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Heide Museum of Modern Art tells the story of modern art in Australia through the heritage of John and Sunday Reed and the unique environment in which they lived. The Museum maintains their philosophy of support for contemporary art.
PATRONS, FELLOWS, BOARD OF DIRECTORS
AND COMPANY MEMBERS

FOUNDING PATRON
Sir Rupert Hamer AC KCMG, 1916 – 2004

PATRON
Mrs Terry Bracks

FELLOWS
Dr H Norman B Wettenhall AM, 1988
1915 – 2000
Georges Mora, 1913 – 1992 1989
Maria Prendergast 1990
Bailie Myer AC 1992
Loti Smorgon AO 1993
Victor Smorgon AO 1993
Dr Barrett Reid AM, 1926 – 1995 1994
Dr Tom Quirk 1995
Maudie Palmer 1997
The Hon. Mr Justice Charles 1998
Christine Collingwood 1999
Albert Tucker AO, 1914 – 1999 2000
Barbara Tucker 2000
Tom Lowenstein 2002

BOARD OF DIRECTORS
Trevor Tappenden Chairman
Kerry Gardner Deputy Chairman
Dr Janine Burke
Craig Kimberley (from December)
Bryce Menzies
Ken Ryan (from December)
David Walsh
Rob Adams (to March)
James Colquhoun (to October)
Michael Roux (to March)

COMPANY MEMBERS
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Ken Cato
The Hon. Mr Justice Charles
Joan Clemenger
Christine Collingwood
Patricia Cross
Janne Faulkner AM
Jeff Floyd
Julia King
Tom Lowenstein
Professor Ray Martin
Sarah McKay
Ian McRae
Dr Thomas Quirk
Rosemary Simpson
Deryk Stephens
Chris Thomas
During 2003 Heide underwent significant transition to re-emerge as a major art destination. This was a year full of challenge, change and excitement highlighted by:

- the appointment of Lesley Alway as Director in August
- confirmation of the New Development with revised plans for a new gallery space, retail shop, art storage, and car park
- revision of the plans for the new Education Centre, now to be expanded
- achieving critical acclaim for our exhibitions
- extraordinary dedication and commitment from our staff and volunteers, to embrace these changes and look to the future

At the time of this report we are commencing the calling of tenders for the new Education Centre/Office accommodation, which are due to be completed by late 2004. We are also finalizing the revised plans for the New Development and expect to start work on the car-park by December this year, with completion of the entire development by the end of 2005.

In addition to these significant achievements our financial performance has also improved. The surplus for the year from ordinary activities is $536,820 compared with a deficit in the prior year of $205,447. However, we recorded an operating deficit of $252,825 compared to a deficit of $803,064 from the previous year.

There are a number of reasons for this improvement with increased Government funding being a significant component. We gratefully acknowledge this support from all levels of Government which imposes on us a tremendous responsibility to the people of Victoria, and all visitors, to provide access to a cultural experience of the highest standards.

Whilst Heide will report total assets of over $32 million the cost of maintaining our works of art and property and equipment, as well as providing world-class exhibitions, is ever increasing. Revenue and support from non-government sources must be continually increased to ensure we can continue to operate to the high standards we seek and which are now expected by the visiting public.

Support from the public, our sponsors and partners, donors, and from the Members of Heide, has been outstanding, reflecting our overall improved performance and the restoring of confidence with our stakeholders. We look forward to this ongoing support and the Board and staff of Heide are committed to ensuring Heide performs as a world class museum.

On behalf of the Board I would like to acknowledge the contribution of Warwick Reeder, during his seven years as Director of Heide. I also acknowledge our former Founding Patron, Sir Rupert Hamer, who recently passed away. He was the instigator of Heide as a public museum and we are truly grateful for his foresight and vision.

This has been a demanding year for your Board and I thank them for their dedication and commitment to Heide. I look forward to their contribution and that of our new directors, as we embark upon another busy and exciting year. I would also like to acknowledge the substantial contributions of Board members who resigned during 2003: Rob Adams served for six years and James Colquhoun and Michael Roux served for 4 years.

None of this would be possible without our staff. They have performed in an extraordinary fashion to deliver some outstanding exhibitions. Special recognition is made of our Senior Curator Zara Stanhope for her creativity and courage to push the boundaries of Heide’s mission, and deliver a challenging and entertaining program of exhibitions.

With the leadership of our new Director Lesley Alway, I am confident our exhibition program and the overall performance of Heide will continue to succeed in all ways.

T W Tappenden
Chairman
OVERVIEW

It gives me a great deal of pleasure to report on Heide’s program for 2003. I have enjoyed a very warm welcome since I joined Heide in August 2003 and would like to acknowledge the support of the highly professional and enthusiastic staff and Board of Directors, particularly the Chairman Mr Trevor Tappenden. Heide is pleased to be part of the reinvigoration of Victoria’s cultural infrastructure that has occurred in Melbourne as well as regional and metropolitan areas. The Museum will maintain its role as one of Victoria’s major galleries, offering a unique experience of landscape, art and architecture.

Lesley Alway
Director

EXHIBITIONS AND EVENTS

The main exhibition space, Heide III, hosted four major exhibitions during 2003:

Douglas Annand: The art of life, A National Gallery of Australia Travelling Exhibition, from 15 February to 9 June which showcased one of Australia’s most prolific but lesser known graphic artists of the 1930s-50s, Douglas Annand.

SUBLIME 25 Years of the Wesfarmers Collection of Australian Art from 21 June to 28 September, featuring works from one of the nation’s most extensive corporate collections of Australian art.

This was the future… Australian Sculpture of the 1950s, 60s, 70s & today from 4 October to 7 December, the highly acclaimed exhibition curated by Heide’s Senior Curator, Zara Stanhope.

Australian Surrealism The Agapitos/Wilson Collection An Art Gallery of South Australia Travelling Exhibition, opened on 16 December and continues through to 28 March 2004.

