



Art Gallery
of Western Australia

Annual Report 2006–07



MESSAGE FROM THE MINISTER

Another exciting year for the Art Gallery of Western Australia featured a diverse program of exhibitions enabling visitors to experience a wide variety of art forms and styles throughout the year.

A highlight of 2006/07 was the exhibition of Norman Lindsay's two hundred published etchings, which went on display together for the first time in 'Norman Lindsay: Drawn to Women'. The prints, owned by a private collector, were lent to the Gallery to raise funds for acquisitions, and were presented against a small collection of Lindsay's paintings, watercolours and drawings sourced from interstate and local lenders. The exhibition drew a large and appreciative audience, and, after seeing the complete set of published etchings on display, the owners felt the entire set should become the property of the State Art Collection. As a result, in June I had much pleasure in being able to announce this wonderful gift – the largest single gift ever received by the Gallery.

The *Artist in focus* series of exhibitions, which started in 2005, continued throughout the year to wide acclaim, and enabled the Gallery to again showcase the works of Western Australian artists. Rodney Glick and Lynnette Voevodin's DVD video projections, in which each work depicted one 24-hour day in three different Western Australian locations, gave visitors a new perspective on this State. The stunning exhibition, from Sydney's Museum of Contemporary Art, of works by Kimberley artist Paddy Bedford included major paintings drawn from public and private collections across the country, and was a wonderful celebration of the practice of this important artist. The State Art Collection's set of engravings by nineteenth century artist William Blake, depicting the Book of Job, was cleverly juxtaposed against a set of specially commissioned drawings by twenty-first century Scottish artist David Shrigley. As a result of the generosity of several Art Gallery Foundation members, the Shrigley works have been acquired as part of the State Art Collection.

Two favourite events were again highlights of the year. For one weekend in September, the Friends of the Art Gallery's major fund-raising event, 'Art in Bloom', saw the Gallery play host to an amazing array of floral masterpieces, created in response to works on display throughout the building. Almost ten thousand people took advantage of this biennial exhibition to visit the Art Gallery, and it was indeed gratifying to see many family groups enjoying both the artworks and the floral interpretations. In March, 'Year 12 Perspectives' was yet again a vehicle for celebrating the work of the extremely talented youth of this State, as we recognised the magnificent achievements of the 2006 students of Year 12 Art and Art & Design.

The Gallery again collaborated with the UWA Perth International Arts Festival, on this occasion by presenting 'Raised by Wolves', a multi-media exhibition

showcasing the works of twenty-five talented international and Australian artists in response to the theme of the 2007 Festival – ‘The Human Family’.

‘Edge of Desire: Recent Art in India’, a major exhibition mounted in partnership with the Asia Society New York that opened in Perth in September 2004 to showcase some of the most engaging contemporary Indian art, completed its world tour with exhibitions at the Berkeley Museum in California followed by the National Galleries of Modern Art in New Delhi and Mumbai. The relationships formed as a result of such exhibitions continue to play an important role as our State positions itself as a major contributor to the enrichment of cultural, diplomatic and trade ties with other Indian Ocean Rim countries.

At the beginning of the year, Helen Cook succeeded Dario Amara as Chair of the Board, and the resignation of Daniel Tucker saw the appointment of Kellie Benda. Under Helen Cook’s leadership, the Board has continued to set clearly defined objectives for the future, and I thank the Board, Director Alan Dodge, and the Gallery staff for their efforts in making this a very successful year for the Art Gallery of Western Australia.

Hon. S. M. McHale, MLA
MINISTER FOR CULTURE AND THE ARTS

TABLE OF CONTENTS

MESSAGE FROM THE MINISTER	1
STATEMENT OF COMPLIANCE	4
OVERVIEW	5
EXECUTIVE SUMMARY	5
OPERATIONAL STRUCTURE.....	10
PERFORMANCE MANAGEMENT FRAMEWORK.....	16
AGENCY PERFORMANCE – REPORT ON OPERATIONS.....	17
SIGNIFICANT ISSUES AND TRENDS	24
DISCLOSURES AND LEGAL COMPLIANCE	26
FINANCIAL STATEMENTS.....	26
KEY PERFORMANCE INDICATORS	71
MINISTERIAL DIRECTIVES	76
OTHER FINANCIAL DISCLOSURES	76
GOVERNANCE DISCLOSURES	79
OTHER LEGAL REQUIREMENTS	80
GOVERNMENT POLICY REQUIREMENTS	82
FOUNDATION AND SPONSORS.....	83
LOCATION, SERVICES, PROGRAMS AND AMENITIES	88

STATEMENT OF COMPLIANCE

Hon. S. M. M^cHale, MLA
Minister for Culture and the Arts

In accordance with section 28 of the *Art Gallery Act 1959* and section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament the Annual Report of the Art Gallery of Western Australia for the financial year ended 30 June 2007.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

To our knowledge, all relevant written law which has a significant impact on the Art Gallery of Western Australia has been complied with during the year.



Helen Cook
Chair, Board of the Art Gallery
of Western Australia
14 September 2007



Hamish Beck
Member of the Board of the Art
Gallery of Western Australia
14 September 2007

OVERVIEW

EXECUTIVE SUMMARY

The Art Gallery has again played a pivotal role in developing the State Art Collection, in providing visibility for the visual arts in the State, and in advocacy of the value of the arts throughout the community.

In a year when acquisition funds were limited, the Gallery achieved significant acquisitions of Australian historical and contemporary and Indigenous art for the State Art Collection. A highlight was a rare collection of 201 Norman Lindsay etchings. This gift, together with other purchases and donations, continued to build a legacy for future generations of Western Australians.

The Gallery delivered a dynamic exhibition program during 2006/07 including the acclaimed 'Raised by Wolves', which was produced in partnership with the Perth International Arts Festival.

Highlights of the year's program included:

- 'Norman Lindsay: Drawn to Women'
- 'Raised by Wolves'
- 'Art in Bloom'
- 'Year 12 Perspectives'
- 'Western Desert Satellites'
- *Artist in focus*
 - 'Ricky Swallow: THE PAST SURE IS TENSE'
 - 'Kate Daw: The Between Space'
 - 'Under God's Hammer: William Blake versus David Shrigley'
 - 'Rodney Glick and Lynnette Voevodin: 24Hr Panoramas'

The innovative program of *Artist in focus* exhibitions allows for an in-depth look at a single artist or group of artists. Such exhibitions, which feature key works in the State Art Collection, extend the range and possibilities for our community to engage with the art of Western Australia and of Australia generally, along with international art.

