfand
Kate Jenkins	John Lee
Steven Skala AO	Nancy Underhill
Terry Wu	Sharni Zoch

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

NOTE 16: RELATED PARTIES (cont.)

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

Key Management		2017 \$	2016 \$
Personnel	Transaction		
Directors	Donations (cash)	33,409	10,545
Directors	Donations (in-kind)	-	-
Directors	Purchase of goods and services	14,864	36,451

NOTE 17: CASH FLOW INFORMATION

Reconciliation of cashflow from operations with surplus for the year

	2017 \$	2016 \$
Net surplus for the year	1,102,248	1,415,415
Non-cash flows in surplus:		
Depreciation and amortisation of non-current assets	198,462	393,114
Loss/(profit) on disposal of investments	(85,987)	(82,664)
Brokerage costs	4,010	625
Works of art (donated)	(963,450)	(1,431,134)
Bad Debts	(7,288)	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and term receivables	(7,234)	(224,589)
(Increase)/decrease inventories	(39,738)	15,338
(Increase)/decrease in other assets	(23,550)	1,219
Increase/(decrease) in trade payables and accruals	(87,041)	113,858
Increase/(decrease) in other grants and advance	(13,774)	93,318
Increase/(decrease) in provisions	(41,523)	(50,454)
	<u>35,135</u>	<u>244,046</u>

NOTE 18: FINANCIAL RISK MANAGEMENT

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

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

	2017 \$	2016 \$
Financial assets		
Cash and cash equivalents	687,245	959,853
Trade and other receivables	851,327	867,832
Term deposit	89,900	87,524
Available-for-sale financial assets		
Equity investments	1,067,746	757,681
	2,696,218	2,672,890

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

Financial Liabilities

Financial liabilities at amortised cost

Trade and other payables	414,693	482,471
Borrowings	1,843	5,418
	416,536	487,889

Net Fair Values

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

NOTE 19: CONTRA SPONSORSHIP

Heide receives sponsorship in the form of graphic design, printing, catering, photography and advertising and pro bono legal advice in exchange for promoting the provider as a corporate supporter of the gallery. The value of contra sponsorship included in the financial statements at Note 2 Revenue: Donations and Sponsorship (gifts in kind) is \$707,017 (2016: \$524,997).

NOTE 20: FAIR VALUE MEASUREMENTS

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

		2017 \$	2016 \$
Recurring fair value measurements			
Financial assets			
Available-for-sale financial assets			
Shares in listed corporations	(i)	1,067,746	757,681
Property, plant and equipment			
Freehold land at fair value	(ii)	2,950,000	2,950,000
Buildings at fair value			
Independent valuation in 2016		449,000	449,000
Less accumulated depreciation		(10,357)	-
Total buildings		438,643	449,000
Leasehold improvements			
Independent valuation in 2016		4,607,000	4,607,000
Less accumulated depreciation		(115,175)	-
Total leasehold improvements		4,491,825	4,607,000

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

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

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

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

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

- a) All works over \$100,000 to be independently valued. Independent valuation may refer to a process of outsourcing all valuation research, documentation and review, to an external party or undertaking research and documentation in-house with an external review of revised valuations.
- b) The balance of the collection being works valued at \$10,000 or less to be valued from quality images and catalogue details.

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

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

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

Charles Nodrum, an approved valuer under the Cultural Gifts Program, undertook a valuation of the collection as at 31 December 2017 and valued the collection at \$67,434,945. In 2017 Heide received donated works of art at a value of \$963,450 (2016: \$1,431,134). This is reflected in the collection valuation (Note 9 Other Assets).

NOTE 21 COMPANY DETAILS

The registered office of the company is:

Heide Park & Art Gallery
7 Templestowe Road
Bulleen VIC 3105

DIRECTORS' DECLARATION

In the opinion of the Directors of Heide Park & Art Gallery:

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

(i) Giving a true and fair view of its financial position as at 31 December 2017 and of its performance for the financial year ended on that date; and


(ii) Complying with Australian Accounting Standards—Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Act 2012; and

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

Signed in accordance with a resolution of the Directors:



Sharni Zoch
Director



Steven Skala AO
Chairman

Dated the 20th day of April 2018



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

Report on the financial report

Opinion

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

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

- i. giving a true and fair view of the company's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

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

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

Responsibilities of the Directors for the Financial Report

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

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

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



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

Auditor's responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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

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

A handwritten signature in black ink that reads "Seward Dawson".

Seward Dawson Chartered Accountants

A handwritten signature in black ink that reads "Jeffrey Tulk".

Jeffrey Tulk
Partner

Blackburn VIC
Dated: 20 April 2018