Visitation to Australian Surrealism exceeded budget by 30%, demonstrating not only the integrity and quality of the show, but also the success of the highly coordinated marketing campaign developed to promote the exhibition.

In Heide II, the award winning ‘gallery for living’ built for the Reeds in 1964-7, also had a very busy schedule with some notable and some very successful shows of emerging artists. These included Soft Steel – eX de Medici, featuring work by the Canberra based artist, and exhibited as part of the 2003 L’Oreal Melbourne Fashion Festival Arts Program. This was followed by a survey of recent work by Linde Ivimey, entitled Close to the Bone, Linde Ivimey, Sculpture, comprising sculptures created from materials such as chicken bones. This exhibition curated by Kelly Gellatly developed a high level of interest through word of mouth and street press. Likewise, I heard it on the grapevine… profiled the work of six young artists previously exhibited in artist-run-spaces, so for most of these artists it was their first “public gallery” exhibition. Contemporary sculpture also featured in Heide II during October and November as part of the major Australian sculpture survey This was the future… Exhibitions such as these which profile young artists to a broader audience are entirely consistent with the philosophy of Heide’s benefactors, John and Sunday Reed who were committed to the support and development of contemporary Australian art and design.

Douglas Annand. The Typist. Cover design for The Home, vol 17, no.7, July 1936

Collage of rope, beads, pencils, ribbon, cigarette, erasers, coloured paper, matchstick, cut photographs on fabric mounted on card

33.4 x 31.6 cm

National Gallery of Australia
The final exhibition in Heide II was Judging Architecture: Issues, Visions and Triumphs: Victorian Architecture Awards 1929-2003. This exhibition was generated from the Royal Australian Institute of Architects' review of the last 75 years of Victorian architecture awards and a reassessment of the 'best' buildings. It features both documentation of the original photographs of selected buildings as well as the rephotographing of each site by Australia's most noted architectural photographer, John Gollings. This show has generated wide media and public interest. The People's Choice Award is generating strong public interest and will be announced in February 2004.

The restored Heide I continues to generate strong interest amongst our visitors. In the first half of 2003 this gallery was the site for three shows, Moments of Mind: the Sweeney Reed Collection in conjunction with PLANS: A Sculptural Situation by Gail Hastings. In July, Heide I showed Neil Douglas: An Artist In Nature's Garden which featured paintings and ceramic ware by Heide's original gardener. Sadly Neil passed away shortly after the exhibition closed in late October, but we were pleased that he had been able to attend the opening surrounded by family and friends. This exhibition was displayed concurrently with A Tribute to Hal Hattam, a collector, patron and artist in his own right associated with the Reed Circle that was opened by Patrick McCaughey. In response to visitor interest in understanding more about the role of Heide and the Reeds in Australian art, a new exhibition, Art and Life at Heide followed. This profiles key works from Heide's permanent collection and highlights the role of the Reeds and their circle in the development of Australian modernism, including Nolan's Ned Kelly series and the Angry Penguins.

In addition to its core exhibition program Heide also ran a spring garden festival during October, Growing Heide, a range of public and education programs for both students and adults. Heide progressed its redevelopment plans for both a new Education / Administration Centre and improvements to the visitor and exhibition facilities in Heide III. It is expected that building work will progress during 2004 and 2005 to be finalised in time for a major exhibition Heide is planning to coincide with the Commonwealth Games in March 2006.

Total visitation to Heide's galleries in 2003 was 49,302, with an estimated additional 15,000 grounds-only visitors. On a monthly average basis Heide's visitation trend improved through 2003 compared to the preceding year.
OPERATIONS REPORT continued

COLLECTION

Heide’s Collection policy was reviewed and ratified in 2003 as the principal reference point for the Board and management in the on-going shaping of the Museum’s Collection.

Acquisitions in 2003 included the Caroline Williams work Horse Listening to a Landscape c 1985, gifted to Heide by Maudie Palmer and Judy Walsh to commemorate Heide’s 21st year. Alun Leach-Jones’ gift of Sweeney Reed letters and poems also particularly highlight the fact that Heide manages a growing archive of historical material.

A highlight was the culmination of the major Collection Digitisation program undertaken through the support of the Ian Potter Foundation via its Art Museum Collections Accessibility Initiative (AMCAI). This complex project was begun in 2001 and progressively achieved digitisation of the Museum’s Collection, celebrated in September with the launch by Heide’s Patron, Mrs Terry Bracks, of a CD-ROM of Collection Highlights. The AMCAI project concurrently supported the Museum’s community outreach program which established the basis for ongoing programming for specific parts of the regional community.

EDUCATION AND PUBLIC PROGRAMS

Heide’s Education and Public Programs presented a wide range of tailored and inventive events and learning opportunities, responding to a diverse cross-section of the local and regional community. In addition, the Museum maintained its regular programming of guided tours and weekly focus talks through its committed and professional Volunteer Guides corps.

Manningham City Council continued its support for the Museum’s community program and many of the programs built on relationships with community groups also developed through the Ian Potter Foundation’s Art Museum Collections Accessibility Initiative triennial grant. Creative Spaces, presented in April, was a notable example of the strength of this approach, with Heide, the Melbourne Symphony Orchestra and Manningham Park Primary School collaborating to create and produce a musical performance based on the children’s responses to Heide and Nolan’s Ned Kelly series.

The education program attracted strong responses from all levels of the formal education sector, with a new program based on teaching the art of philosophical enquiry instigated, through a new partnership with the Department of Education Employment and Training.
PARKS AND GARDENS

Heide’s Park and Gardens are undeniably key features of Heide’s heritage and visitor attraction and have continued to provide a beautiful setting for visitors and functions over the year.