The Indigenous program included NAIDOC activities, constructed around a major exhibition, 'Western Desert Satellites', and a major retrospective of one of Western Australia's most important Indigenous artists, Paddy Bedford.

The Gallery continued its commitment to providing access to children and families through the implementation of a program of school-holiday activities and education programs. All program activities are focused on State Art Collection works and displays, and attendances remain high.

For young people the Gallery again presented the immensely popular 'Year 12 Perspectives', showcasing some of the best work produced by Year 12 Art and Art & Design students in Western Australia. This ongoing partnership with the Department of Education and Training continued the Gallery's commitment to youth and education. With the assistance and support of Woodside Energy Ltd, this exhibition toured to Karratha, where community workshops were held. Our partnership with the International Foundation for Arts and Culture allowed an ongoing exchange with Japanese student artists.

Volunteers continued to enrich the experience of visitors with guided tours, front-of-house support and research. During the year the Gallery undertook the training of twenty-two new volunteer guides and provided additional training for current guides. Overall the Gallery worked with 160 volunteers who helped in the delivery of its programs to schools and to the public generally.

In addition to Government goals and agency goals, the Art Gallery contributed to a number of State Government and portfolio initiatives, including the implementation and success of the corporate services reform initiatives implemented by government and the Office of Shared Services roll-out with the Department of Culture and the Arts. The Gallery continues to work closely with the East Perth Redevelopment Authority to help create a big picture for visual-arts outcomes in the Perth Cultural Centre, which is currently the subject of a master planning process.

The Art Gallery continued to foster strategic partnerships with the Perth Convention Bureau, the Western Australian Academy of Performing Arts, Visions of Australia, the Tax Incentives for the Arts Committee, Collections Council of Australia and the Council of Australian Art Museum Directors. In addition, it continued to work closely with corporate sponsors and individual donors. Strategically, the Gallery focuses on forging long-term industry-exclusive key partnerships. The 2006/07 Annual Gallery Partners were Wesfarmers Arts, The West Australian, Marketforce Limited, Channel Seven Perth, Mirvac Hotels & Resorts and the International Foundation for Arts and Culture. The Art Gallery also worked closely with AngloGold Ashanti Australia Limited, Carey Mining, Roche Mining, Curtin University of Technology, the International Foundation for Arts and Culture and Woodside Energy Ltd to build mutually beneficial long-term relationships. The Gallery also benefited from the continued support of the Gordon Darling Foundation.

PERFORMANCE HIGHLIGHTS

- The Art Gallery presented 'Norman Lindsay: Drawn to Women' in collaboration with an Australian collector. The exhibition featured the first ever display of the complete set of the artist's published etchings. The portfolio of more than two hundred works is being generously gifted to the Gallery.
- There were four exhibitions in the *Artist in focus* series – 'Ricky Swallow THE PAST SURE IS TENSE'; 'Kate Daw: The Between Space'; 'Under God's Hammer: William Blake versus David Shrigley'; and 'Rodney Glick and Lynnette Voevodin: 24Hr Panoramas'. Each exhibition offered a focused analysis of a unique body of work. They were all inspired by works in the collection and designed to be accessible to a wide audience while collectively providing a forum for critical discussion and debate.
- The Gallery presented 'Western Desert Satellites', an exhibition that focused on the State Art Collection's holdings of Western Desert art and provided an opportunity to comprehensively review these works and strengthen the Gallery's networks in the Indigenous community.
- The Indigenous Curatorial Graduate Program entered its second year of a three-year partnership between the Art Gallery of Western Australia, three mining companies – AngloGold Ashanti Australia Limited, Carey Mining, Roche Mining – and Curtin University of Technology. This ground-breaking partnership, part of an integral strategy for the Gallery to take a lead in expanding the number of Indigenous staff in the arts and cultural industries across Australia, was awarded the Prestige Partnership category in the 2006 Western Australian Business and the Arts Partnership Awards.
- The State Art Collection will be enriched in perpetuity through the generosity of the late Leah Jane Cohen. Leah Cohen was a long-time supporter of the Gallery and the Leah Jane Cohen Bequest will support the purchase of significant Indigenous art and Australian glass. The inaugural purchase, made during the reporting year, was of a painting by Western Australian artist Julie Dowling.
- All temporary exhibitions presented by the Art Gallery during the year were accompanied by an exhibition catalogue. Those produced for the *Artist in focus* series provided audiences with additional interpretative information about key holdings within the State Art Collection, while those for 'Western Desert Satellites', 'Norman Lindsay: Drawn to Women' and 'Raised by Wolves' facilitated the promotion of the Gallery's activities nationally. In the case of 'Raised by Wolves', the catalogue created international exposure for this unique initiative, which was developed in partnership with the Perth International Arts Festival.

- The Art Gallery of Western Australia's disability access and inclusion programs continue, with sight-impaired visitors being able to book a guided tour and optional art workshop to explore the State Art Collection through touch. Trained Gallery Guides facilitate free Touch Tours, which encourage the exploration of sculptures that naturally lend themselves to discovery through touch. Education Officers can lead groups in art workshops designed for their special or additional needs.
- Now in its fifteenth year, 'Year 12 Perspectives' enriches the culture of the State by providing our students with an opportunity to display their energetic and creative art work in the State gallery. It also provides visitors to the exhibition with the chance to view the students' artistic talent and gain an insight into their perceptions of our society. 'Year 12 Perspectives' represents a long-term partnership between the International Foundation for Arts and Culture (IFAC), Woodside Energy Ltd, the Department of Education and Training and the Curriculum Council of Western Australia. IFAC's contribution incorporates an exchange of selected student works with a student exhibition in Japan and two student scholarships, while Woodside Energy's sponsorship extends to a 'Year 12 Perspectives' tour and workshops for teachers and students conducted by Gallery Education staff in the Pilbara region.
- A new traffic-counting system has been installed to record visitor numbers accurately.
- New Volunteer Gallery Guide and Volunteer Visitor Services Officer training and assessment systems have been successfully implemented to ensure consistent quality of service.
- In recognition of the importance technology plays in the way people access information, a web-page upgrade has been initiated and a new fortnightly e-newsletter has a fast-growing list of subscribers.
- The Art Gallery of Western Australia Foundation enjoyed a 55 per cent increase in membership during the year and also welcomed one new Patron. To qualify as a Patron, a donor's gift must be valued at more than a million dollars. This can be achieved either by cash donation or by gifting works of art.
- A number of significant gifts during the year included the largest single donation of art from a private collector ever made to the Collection, namely 201 prints by Norman Lindsay comprising the complete set of his published etchings. Other important gifts include groups of seminal works on paper by Denise Green, Ricky Swallow and Frank Hinder; significant Indigenous works by Dorothy Napangardi, Mary McLean, Ronnie Tjampitjinpa and Angelina Ngal; a major painting by Ian Fairweather; and contemporary works by Rosalie Gascoigne, Bob Brighton and Rodney Glick and Lynnette Voevodin.