With the continuing drought, water restrictions and other resource constraints, attention has been focused on sustaining the Kitchen Gardens, particularly in the recently established Heide I Vegetable Garden. Intensive work allowed the gardens to feature for major events such as the inaugural Growing Growing Heide. However a program of major cyclical renovation over the next three years is being developed to allow the Park’s special environment and feature gardens to be sustained.

The ‘once in a hundred years’ storm that hit north-east Melbourne in December also caused significant erosion damage to most paths and tracks and the Heide II Kitchen Garden.

MARKETING AND DEVELOPMENT

Annual Partnerships were significantly strengthened as part of this overall strategy through the review of the partnership framework which introduced a new category, Education & Public Programs Partners. This new category encompassed Manningham City Council and new partners, the Department of Education & Training. Arts Victoria increased its commitment to Heide with the announcement of $650,000 per annum as a triennial funding agreement. The State Government also provided project specific support through its Indemnification Scheme for Douglas Annand: The art of life and SUBLIME: 25 Years of the Wesfarmers Collection of Australian Art. Domaine Chandon continued its support as a Principal Partner.

Industry Partners Gollings Pidgeon commenced in July 2003 and enabled Heide to develop a more cohesive and comprehensive identity including an update of Heide’s brand and the production of new print materials. Damm Fine Food became a new Industry Partner mid-year replacing Blake’s Feast, in a joint partnership for the re-launch of the restaurant, now known as Heide Café. This relationship has allowed for flexibility in the use of the venue and for a close alignment of the Café’s profile and operations with those of the Museum.

Continuing Industry Partner, Web Prophets, contributed to the highly successful evolution of the Heide website in December. Other continuing Industry Partners included Aalto Colour, John Brash Fotograffi, Christie’s Australia Pty Ltd and Image Online. A special thanks to Ron Butters (design) who has been a long term supplier of Heide, until mid year.
In 2003, Heide developed a centralised communications strategy, with new marketing collateral focusing on the promotion of individual exhibitions and, more broadly, identifying Heide as a cultural destination. The resulting highly co-ordinated marketing campaigns included wider brochure distribution beyond key partners, arts organisations and local facilities, to street distribution in cafés, shops, cinemas and other retail outlets throughout inner Melbourne and the local vicinity. Heide’s on-site signage was also updated, integrating directional information with snapshots of Heide history.

Another major development in Heide’s marketing campaign was the website redesign by our continuing Industry Partner, Web Prophets. Coming online at the beginning of December 2003 for the opening of the exhibition Australian Surrealism, The Agapitos/ Wilson Collection, preliminary figures for the new look website www.heide.com.au quickly demonstrated a marked increase in user traffic.

A new Heide Membership program was created in late 2003. This program has enabled a high level of servicing for members through our Visitor Service desks, as well as the more effective development and co-ordination of Membership events within Heide’s existing Public Programs and communication campaigns. With an immediate response from many members of the Friends of Heide, which wound up in November, and also new members, membership was 600 strong by the end of the year.

A first stage review of Heide admission prices was undertaken in mid-2003, resulting in the introduction of a Public Programs ticket offer. This offer provided a customised package for visiting groups that incorporated gallery admission and light refreshments at Heide Café.

BUILDING PROGRAM

Phase I of the New Development was the restoration of Heide I, which opened in late 2001 and has subsequently won two major heritage awards, including the Royal Australian Institute of Architects Award for Heritage Conservation 2003.

Heide made strong progress with its further redevelopment plans, following the decision mid-year to direct the New Development in line with funding availability and a changing cultural environment with a number of facilities opened in Melbourne over the last couple of years. Phase II will be the construction of the new Sidney Myer Education Centre and administration wing during the second half of 2004 and Phase III will be the redevelopment of Heide III including the new Albert and Barbara Tucker Gallery, improved visitor amenities and collection storage as well as the construction of Federation Way to provide improved vehicle access and car parking. This will occur during 2005 with the redesigned gallery opening in March 2006 to coincide with the Commonwealth Games.

This building program has been made possible through the generous support of both government and philanthropic funds including the Victorian State Government through the Community Support Fund, the Commonwealth Government’s Federation Fund and the Sidney Myer Fund.
## Exhibitions and Events

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<td>Slow release: recent photography in New Zealand</td>
<td>Adam Art Gallery, Victoria University, Wellington, New Zealand</td>
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<td></td>
<td>A Heide Museum of Modern Art Travelling Exhibition</td>
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<td><strong>16 November 2002 – 23 February 2003</strong></td>
<td>Many Happy Returns: Celebrating Heide's 21st Birthday Year</td>
<td>Heide II</td>
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<td><strong>7 December 2002 – 2 February 2003</strong></td>
<td>David Larwill: Stuff that Matters</td>
<td>Heide III</td>
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<td><strong>25 January – 5 July 2003</strong></td>
<td>Moments of Mind, the Sweeney Reed Collection</td>
<td>Heide I</td>
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<tr>
<td><strong>25 January – 5 July 2003</strong></td>
<td>PLANS: A Sculptural Situation by Gail Hastings</td>
<td>Heide I</td>
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<td><strong>15 February – 9 June 2003</strong></td>
<td>Douglas Annand: The art of life</td>
<td>Heide III</td>
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<td>A National Gallery of Australia Travelling Exhibition</td>
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<td>Soft Steel – eX de Medici</td>
<td>Heide II</td>
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<td><strong>17 May – 10 August 2003</strong></td>
<td>Close to the Bone, Linde Ivimey, Sculpture</td>
<td>Heide II</td>
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<td><strong>21 June – 28 September 2003</strong></td>
<td>SUBLIME 25 Years of the Wesfarmers Collection of Australian Art</td>
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<td><strong>12 July – 26 October 2003</strong></td>
<td>A Tribute to Hal Hattam</td>
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<td><strong>16 August – 28 September 2003</strong></td>
<td>I heard it on the grapevine… Melbourne's new art</td>
<td>Heide II</td>
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<td><strong>4 October – 7 December 2003</strong></td>
<td>This was the future… Australian Sculpture of the 1950s, 60s, 70s &amp; today</td>
<td>Heide II, III &amp; Sculpture Park</td>
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## Exhibitions and Events

### Special Events

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<tr>
<td>15–26 October 2003</td>
<td>Growingrowing Heide Outdoors at Heide</td>
<td>Heide Gardens &amp; Sculpture Park</td>
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### Continuing Exhibitions

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<td>Art and Life at Heide</td>
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<tr>
<td>16 December 2003 – 28 March 2004</td>
<td>Australian Surrealism The Agapitos/Wilson Collection An Art Gallery of South Australia Travelling Exhibition</td>
<td>Heide III</td>
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Heide Museum of Modern Art gratefully acknowledges the pro-bono assistance of valuers John Buckley, Walter Granek and Christie’s Australia Pty Ltd.

Kevin CONNOR
*Portrait of Sydney III* 1970-71
oil on composition board
244.0 x 397.0 cm
Gift of Wilbow Corporation Pty Ltd through the Cultural Gifts Program 2003

Neil DOUGLAS
*Untitled (Landscape)* c. 1963-64
oil on composition board
68.5 x 91.5 cm
Purchased by the Heide Circle of Donors 2003

Jennifer JOSEPH
synthetic polymer paint on wooden tea chest lids 13 panels, each 50 x 40 cm
Gift of the artist 2003

Alun LEACH-JONES
4 works
Gift of the artist 2003
*(For Sweeney)* 1977
screenprint on paper
sheet 65.1 x 57.2 cm; comp 45.7 x 43.7 cm

*Untitled (Green forms)* 1977
screenprint on paper
sheet 65.4 x 57.1 cm; comp 45.7 x 43.8 cm

*Untitled (Purple forms)* 1977
(Illustration for *Sightings* “In that certain time of morning…”)
screenprint on paper
sheet 64.7 x 56.9 cm; comp 45.6 x 43.5 cm

*Untitled (Blue forms)* 1977
screenprint on paper
sheet 65.7 x 56.9 cm; comp 45.7 x 43.7 cm

Sweeney REED
20 items
Gift of Alun Leach-Jones 2003

Publication: Reed, Sweeney and Leach-Jones, Alun, *Sightings*, Macquarie University 1977

Photocopy of front page of book, Jules Supervielle, *Selected Writings – New Directions*

Letter, Sweeney Reed to Alun Leach-Jones, Anzac Day 1977

Letter, 2 pages, Sweeney Reed to Alun Leach-Jones, “long weekend” 1977

Letter, Sweeney Reed to Alun Leach-Jones, 20 May 1977

Letter, Sweeney Reed to Alun Leach-Jones, 29 May 1977

Letter, 2 pages, Sweeney Reed to Alun Leach-Jones, 26 February 1979

Sweeney Reed, Typewritten poem, “The edge that lies…”

Sweeney Reed, Typewritten poem, “Sitting down to read you again…”

Sweeney Reed, Typewritten poems, pasted to A4 paper (with correction fluid), “The edge that lies”

Sweeney Reed, Typewritten poem, “Location Sketch (I)"

Sweeney Reed, Typewritten poem, “Elsie’s 17th Fix” 1966

Sweeney Reed, Typewritten poem, “The Fall of the Vauxhall Performer”

Sweeney Reed, Typewritten poem, “Location Sketch (II)” 1976

Sweeney Reed, Typewritten poem, “Barbarella”
Sweeney Reed, Typewritten and annotated poem, “Flowers” 1959-1975

Sweeney Reed, Photocopy of typewritten and annotated poem, “a bird...” June 1977

Sweeney Reed, Photocopy of typewritten poem, “Touch in Bloom” 1976

Sweeney Reed, Photocopy of typewritten poem, “The Fall of the Vauxhall Performer” 1976

Sweeney Reed, Photocopy of typewritten and signed poem, “Location Sketch” 1976

Peter TYNDALL
detail: A Person Looks At A Work Of Art/someone looks at something... LOGOS / HA HA 2003
inkjet print on card
29.6 x 21.0 cm
Gift of the artist 2003

Ron UPTON
Untitled 1965
monotype
54.7 x 37.0 cm
Purchased by the Heide Circle of Donors 2003 from the Estate of Maxwell Arthur Marginson

Ron UPTON
Standing figure (1964)
ciment fondu
224 x 111 x 100 cm
Gift of the artist 2003

Caroline WILLIAMS
Horse Listening to a Landscape c.1985
oil on canvas
120.0 x 150.0 cm
Gift of Maudie Palmer and Judy Walsh to commemorate Heide’s 21st year.
GLOBAL ARTS LINK
When I Was Young: Impressions of Childhood
2 November 2002 – 9 February 2003
Charles BLACKMAN
The Shadow 1953
tempera on cardboard
59.0 x 75.0 cm
Purchased from John and Sunday Reed 1980
Charles BLACKMAN
Prone schoolgirl c. 1953
tenacil on cardboard
79.0 x 93.5 cm
Purchased from John and Sunday Reed 1980
John PERCEVAL
Performing Dogs No.1 1943
toil on muslin on cardboard
37.6 x 67.8 cm
Purchased from John and Sunday Reed 1980

STATE LIBRARY OF VICTORIA
Kelly Culture: Reconstructing Ned Kelly
28 February – 25 May 2003
Sidney NOLAN
Ned Kelly 'Nobody knows anything about my case but myself' 1945
tenacil on cardboard
64.0 x 76.0 cm
Purchased with funds provided by the Friends Heide and the Heide Circle of Donors 1998
Albert TUCKER
King Kelly and his legions 1957
toil, P.V.A, collaged foil and cardboard on composition board
On loan from Barbara Tucker 2000
Joy HESTER
Fun fair c. 1946
brush and ink, watercolour, coloured chalk, pencil on paper
20.2 x 25.2 cm (comp & sheet)
On loan from Barbara Tucker 2000