- Three major works by Western Australian artists were purchased during the year – a sculptural work by James Angus, a double DVD video work by Rodney Glick and Lynnette Voevodin and a major painting by Indigenous artist Julie Dowling. The latter was the inaugural work purchased with funds from the Leah Jane Cohen Bequest.
- Through the generous support of twenty-one Foundation members, the Gallery was able to acquire the collection of drawings that contemporary Scottish artist David Shrigley created for the exhibition 'Under God's Hammer: William Blake versus David Shrigley'.

OPERATIONAL STRUCTURE

ENABLING LEGISLATION

The Art Gallery of Western Australia is established as a Statutory Authority under the *Art Gallery Act 1959*.

RESPONSIBLE MINISTER

The Hon. S. M. M^cHale, MLA, Minister for Culture and the Arts

VISION/MISSION

The Vision of the Art Gallery is to be a centre of excellence in the visual arts that contributes regionally and internationally to a living culture in Western Australia.

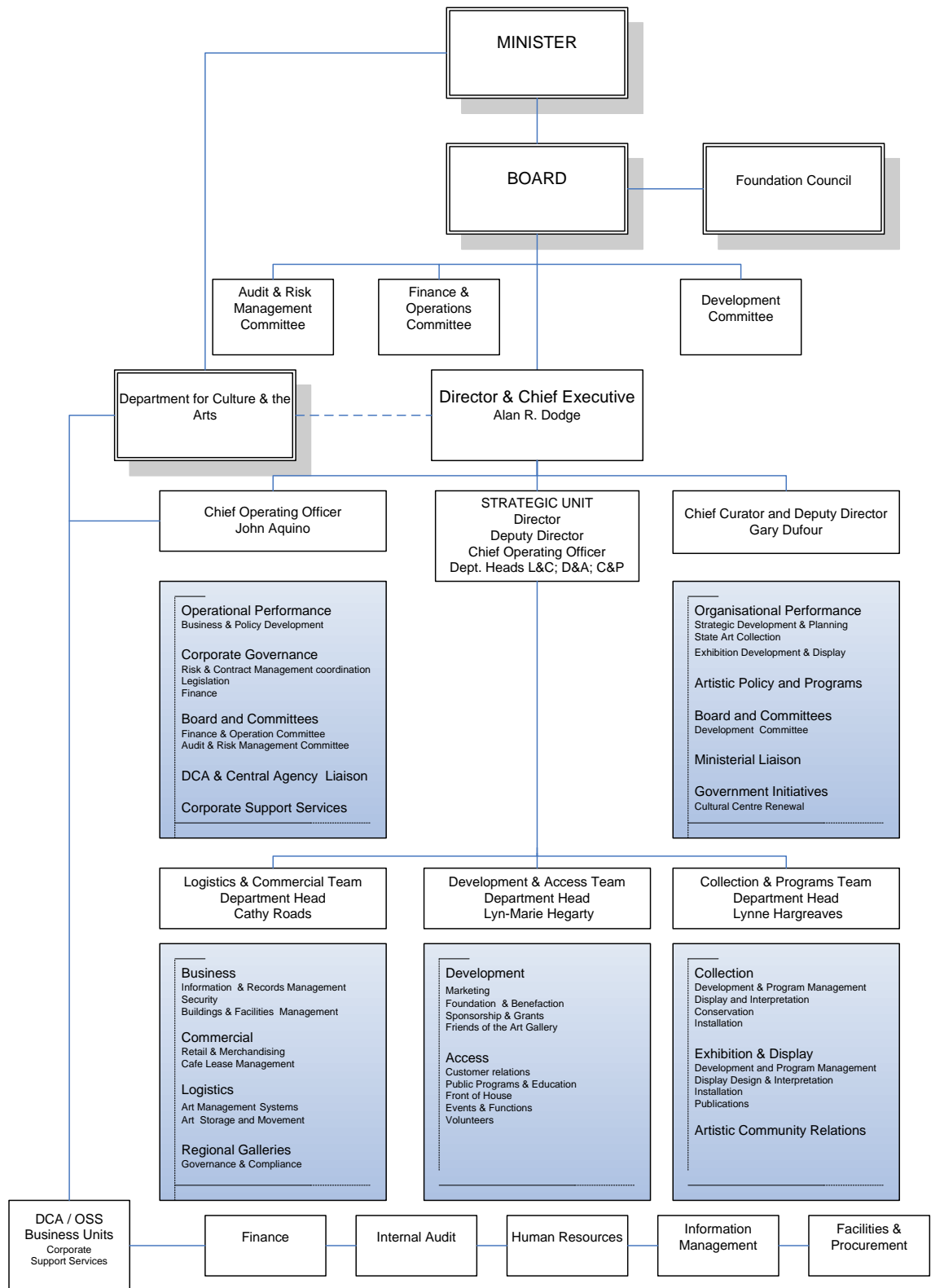
The Gallery regards its mission as being to increase the knowledge and appreciation of the art of the world for the enjoyment and cultural enrichment of the people of Western Australia, and to develop and present the best public art collection in the State and the pre-eminent collection of Western Australian art.

ORGANISATIONAL VALUES

The staff of the Gallery strive to:

- be courteous, cooperative and flexible
- acknowledge the ideas and opinions of others and understand their needs
- be innovative and professional in achieving the Gallery's goals
- earn the respect of our customers, colleagues and the community
- ensure we actively contribute to an ethical organisation
- nurture fair and open relationships with our customers colleagues and the public
- be loyal to the Gallery and its programs
- provide the best possible service for our customers.

ORGANISATIONAL CHART



BOARD OF THE AUTHORITY

The Board comprises eight members, seven of whom, including the chair, are appointed by the Governor. The Director General of the Department of Culture and the Arts is also a member of the Board in an ex officio capacity. The Governor appoints Board members for terms that shall not exceed four years.

The Board formally met six times during 2006/07. The Board also conducts its business through three sub-committees (Finance & Operations, Audit & Risk Management, and Development). Each sub-committee has specific terms of reference. The sub-committees formally report to the Board after each meeting.

BOARD PROFILES

Helen Cook (Chair)

Helen Cook is the National Director of KPMG's Energy and Natural Resources Group in Australia and has more than twenty years' experience in the Western Australian professional services sector supporting resources companies. She has been a member of the Art Gallery of WA Board since 2004 and currently sits on the Women's Advisory Council for the Heart Foundation of Australia (WA). Ms Cook graduated from the University of Western Australia with a Bachelor of Science; she is an Associate of the Institute of Company Directors and a member of the Financial Services Institute of Australasia.

Hamish Beck

Hamish Beck is the Owner / Managing Director of Beck Advisory, a property-fund-management business based in St Georges Terrace. Mr Beck is a Division Councillor and Western Australian Treasurer of the Property Council of Australia, Chairman of the Property Education Foundation, Chairman of the Curtin University Advisory Committee, a Board Member of the University of Western Australia Planning Advisory Committee and a member of the Rottnest Island Marine Advisory Committee. He is also involved with other industry groups.

Kellie Benda

Kellie Benda is the General Manager – Assets & Strategy at the Royal Automobile Club of WA (Inc.). She has spent most of her career as a corporate solicitor and investment banker. Ms Benda has extensive experience advising boards and companies and holds several directorships. She is currently on the boards of Methodist Ladies' College, the WA Forest Products Commission and the charity Youth Focus.

Alastair Bryant

Alastair Bryant is the Director General of the Department of Culture and the Arts. He serves on the Boards of the WA Museum, the Art Gallery of WA, the

State Library Board of WA, ScreenWest and the Perth Theatre Trust, and is also Chair of the Swan Bells Foundation. He was previously Commissioner of State Revenue in Western Australia. Mr Bryant is a founding Trustee and Deputy Chair of the Healing Hearts Foundation and was recently appointed to the Board of the Cancer Council Western Australia.

Adrian Fini

Adrian Fini is the Executive Director Development for Mirvac Ltd, a leading diversified property group. Mr Fini has been active in the Perth property industry for more than twenty-five years; he is involved in industry groups such as the Housing Industry Association and is Chairman of the Australia Housing and Urban Research Institute of Western Australia.

Fiona Kalaf

Ms Fiona Kalaf is General Manager, Business Development, for HBF Health Funds Inc. Ms Kalaf holds a Bachelor of Arts and a Bachelor of Architecture from the University of Western Australia and a Graduate Diploma of Business (Distinction) and a Master of Business Administration (Advanced) from Curtin University of Technology.

Kieran Kinsella

Kieran Kinsella has held the position of Chief Executive Officer of the Midland Redevelopment Authority since May 2000. Between 1993 and 2000 he held the positions of Director of the Gascoyne Development Commission, Western Divisional Manager of the Indigenous Land Corporation and Project Director of the Western Australian Tourism Commission.

Nikki Miller

Dr Nikki Miller is Managing Director of Niksim Pty Ltd, a land development company, and an Art Consultant with Art Support Pty Ltd. Dr Miller holds a Doctorate of Philosophy in Communications from Murdoch University and a Bachelor of Arts with First Class Honours in Fine Art from the University of Western Australia.

SENIOR OFFICERS

Alan R. Dodge, BA (Hons) (Fine Art), MA (Director)

Mr Dodge has had thirty-seven years' experience in art museums and galleries. He serves on a number of boards including those of the National Portrait Gallery, the Perth International Arts Festival and the Institute of Advanced Studies at the University of Western Australia. He is an Adjunct Professor in the School of Art at Curtin University of Technology and has been created a Chevalier in the Order of Arts and Letters by the French Government.

Gary Dufour, BFA (Distinction), MFA (Deputy Director and Chief Curator)

Mr Dufour has twenty-five years' curatorial and executive arts management experience in public art museums in Australia and Canada.

John Aquino, BA (Hons), MBA, FCA (Chief Operating Officer)

Mr Aquino has extensive experience in arts management. He has worked with a number of organisations in both the private and public sectors as a manager of finance and corporate support services.

Lyn-Marie Hegarty, BA (Head Development & Access)

Ms Hegarty has seven years' arts management experience in the public sector and sixteen years' marketing and development experience in both the private and not-for-profit sectors.

Lynne Hargreaves, BA (Hons), MA (Head Collections & Programs)

Ms Hargreaves has twenty years' arts-related education and training experience and significant experience of exhibition and program management.

Cathy Roads (Head Logistics & Commercial)

Ms Roads has seventeen years' public sector experience, including substantial experience in change management and art museum practice.

ADMINISTERED LEGISLATION

The Art Gallery of WA administers the *Art Gallery Act 1959*.

OTHER KEY LEGISLATION IMPACTING ON THE ART GALLERY OF WESTERN AUSTRALIA

In the performance of its functions the Art Gallery complies with the following written laws:

Auditor General Act 2006
Corruption and Crime Commission Act 2003
Disability Services Act 1993
Electoral Act 1907
Equal Opportunity Act 1984
Financial Management Act 2006
Freedom of Information Act 1992
Industrial Relations Act 1979
Library Board of Western Australia Act 1951
Minimum Conditions of Employment Act 1993
Occupational Safety and Health Act 1984
Public and Bank Holidays Act 1972
Public Interest Disclosure Act 2003
Public Sector Management Act 1994
Salaries and Allowances Act 1975
State Records Act 2000
State Superannuation Act 2000
State Supply Commission Act 1991
Workers' Compensation and Injury Management Act 1981

In the financial administration of the Art Gallery of Western Australia the Board and management have complied with the requirements of the Financial Management Act 2006 and every other relevant written law, and exercised controls that provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions. At the date of signing, the Board is not aware of any circumstances that would render the particulars included in this statement misleading or inaccurate.