RMIT GALLERY
Sculpture at RMIT during the Jomantas years 1961-1987
11 July – 29 September 2003
George BALDESSIN
Personage, window and factory smoke 1966
synthetic enamel on cast and fabricated aluminum
171.1 x 218.5 x 66.0 cm
On loan from Tess Baldessin

NATIONAL GALLERY OF VICTORIA,
THE IAN POTTER CENTRE,
FEDERATION SQUARE
Peter Booth Retrospective
28 November 2003 – 8 February 2004
Peter BOOTH
Painting 1986
toil on canvas
167.0 x 244.0 cm
Purchased 1987
LENDERS

2121 Furniture
Andrew Hazewinkel
Andrew Klippel
Anna Finlayson
Anna Schwartz Gallery
Ballarat Fine Art Gallery
Barbara Johnson
Barbara Tucker
Bert Flugelman
Bill Nuttall and Annette Reeves
Bonita Ely
Brendan and Sian Tolley
Carlier Makigawa
Charles Nodrum Gallery
Chris Bond
Christopher Langton
Cotham Gallery 101
Damiano Bertoli
Danius Kesminas
Darren Knight Gallery
Domenico de Clario
Drill Hall Gallery and Art Collection
Elizabeth Arthur Fine Art
Elizabeth Gibson
Elizabeth McFarland
Estate of George Baldessin
eX de Medici
Fabian Douglas
Gail Hastings
Gary Wilson
Geelong Art Gallery
Geoffrey and Virginia Hassall
Gollings Pidgeon
Gwen Ford
Ian Potter Museum of Art
Jack Waites
Jason Hartcup
Hindmarsh Shire Council
Joan Grounds
Joan McClelland
Jock Clutterbuck
John Krzywokulski
John Meade
Julia Gorman
June Brown
Karen Hallmark
Kashell Robertson-Swann
Katherine Hattam
Kate Hattam
Kevin Mortensen
Kyle Redpath
Latrobe Regional Gallery
Linde Ivimey
Lisa Young
Margaret Douglas
Mark Galea
Marr Grounds
Martin Hoare
Marvin Hurnall
McClelland Gallery and Sculpture Park
Michael Carr Art Dealer
Michael Kitching
Michelle Guglielmo
Mikala Dwyer
Mildura Arts Centre
Monash University Museum of Art
Mr and Mrs Colin Laverty
Mrs Jill O’Brien
Nadine Christensen and Andrea Blundell
Narinda Cook
National Gallery of Victoria
Neil Douglas
Nigel Lendon
Noel Hutchison
Noelene Lucas
Pamela, Mishka and Danila McIntosh
Paul Irving
Paul Knight
Penrith Regional Art Gallery and Lewers Bequest
Peter Cripps
Peter D Cole
Professor Emeritus Margaret Plant
Rae Rothfield
Ray Hughes
Ron Upton
Sanja Pahoki
Sarah Cottier Gallery
Shepparton Art Gallery
Sherman Galleries
Simeon Nelson
Softiel Collection
Stonington Stables Museum of Art
Susan Dye
Sutton Gallery
Sydney Ball
Tess Baldessin
Tony Trembath
Valerie Alibston
Vlase Nikoleski
Victorian Arts Centre
Wollongong City Gallery Donors
Heide Museum of Modern Art acknowledges with gratitude all following contributors:

**NEW DEVELOPMENT**

Established in 2001 in support of fundraising for the New Development. Phase 1 was completed in December 2001 with the opening of the Heide 1 heritage house and garden restoration.

**Government Supporters**

Victorian State Government through the Community Support Fund
Commonwealth Government through the Federation Fund

**Building Fund Donors**

Adams Pest Control
Robert and Elizabeth Albert
Kate Béchet
Becton Construction Group Nominees Pty Ltd
Christine and John Collingwood
J J and E R Colquhoun
Lorraine Carr
Stephen and Jenny Charles
Dr Andrew Churchyard
Joan and Peter Clemenger AM
Susan Crennan QC
Lauraine Diggins
Dr Ian and Mrs Marie Donald
Rose and John Downer AM
Denise Farnan
John Fittock
Ken and Diana Fletcher
William J Forrest
Friends of Heide
Patricia Fullerton
Kerry Gardner
Richard and Isabella Green
Lesley and Peter Griffin
Neil and Angela Gunn

Anthony and Cathie Hancy
Craig and Connie Kimberley
Dr Richard and Mrs Andrea King
Elizabeth H Loftus
Jill McFarlane
Judith and John Middleton QC
Sidney Myer Fund
Maria and Allan Myers QC
Geraldine O’Sullivan
The Hon. Justice Pagone and Mrs Margaret Pagone
The Parncutt Family Foundation
Dr Ronald Robinson
Meredith Rogers
Ron Selkirk
Loti Smorgon AO
Victor Spitzer
Dr Diana Starr
Cheryl and Chris Thomas
Robyn and Ross Wilson
Sir John Young KCMG AC

**KEN FLETCHER MEMORIAL FUND**

A Memorial Fund established to commemorate the leadership of the late Ken Fletcher, Chairman of the Heide Board of Directors from 1997 to 2002. Funded by individual donors (not listed).

**GRAEME STURGEON MEMORIAL TRUST**

A privately funded Trust in support of the acquisition and exhibition of sculpture at Heide.
CIRCLE OF DONORS
An annual program supporting the acquisition of artworks for the Museum’s Collection.