PERFORMANCE MANAGEMENT FRAMEWORK

OUTCOME BASED MANAGEMENT FRAMEWORK

The Art Gallery is a statutory authority within the Culture and the Arts portfolio. The lead agency of the portfolio is the Department of Culture and the Arts. The Director General of the Department has entered into a Resource Agreement with the Minister and the Treasurer on behalf of the Arts portfolio. In support of the high-level Government goal of 'enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services',¹ the portfolio undertakes to deliver a suite of seven principal services. These are identified in the State's Budget Statements.² One of these services is described as 'Art Gallery Services'.

The desired outcome for the provision of Art Gallery Services is that

Western Australia's State Art Collection is preserved, accessible and sustainable.

CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

A revised Outcome and Key Performance Indicator Structure for the Culture and the Arts portfolio was approved by the Government's Outcome Structure Review Group during the reporting period. The structure aligns the portfolio's Government Desired Outcomes and performance indicators with the Government's Strategic Planning Framework – *Better Planning: Better Futures*. The revised structure identifies the portfolio's contribution to the achievement of the Government's goals.

SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The Art Gallery did not share any responsibilities with other agencies in 2006/07.

¹ *Better Planning: Better Futures – A Framework for the Strategic Management of the Western Australian Public Sector* (2006), p. 2.

² Budget Statements 2007–08, p. 890.

AGENCY PERFORMANCE – REPORT ON OPERATIONS

In the Government's *Better Planning: Better Futures* document³ a principal strategic goal is to enhance the quality of life and wellbeing of all people throughout Western Australia by providing high-quality accessible services.⁴

Art Gallery Services are provided in support of this Government goal. The Art Gallery of Western Australia provides the following services:

- Exercising custodianship of the State Art Collection. The Gallery ensures that the State Art Collection is preserved and developed so that it contributes to the quality of life in Western Australia and can be enjoyed by both current and future generations of Western Australians.
- Programming exhibitions that contextualise the Collection, bring the art of the world to Western Australia and enrich people's lives.
- Providing interpretive programs and services that create a better understanding and appreciation of art.
- Promoting the visual arts as a key component of:
 - entertainment
 - tourism
 - events
 - diplomacy/trade.
- Ensuring that the Art Gallery's facilities are maintained to a level commensurate with other State art galleries in Australia and providing an aesthetic environment within which to deliver art gallery services.
- Using the visual arts, the State Art Collection and the Gallery to promote Indigenous culture.
- Providing assistance and expertise to augment regionally managed gallery operations.
- Emphasising Western Australia, the region and the Indian Ocean Rim.
- Harnessing the potential of volunteers in delivering art gallery services.

STATE ART COLLECTION

The Gallery's purpose is to acquire, preserve, interpret and display visual art from the past and the present, with an emphasis on the art of Western Australia and Indigenous art. The State Art Collection comprises 16,682 works in a range of media including paintings, sculptures, items of craft and design, watercolours, drawings, photographs and prints. Indigenous art is a highlight, providing an extensive overview of traditional and contemporary art from Western Australia, the Central Desert and Arnhemland. The Collection also

³ *Better Planning: Better Futures – A Framework for the Strategic Management of the Western Australian Public Sector* (2006).

⁴ *BPBF Strategic Goal 1, Better Services.*

has pre-eminent holdings of Western Australian art, craft and design from 1829 to the present.

The Gallery conducted an evaluation of the performance of the State Art Collection Acquisitions Policy 2002–2006 in the previous period and compared the performance during this period with the previous review of the 1996–2001 policy. All policy objectives were achieved during both periods, but it is to be noted that during the period 2002–2006 the scope of collecting activity targeted in the policy was narrower than that of 1996–2001. This reflected the diminishing purchasing capacity of the capital appropriation for acquisitions and the dramatic price increases across all fields in the Australian and international art markets. In response to these findings the Board of the Art Gallery endorsed the State Art Collection Acquisitions Policy 2007–2011, with the highest priority directed towards consolidating the appropriation over several years to achieve the purchase of one outstanding major Australian work, one major international work and one significant work in each of the following six collection areas: historical Indigenous art, contemporary Indigenous art, international historical art, international contemporary art, Australian contemporary art and Australian historical art. The purchase of Indigenous art from Western Australian communities is also a priority.

The reporting period 2006/07 was the first year of the 2007–2011 five-year acquisition cycle. In this new cycle, a priority has been placed on developing the principal strength of the Collection – art with a central theme of human habitation in the environment – encompassing works of art across all areas of the Collection. This notion is being promoted under the heading *Stories of Habitation*. Often figurative and landscape-based, the works can be described as secular, religious and Indigenous works that embrace the subject of human habitation, endeavour, beliefs and cultural critique. Through *Stories of Habitation* the Collection is building dialogues to support visitor engagement with the art of Western Australia and the art of the world.

The emphasis for acquisitions, through both purchase and donation, is to acquire major works, or significant bodies of works, in the following main areas over the five-year period 2007–2011: international historical and contemporary art; Indigenous art with a particular focus on Western Desert, Kimberley and South West artists and communities; and exemplary historical and contemporary works of art by Western Australian and Australian artists.

In meeting the 2006/07 acquisition targets, 271 new works of art were introduced into the Collection. Of these, 32 were purchased with support from the State Government, the Sir Claude Hotchin Art Foundation, the Leah Jane Cohen Bequest. The Sarah and Baillieu Myer Family Foundation and the Art Gallery of Western Australia Foundation Contemporary Art Group (including Western Australian works by Wingu Tingima, Peter Skipper, Nyankulya Watson, Anmanari Brown, Julie Dowling, James Angus, Charlene Carrington and Joanna Lamb, and significant group of drawings by Australian Artist Denise Green), while the other 259 items were generously presented as gifts. Significant gifts included 201 prints by Norman Lindsay, this unique set of all

of Lindsay's published etchings being the largest single gift of art ever made by a private donor to the Collection. Other outstanding gifts included groups of seminal works on paper by Ricky Swallow and Frank Hinder; significant Indigenous works by Dorothy Napangardi, Mary McLean, Ronnie Tjampitjinpa and Angelina Ngal; a major painting by Ian Fairweather; and contemporary works by Rosalie Gascoigne, Bob Brighton and Rodney Glick and Lynnette Voevodin.

EXHIBITIONS

'Conversations'

(ongoing)

A changing selection of works that highlights the depth and breadth of the State Art Collection.

'Western Australian Art 1820s–1960s'

(ongoing)

The exhibition features works from the State Art Collection by Western Australian artists, together with representations of Western Australia, dating from the early days of European exploration and settlement up to the 1960s.