Christopher Baker
Helen and Ken Barnes
Lucy Carruthers
Beverley and Alan Castleman
Ian and Marie Donald
Denise Farran
William J Forrest
David Freeman
John and Margaret Harrison
Diana Morgan
Edna Newton
Laurence O’Keefe
Caroline Phillips
Victoria Ponsford
Peter and Sally Redlich
Richard and Vivienne Reed
Ian Rogers
Rae Rothfield
Elizabeth Sevior
Gene Sherman
Peter and Noelle Thomas
Jeffrey Turnbull
Elisabeth Wagner
Caroline Walford
Ralph and Barbara Ward-Ambler AM
Sir John Young KCMG AC
Tom and Barb Yuncken

GEORGES MORA FOUNDATION
A Commemorative Fund that has supported various Museum initiatives and programs.

Founder Benefactors
National Australia Bank
William J Forrest
Loti and Victor Smorgon

Foundation Members
Robert and Elizabeth Albert
Marc and Eva Besen
Stephen and Jenny Charles
Alex and Elizabeth Chernov
Peter and Jan Clark
Joan Clemenger
Christine and John Collingwood
Bill and Jan Conn
Ray Finkelstein and Leonie Thompson
Peter and Lesley Griffin
Peter and Mary Hayes
Kim and Mary Lou Jelbart
Tom and Sylvia Lowenstein
Macquarie Bank Limited
Jim and Katherine Morgan
Nigel and Diana Morgan
Bailieu and Sarah Myer
Peter McMahon
Thomas and Sue Quirk
Robert and Rosemary Simpson
Sam and Minnie Smorgon
Margaret Stewart
Chris and Cheryl Thomas
Sandra and Leon Velik
Gerry and Elisabeth Wagner
Ralph and Barbara Ward-Ambler AM
David and Margaret Walsh
Norman and Joan Wettenhall
David Wynn
Victor Wynn of Whitton Holdings
DONORS AND PARTNERS continued

GEORGES MORA FOUNDATION continued

Foundation Donors
Alan Cornell of Blake Dawson Waldron
Australian Galleries
Carrillo Gantner
Richard and Isabella Green
Peter and Neroli Hansen
Alex and Marjory Lynch
Ian and Gael McRae
Mallesons Stephen Jaques
Elizabeth Morgan
Maudie Palmer
Ruth and Ralph Renard
Len and Eve Ryder
Berek and Marysia Segan
Tom and Karin Smyth
Lyn Williams
Michael and Prue Wright

GENERAL MUSEUM OPERATIONS

Heide received a variety of donations (cash and in-kind) which contribute to daily operations. These included:
Wesfarmers Energy’s donation of gas heaters for the Loti Smorgon Courtyard
An annual partnership structure was revised in 2003 to include a category education & public programs partners.

### Annual Partners (By Category) ORGANISATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Partner</td>
<td>Arts Victoria</td>
</tr>
<tr>
<td>Principal Partners</td>
<td>Domaine Chandon, The Ian Potter Foundation (triennial funding ending September 2003)</td>
</tr>
<tr>
<td>Education &amp; Public Programs Partners</td>
<td>Manningham City Council, Department of Education and Training (NEW)</td>
</tr>
<tr>
<td>Industry Partners</td>
<td>Aalto Colour, Blakes Feast (ending June 2003), John Brash Fotograffiti, Ron Butters (ending June 2003), Christie's Australia Pty Ltd (NEW), Damm Fine Food (NEW), Image Online, Gollings Pidgeon (NEW), Web Prophets Pty Ltd</td>
</tr>
</tbody>
</table>

### Exhibition Partners (By Exhibition) ORGANISATION

<table>
<thead>
<tr>
<th>Exhibition</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas Annand: The art of life</td>
<td>National Gallery of Australia, Australian Air Express</td>
</tr>
<tr>
<td>Soft Steel, eX de Medici – Recent Work</td>
<td>L’Oréal Melbourne Fashion Festival</td>
</tr>
<tr>
<td>SUBLIME 25 Years of the Wesfarmers Collection of Australian Art</td>
<td>Wesfarmers Arts, Visions of Australia, Art on the Move, Arts WA, Victorian Government Indemnification Scheme</td>
</tr>
<tr>
<td>This was the future...Australian Sculpture of the 1950s, 60s, 70s &amp; today</td>
<td>Corrs Chambers Westgarth, Gordon Darling Foundation</td>
</tr>
<tr>
<td>Australian Surrealism</td>
<td>The Art Gallery of South Australia, Ord Minnett, Visions of Australia, Victorian Government Indemnification Scheme</td>
</tr>
</tbody>
</table>
CHIEF EXECUTIVE
Lesley Alway
Director (from August)
Warwick Reeder
Director (to May)
Hugh Drummond
Acting Director (May to July)

STAFF
Tim Alves
Museum Supervisor (to December)
Julie-Anne Carbon
Museum Services Manager (to July)
Stephanie Crichton
Registrar, Collection Projects (from April)
Rosalie Dance
Education and Community Programs Manager
Maria Davies
Visitor Services Manager (from July) / Museum Supervisor (to July)
Anna Draffin
Marketing and Development Manager (from January)
Jessica Frean
Executive Officer
Kelly Gottatty
Assistant Curator (to April)
Simon Gregg
Membership Administrator (from August) and Museum Supervisor
Louise Hall
Education Officer (from February)
Melissa Keys
Merchandise Manager
Anna Luzza
Payroll Officer (to December)
Maggie Maguire
Marketing and Development Manager (to January)
Jennifer Marshall
Business Manager (to July)
Susanne Meier
Accountant (from September)
Kendrah Morgan
Assistant Curator (from July)
Noel O’Keefe
Head Gardener
Rebecca Renshaw
Museum Supervisor (from December) / Museum Assistant (to December)
Jennifer Ross
Registrar
Carol Ryan
Community Access Officer (to December)
Alison Sadler
Digitisation Project Coordinator (to September)
Zara Stanhope
Senior Curator
Margaret Swallow
Finance Officer

STAFF – CASUAL
Michael Baxter
Framer
Gary ‘Spook’ James
Art Handler and Installation
Efthimia Kranitis
MAMAS Project Coordinator (to April)

Stella Loftus-Hills
Museum Assistant (from August)
Mark Malmberg
Museum Assistant
Cassie May
Museum Assistant
Travis McArney
Gardener
Lachlan Plain
Gardener
Libby Richardson
Museum Assistant
Tanya Simmons
Museum Assistant (from August)
Tracey Smith
Museum Assistant
Chris Stewart
Gardener
Bernadette Zajd
Museum Assistant (from July)
Volunteer Guides

Valma Angliss AM  
Gaynor Cuthbert  
Leona Haintz  
Geraldine Hamer  
Ngaire Johansen  
Julianne Lewis  
Jill Nicol  
Jane Robinson  
Jennifer Stanisich  
Alison Steel  
Peter Thomas  

Volunteers

Donald Anderson  
Annette Bangay  
Helen Barnes  
Catherine Bennetts  
Esmene Beyzade  
Bronwyn Blackie  
Patsy Blair  
Jenna Blyth  
Jules Burns  
Ilona Caldow  
Anne Carpenter  
Sonya Chandra  
Alex Christophoulos  
Marion Cooper  
Kim Devin  
Janine Doyle  
Amelia Easdale  
Anne Falvey  
Shaun Fielding  
Tasha Forgan  
Justin Gayner  
Robin Gibson  
Connie Handrinos  
Claire Haslope  
Margot Hatcher  
Lynden Hayes  
Louise Heinrich  
Bridget Hooper  
Ingrid Horn  
Samantha Howe  
Madeleine Jenkins  
Katherine Karamitsis  
Denise Keele-Bedford  
Sally Kerr  
Mira Kolieb  
Jan Kondarovskas  
Narelle Law  
Kelly Leahey  
Lillian Lim  
Stella Loftus-Hills  
Caroline Love  
Shirley Lum  
Mark Malmberg  
Alice Man  
Cassie May  
Paul McCassey  
Rachael McCully  
Lisa McDonald  
Anne McLachlan  
Denise McWilliam  
Jan Messelheiser  
Michelle Mills  
Adele Monaco  
Rae O’Shaughnessy  
Kate O’Toole  
Marina Perkovich  
Wendy Peters  
Kathleen Phillip  
Brian Pieper  
Lachlan Poulton  
Vivienne Reed  
Marion Reid  
Rebecca Renshaw  
Jane Robinson  
Simon Rowley  
Gillian Rush  
Heidi Sangster  
Elizabeth Scales  
Simone Schmidt  
Adrienne Shultze  
Kerry Schuurmans  
Pete Silverter  
Jan Simmons  
Tanya Simmons  
Tracey Smith  
Judy So  
Sue Stergo  
Gareth Stokoe  
Alinta Stoutjesdijk  
Celia Sutterby  
Ross Trounce  
Emma Van Leest  
Brigitte Vrombcout  
Bridget Walker  
Tamara Watt  
Merron Williams  
Nancy Wood  
Bernadette Zajd  

Internships and Secondments

Sarah Browne  
Louise Lynch  
Rachel McCully  
Peter Silvester  
Ni Wayan Suarniti
DIRECTORS’ DECLARATION

The directors of the company declare that the concise financial report of Heide Park and Art Gallery for the year ended 31 December 2003:

a) complies with Accounting Standard AASB 1039: Concise Financial Reports, and

b) has been derived from and is consistent with the full financial report of Heide Park and Art Gallery.

Signed in accordance with a resolution of the Board

Mr Trevor Tappenden
Chairman, Board of Directors
7 April 2004

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues from operating activities</td>
<td>2,206,671</td>
<td>1,559,745</td>
</tr>
<tr>
<td>Expenses from operating activities</td>
<td>(2,459,496)</td>
<td>(2,362,809)</td>
</tr>
<tr>
<td>Net deficit from operating activities</td>
<td>(252,825)</td>
<td>(803,064)</td>
</tr>
<tr>
<td><strong>Capital development activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues from capital development activities</td>
<td>789,645</td>
<td>597,617</td>
</tr>
<tr>
<td>Surplus / (deficit) from ordinary activities</td>
<td>536,820</td>
<td>(205,447)</td>
</tr>
<tr>
<td><strong>Net increase / (decrease) in asset revaluation reserve</strong></td>
<td>(221,548)</td>
<td>12,308,039</td>
</tr>
<tr>
<td><strong>Total changes in members funds</strong></td>
<td>315,272</td>
<td>12,102,592</td>
</tr>
</tbody>
</table>