'Western Desert Satellites'

9 April – 27 September 2006

A selection of original and striking art works from the Western Desert region.

***Artist in focus* 'Ricky Swallow: THE PAST SURE IS TENSE'**

19 August – 29 October 2006

This show expanded upon the themes evident in Ricky Swallow's early work, both sculptures and drawings, with their referencing of popular culture.

***Artist in focus* 'Kate Daw: The Between Space'**

19 August – 29 October 2006

An exhibition of sculpture, paintings and prints by this Western Australian-born and -trained artist.

'Norman Lindsay: Drawn to Women'

15 October 2006 – 14 January 2007

Produced in partnership with a local collector, and the Norman Lindsay Foundation organised by Lin Bloomfield. The exhibition featured the first display of a complete set of Norman Lindsay's published etchings.

***Artist in focus* 'Under God's Hammer: William Blake versus David Shrigley'**

16 September 2006 – 1 January 2007

The State Art Collection's copy of Blake's *Book of Job* presented with Scottish artist and illustrator David Shrigley's own version of the Book of Job created especially for this exhibition.

Artist in focus 'Rodney Glick and Lynnette Voevodin: 24Hr Panoramas'

17 November – 21 January

This exhibition comprised three dual DVD video projections, each work recording a full day of activity – twenty-four hours recorded as individual one-hour segments.

Sculpture

10 September 2006 onwards

A changing display of late nineteenth- and twentieth-century European sculpture from the State Art Collection.

'Raised by Wolves'

9 February – 17 June 2007

In a creative response to the 2007 Perth International Arts Festival theme of 'The Human Family', Australian, Indigenous and international artists explored various alternative/non-traditional 'family' structures.

'Year 12 Perspectives'

3 March – 29 April 2007

An exhibition showcasing some of the best work produced by Year 12 Art and Art & Design students in Western Australia.

'Paddy Bedford'

12 May – 12 August 2007

A Museum of Contemporary Art touring exhibition featuring the senior Western Australian Indigenous artist Paddy Bedford.

DEVELOPMENT, MARKETING AND ACCESS

To maintain a high calibre of programs and exhibitions that engage the public of Western Australia and visitors to the state, the Art Gallery of Western Australia is grateful for the generous financial and in-kind support received from individuals and organisations.

The Art Gallery of Western Australia Foundation, the membership arm of the organisation, received \$661,000 this year in bequest and special purpose fund contributions, and \$ 269,000 income from interest. In addition 32 people took up life membership of the Foundation, which signifies a 55% increase in membership on the previous year. In recognition of their gift exceeding \$1million dollars, the Gallery also welcomed a new Patron.

The value of works of art donated to the State Collection provides an indication of the high esteem in which the community holds the Art Gallery of Western Australia. During the reporting period the value of gifts of art totalled \$3.167m.

The Gallery continued to receive strong support from organisations that acknowledge the significant benefits of a flourishing arts sector to their businesses and employees, as well as the broader community. The corporate sector partnered with the Gallery in 2006-07 to provide \$257,000 in cash and an additional \$217,000 in in-kind support. Strategically, the Gallery will continue to focus on long-term, industry exclusive partnerships.

A new Volunteer Gallery Guide training and assessment system was successfully implemented, together with a revamped Volunteer Visitor Services Officer recruitment and training program, to ensure consistent quality of service. Volunteers provided the equivalent to an additional 7.5 full time equivalent staff during the year.

The Gallery continued to provide broad access to the community with 24,000 people participating in a diverse calendar of functions and events, together with a very successful schools program, attracting 22,500 students during the reporting period.

The Gallery's sound record in providing disability access and inclusion programs continued with the provision of touch tours for visitors who are sight-impaired, and art workshops designed for groups who have special or additional needs.

Technology continued to play an important role in the way people access information, and in recognition of this a web page upgrade was initiated, catching the attention of 65,000 visitors, and a new fortnightly e-newsletter attracted a fast-growing list of subscribers.

FINANCIAL TARGETS

Result for the year

The Gallery completed 2006/07 above original forecasts. The surplus for the year was \$3.918m, well above the original estimate of a \$0.275m deficit. The increased surplus is mainly the result of:

- \$3.167m in donated works of art received by the Gallery (recognised as revenue in the Income Statement). Donated works of art were not included in original estimates;
- \$0.661m in bequest, trust and special purpose contributions received by the Art Gallery Foundation (Estimate: \$0.088m); and
- \$0.557m received in overall interest revenue (Estimate: \$0.320m).

At the end of the financial year, the Gallery held unrestricted cash assets of \$2.371m. Commitments, such as payables and planned carryover items, plus quarantined capital works funds and funds to be used for future major exhibition research and development, account for most of this balance.

Restricted cash assets increased by \$0.725m during the year to \$7.726m.

Balance Sheet Highlights:

(a) Total Equity

The Statement of Financial Position reports total equity as at 30 June 2007 of \$218.752m, representing an increase of \$16.480m from the previous year. The increase is mainly attributed to revaluations of land, buildings and works of art and the level of donated works of art received during the year.

(b) Revaluation of Land and Buildings

Land owned and controlled by the Art Gallery was revalued in 2007 to \$12m. The last valuation of land occurred in 1999 (\$3.247m) and an increment to the Gallery's asset revaluation reserve of \$8.753m has been recorded in the 2007 accounts.

The Gallery-owned buildings were revalued to \$18.117m in 2007, resulting in an increase to the Gallery's asset revaluation reserve of \$0.421m.

(c) Works of art

The value of the collection increased by \$6.479m to \$174.991m during 2006/07. The majority of the increase during the year was through donated works (\$3.167m) and revaluations of works (\$3.093m). Of the revaluation amount, \$2.9m relates to the revaluation of one painting by Lawrence Lowry 'The rival candidate' that was revalued to \$3.5m (2006 value: \$0.6m).

KEY PERFORMANCE INDICATORS

During the financial year the Department of Culture and the Arts, on behalf of portfolio agencies, worked to refine the Outcome and Key Performance Indicator structure. The Department negotiated with the Government's Outcome Structure Review Group on what would be appropriate KPIs for Gallery Services. These discussions took place in the context of the Government's strategic planning framework for the public sector, *Better Planning: Better Futures*. It was agreed that the Gallery contributes to the achievement of the Government's Goal of providing Better Service by seeking to ensure that:

Western Australia's State Art Collection is preserved, is accessible and is sustainable.

Preservation

An indicator of the level of preservation is the proportion of time that the storage and display environment is not breached. Monitoring the environment in the three principal storage and display areas within the Gallery indicated that, while the environment was rarely breached in the Main Gallery and in the general collection store, the environment was more difficult to maintain in the Centenary Gallery. Sensitive humidity and temperature monitoring equipment detected breaches of the environment in this gallery for 16% of the time that it was open.

Accessibility

An indicator of accessibility to the Gallery is the number of visitors, the number of website hits and the number of people who attend functions at the Gallery. In 2006/07 the number of accesses was marginally above the total for the previous year.

Following is the profile of visitors to the Gallery based on the 2006/07 monitor:

- 57% were female and 41% male.
- 20% were aged 16 to 24 years, 27% 25 to 44 years, 34% 45 to 64 years and the remaining 19% 65 years or over.
- 61% were living in the Perth metropolitan area, 17% were from overseas, 9% were from regional areas of the State and 12% were from interstate.
- 43% visited in a group of two to three adults; 35% visited by themselves.
- Tour groups or four or more adults made up 2% of the sample and school groups made up 1%.
- Family visitors accounted for 17% of the sample.

The Gallery engages a market research firm to survey its customers. The research results indicated that 'visitor satisfaction with the Gallery remains reasonably high and visitors continue to find the Art Gallery accessible, comfortable and enriching',⁵ 91% of the visitors surveyed expressing an overall satisfaction with their visit to the Gallery.

Sustainability

The Gallery is sustainable if, on an ongoing basis, it has the capacity to renew its Collection, develop content and maintain the physical integrity of the State Art Collection. A gauge of this sustainability is represented by the direct costs associated with the Collection expressed as a proportion of its total value. As the value of the Collection increases and the funds available to maintain it remain stagnant or are reduced, the sustainability index decreases. The index has decreased from 0.54% in 2005/06 to 0.39% in 2006/07.

⁵ Patterson Market Research, 'A Report on the 2006-07 Customer Satisfaction Survey'.

SIGNIFICANT ISSUES AND TRENDS

- An ageing population is projected, and this indicates the need to promote the development of a range of creative skills and attitudes towards future work and lifestyles. Culture and the arts play a significant role in such developments.
- The number of Western Australians accessing cultural venues and events continues to increase.
- The arts are increasingly seen as a major contributor to 'social capital' in the community and a central element in supporting the attraction and retention of a highly skilled labour force.
- Sustainable cultural infrastructure and a diversity of visual arts programs will be increasingly important to the success of the State in promoting its 'lifestyle' benefits.
- The impetus to revitalise the Cultural Centre Precinct, and for it to play a dynamic role in the development of Perth, will be a key element in enriching the cultural infrastructure in the State. The Art Gallery is a key stakeholder in the development of the 'Cultural Quarter' initiative of the East Perth Redevelopment Authority and the Department of Culture and the Arts.
- The need to maintain the fabric of major cultural buildings increases exponentially after the first twenty years. There is a very real risk that, as buildings age, without appropriate capital maintenance expenditure the facilities will lose their iconic status in the eyes of the general public.
- Traditional and contemporary Indigenous culture and art are becoming increasingly important in promoting Western Australia.
- The demand for high-quality visual-art experiences continues to grow, and the market competition for consumer time and discretionary cultural expenditure is intensifying.
- The rapidly increasing use of the Internet in homes, educational institutions and businesses continues to create a strong demand for access to digital images of the State Art Collection.
- New technologies are creating many opportunities for communication, resulting in demand for services and challenges for the preservation of our documentary and digital heritage.

- With the advent of global terrorism, the cost of transporting works of art has increased dramatically, with the result that it is becoming more and more difficult to present major exhibitions.

DISCLOSURES AND LEGAL COMPLIANCE

FINANCIAL STATEMENTS

CERTIFICATION OF THE FINANCIAL STATEMENTS for the Year ended 30 June 2007

The accompanying financial statements of the Board of the Art Gallery of Western Australia have been prepared in compliance with the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2007 and the financial position as at 30 June 2007.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Renato Sansalone
Chief Finance Officer
14 September 2007



Helen Cook
Chair, Board of the Art Gallery of
Western Australia
14 September 2007



Hamish Beck
Member of the Board of the Art
Gallery of Western Australia
14 September 2007

Audit Opinion from the Office of the Auditor General



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

THE BOARD OF THE ART GALLERY OF WESTERN AUSTRALIA FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2007

I have audited the accounts, financial statements, controls and key performance indicators of The Board of the Art Gallery of Western Australia.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Page 1 of 2

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

**The Board of the Art Gallery of Western Australia
Financial Statements and Key Performance Indicators for the year ended 30 June 2007**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of The Board of the Art Gallery of Western Australia at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Art Gallery provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Art Gallery are relevant and appropriate to help users assess the Art Gallery's performance and fairly represent the indicated performance for the year ended 30 June 2007.



JOHN DOYLE
ACTING AUDITOR GENERAL
21 September 2007

INCOME STATEMENT

for the year ended 30 June 2007

	Note	2007 \$000	2006 \$000
COST OF SERVICES		2007	2006
Expenses			
Employee benefits expense	6	3,674	3,241
Supplies and services ^(a)	7	1,762	2,053
Depreciation and amortisation expense	8	635	575
Accommodation expenses	9	2,121	2,070
Grants and subsidies	10	161	168
Capital user charge	11	11,980	11,866
Cost of sales	14	612	626
Loss on disposal of non-current assets	21	6	2
Other expenses	12	254	133
Total cost of services		21,205	20,734
Income			
Revenue			
User charges and fees	13	344	1,060
Sales	14	981	1,068
Sponsorship	15	374	527
Donated works of art	16	3,167	1,187
Bequest trust and special purpose funds contributions	17	661	1,686
Commonwealth grants and contributions	18	3	-
Interest revenue	19	104	57
Bequest trust and special purpose funds interest	19	453	344
Other revenue	20	235	350
Total Revenue		6,322	6,279
Total income other than income from State Government		6,322	6,279
NET COST OF SERVICES		14,883	14,455
INCOME FROM STATE GOVERNMENT	22		
Service appropriation		3,626	3,505
Assets assumed		24	24
Resources received free of charge		15,151	14,791
Total income from State Government		18,801	18,320
SURPLUS FOR THE PERIOD		3,918	3,865