The accompanying notes form part of this concise financial report.
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Assets</td>
<td>996,182</td>
<td>825,339</td>
</tr>
<tr>
<td>Receivables</td>
<td>1,633,604</td>
<td>1,069,494</td>
</tr>
<tr>
<td>Inventories</td>
<td>84,341</td>
<td>50,016</td>
</tr>
<tr>
<td>Other</td>
<td>72,360</td>
<td>32,169</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>2,786,487</td>
<td>1,977,018</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>205,600</td>
<td>633,900</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>587,591</td>
<td>896,859</td>
</tr>
<tr>
<td>Works of art</td>
<td>22,186,455</td>
<td>21,568,045</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>6,332,090</td>
<td>5,782,659</td>
</tr>
<tr>
<td>Capital work in progress</td>
<td>18,387</td>
<td>1,456,100</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td>29,330,123</td>
<td>30,337,563</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>32,116,610</td>
<td>32,314,581</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>242,627</td>
<td>486,384</td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>45,545</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td>37,915</td>
<td>46,531</td>
</tr>
<tr>
<td>Other</td>
<td>1,766,419</td>
<td>1,282,357</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>2,092,506</td>
<td>1,815,272</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Non-Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>61,195</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td>5,471</td>
<td>15,315</td>
</tr>
<tr>
<td>Other</td>
<td>205,000</td>
<td>1,046,828</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td>271,666</td>
<td>1,062,143</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>2,364,172</td>
<td>2,877,415</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>29,752,438</td>
<td>29,437,166</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Members Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>24,792,770</td>
<td>25,008,318</td>
</tr>
<tr>
<td>Accumulated surplus</td>
<td>4,959,668</td>
<td>4,428,848</td>
</tr>
<tr>
<td><strong>Total Members Funds</strong></td>
<td>29,752,438</td>
<td>29,437,166</td>
</tr>
</tbody>
</table>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from operating activities</td>
<td>425,202</td>
<td>463,713</td>
</tr>
<tr>
<td>Operating grant receipts</td>
<td>770,000</td>
<td>340,000</td>
</tr>
<tr>
<td>Other grant receipts</td>
<td>194,359</td>
<td>50,465</td>
</tr>
<tr>
<td>Other receipts</td>
<td>178,845</td>
<td>324,052</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(2,327,193)</td>
<td>(2,075,620)</td>
</tr>
<tr>
<td>Dividends received</td>
<td>90,028</td>
<td>109,823</td>
</tr>
<tr>
<td>Interest received</td>
<td>33,630</td>
<td>7,962</td>
</tr>
<tr>
<td><strong>Net cash outflow from operating activities</strong></td>
<td>(635,130)</td>
<td>(779,605)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital grant and pledge receipts</td>
<td>387,093</td>
<td>644,509</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>453,653</td>
<td>312,015</td>
</tr>
<tr>
<td>Payments for cultural assets</td>
<td>(3,197)</td>
<td>(57,563)</td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(31,576)</td>
<td>(251,458)</td>
</tr>
<tr>
<td><strong>Net cash inflow from investing activities</strong></td>
<td>805,973</td>
<td>647,503</td>
</tr>
<tr>
<td><strong>Net cash flows for the year</strong></td>
<td>170,843</td>
<td>(132,102)</td>
</tr>
<tr>
<td><strong>Cash at beginning of the financial year</strong></td>
<td>825,339</td>
<td>957,441</td>
</tr>
<tr>
<td><strong>Cash at end of the financial year</strong></td>
<td>996,182</td>
<td>825,339</td>
</tr>
</tbody>
</table>

The accompanying notes form part of this concise financial report.
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

NOTE 1
Basis of preparation of the concise financial report
The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Corporations Act.
The financial statements, specific disclosures and other information included in the concise financial report is derived from and is consistent with the full financial report of Heide Park and Art Gallery. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Heide Park and Art Gallery as the full financial report.
The company has changed its accounting policies in the year in relation to building fund donations and non-cash sponsorship. All donations are now recognised as income as they are received, with all donations previously received brought to account. Non-cash sponsorship is recognised as income and is matched by expense items.
All other accounting policies have been consistently applied by Heide Park and Art Gallery and are consistent with those of the previous financial year.

NOTE 2
Operating revenue and expenses

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>2,459,496</td>
<td>2,362,809</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>839,904</td>
<td>779,159</td>
</tr>
<tr>
<td>Marketing expenses</td>
<td>272,607</td>
<td>86,675</td>
</tr>
<tr>
<td>Exhibition expenses</td>
<td>227,330</td>
<td>200,014</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>179,084</td>
<td>115,831</td>
</tr>
<tr>
<td>Cost of investments sold</td>
<td>302,489</td>
<td>166,655</td>
</tr>
<tr>
<td>Other expenses</td>
<td>638,082</td>
<td>1,014,475</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 3
Segment information
The company operates from one geographic location in Melbourne. The principal activities of the company, which is a company limited by guarantee, are the operation and development of the Heide Park and Art Gallery.

NOTE 4
Members’ Guarantee
Each member of the company guarantees to contribute to the assets of the company in the event of it being wound up, to the extent of fifty dollars.

NOTE 5
Reserves

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset revaluation reserve</td>
<td>14,024,597</td>
<td>14,246,145</td>
</tr>
<tr>
<td>Donated works of art reserve</td>
<td>10,768,173</td>
<td>10,762,173</td>
</tr>
<tr>
<td>Total reserves</td>
<td>24,792,770</td>
<td>25,008,318</td>
</tr>
</tbody>
</table>

NOTE 6
Graeme Sturgeon Memorial Trust
Heide Park and Art Gallery acts as trustee for the Graeme Sturgeon Memorial Trust, a trust established to promote the creation and appreciation of Australian contemporary sculpture. The trust funds are administered by the company but are excluded from the financial statements, as the funds must be appropriated in accordance with the deed of trust. At year end the balance of the trust fund was $31,985.
NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Heide Park and Art Gallery concise financial report.

The financial statements and disclosures in the concise financial report have been derived from the 2003 Financial Report of Heide Park and Art Gallery. The discussion and analysis is provided to assist members in understanding the concise financial report. A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request.

Statement of Financial Performance

The surplus for the year was $536,820 (2002 deficit $205,447). The significant improvement in the result is mainly due to:

– An increase in the Triennial grant of $350,000
– Change in accounting policy relating to the recognition of donations for the building development, adding $409,554 to income this year
– Change in accounting policy relating to the recognition of non-cash sponsorships, adding $146,060 to income and expenses

The movement in the asset revaluation reserve is due to:

– the final valuation of the collection by Christie’s being increased by $609,940
– the director’s valuation of the work in progress on leasehold improvements resulting in a decrement of $831,488

Statement of Financial Position

Net assets increased by $315,000 to $29,752,438. The increase is mainly attributable to the following:

– Revaluation of works of art by $618,410
– Reduction of deferred income by $357,766 due to the change in accounting policy relating to building fund donations

Statement of Cash Flows

Cash flows have not changed significantly since 2002. The net operational cash flow has decreased slightly to a net outflow of $635,130 (2002 $779,605).

The net investing cash flow has increased to $805,973 (2002 $647,503) due to a reduction in payments for the redevelopment.