(a) Includes administrative expenses

The Income Statement should be read in conjunction with the accompanying notes

BALANCE SHEET

as at 30 June 2007

	Note	2007 \$000	2006 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	35	2,371	1,732
Restricted cash and cash equivalents	23, 35	3,861	3,536
Inventories	24	635	439
Receivables	25	243	152
Amounts receivable for services	26	311	1,059
Other current assets	27	145	118
Total Current Assets		7,566	7,036
Non-Current Assets			
Restricted cash and cash equivalents	23, 35	3,865	3,465
Amounts receivable for services	26	1,692	1,461
Property, plant and equipment	28	31,633	22,082
Works of art	29	174,991	168,512
Intangible assets	30	52	36
Total Non-Current Assets		212,233	195,556
TOTAL ASSETS		219,799	202,592
LIABILITIES			
Current Liabilities			
Payables	32	946	303
Other current liabilities	33	101	17
Total Current Liabilities		1,047	320
Total Liabilities		1,047	320
NET ASSETS		218,752	202,272
EQUITY			
	34		
Contributed equity		52,837	52,542
Reserves		163,789	147,609
Accumulated surplus		2,126	2,121
TOTAL EQUITY		218,752	202,272

The Balance Sheet should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2007

	Note	2007 \$000	2006 \$000
Balance of equity at start of period	34	<u>202,272</u>	<u>153,217</u>
CONTRIBUTED EQUITY	34		
Balance at start of period		52,542	52,121
Capital contribution		<u>295</u>	<u>421</u>
Balance at end of period		<u>52,837</u>	<u>52,542</u>
RESERVES	34		
Asset Revaluation Reserve			
Balance at start of period		128,873	84,104
Gains from asset revaluation		<u>12,267</u>	<u>44,769</u>
Balance at end of period		<u>141,140</u>	<u>128,873</u>
Bequest, trust and special purpose reserve			
Balance at start of period		7,098	5,534
Transfers from retained earnings		<u>746</u>	<u>1,564</u>
Balance at end of period		<u>7,844</u>	<u>7,098</u>
Donated works of art reserve			
Balance at start of period		11,638	10,451
Transfers from retained earnings		<u>3,167</u>	<u>1,187</u>
Balance at end of period		<u>14,805</u>	<u>11,638</u>
ACCUMULATED SURPLUS	34		
Balance at start of period		2,121	1,007
Surplus for the period		3,918	3,865
Transfers to reserves		<u>(3,913)</u>	<u>(2,751)</u>
Balance at end of period		<u>2,126</u>	<u>2,121</u>
Balance of equity at end of period		<u>218,752</u>	<u>202,272</u>
Total income and expense for the period ^(a)		<u>16,185</u>	<u>48,634</u>

(a) The aggregate net amount attributable to each category of equity is: surplus \$3,918 plus gains from asset revaluation of \$12,267 (2006: surplus \$3,865 plus gains from asset revaluation of \$44,769)

The Statement of Changes in Equity should be read in conjunction with the accompanying notes

CASH FLOW STATEMENT

for the year ended 30 June 2007

	Note	2007 \$000	2006 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		3,084	3,073
Capital contributions		295	421
Holding account drawdowns		1,059	182
Net Cash provided by State Government		4,438	3,676
 Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(68)	(96)
Supplies and services		(2,281)	(2,676)
Accommodation		(1,989)	(2,150)
Grants and subsidies		(164)	(165)
GST payments on purchases		(572)	(521)
Other payments		(250)	(113)
Receipts			
Sale of goods and services		979	1,071
User charges and fees		491	1,005
Commonwealth grants and contributions		3	3
Interest received		529	312
GST receipts on sales		146	198
GST receipts from taxation authority		427	284
Other receipts		875	2,092
Net cash used in operating activities	35	(1,874)	(756)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		2	-
Purchase of non-current physical assets		(1,202)	(540)
Net cash used in investing activities		(1,200)	(540)
Net increase in cash and cash equivalents		1,364	2,380
Cash and cash equivalents at the beginning of period		8,733	6,353
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	35	10,097	8,733

The Cash Flow Statement should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2007

1. **Australian equivalents to International Financial Reporting Standards**

General

The Board's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Board has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Board for the annual reporting period ended 30 June 2007.

2. **Summary of significant accounting policies**

a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification

and the resulting financial effect are disclosed in the notes to the financial statements.

b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and works of art which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

The judgements that have been made in the process of applying the Board's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 4 'Judgements made by management in applying accounting policies'.

c) Reporting Entity

The reporting entity comprises the Board of the Art Gallery of Western Australia.

d) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. (See note 34 'Equity').

e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Board gains control of the appropriated funds. The Board gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the holding account held at Treasury. (See note 22 'Income from State Government').

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Board obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

f) Property, Plant and Equipment and Works of Art

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$1,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$1,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

All works of art are recognised as assets regardless of their cost.

Initial recognition and measurement

All items of property, plant and equipment and works of art are initially recognised at cost.

For items of property, plant and equipment and works of art acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

After recognition as an asset, the revaluation model is used for the measurement of land, buildings and works of art and the cost model for all other property, plant and equipment. Land, buildings and works of art are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services)

and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Works of art are revalued every five years. The revaluation of the art collection is based on the change in value of a sample of artworks, selected to provide an accurate representation of the change in value of the total collection.

Refer to note 28 'Property, plant and equipment' and note 29 'Works of art' for further information on revaluations.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	50 years
Plant and equipment/office equipment	4 to 20 years
Motor vehicles	5 to 10 years

Works of art controlled by the Board are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

g) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$1,000 or more and internally generated intangible assets costing \$10,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the Board have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software ^(a)	4 to 10 years
-------------------------	---------------

^(a) Software that is not integral to the operation of any related hardware.

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

Computer Software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$1,000 is expensed in the year of acquisition.

Web site costs

Web site costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a web site, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a web site, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

h) Impairment of Assets

Property, plant and equipment, works of art and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Board is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement

cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairments at each balance sheet date.

Refer to note 31 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(o) 'Receivables' and note 25 'Receivables' for impairment of receivables.

i) Leases

The Board holds operating leases for vehicles and office equipment. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

j) Financial Instruments

The Board has two categories of financial instrument:

- Receivables (cash and cash equivalents, receivables); and
- Non-trading financial liabilities (payables).

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

l) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. All staff of the Culture and the Arts portfolio agencies, including the Board of the Art Gallery of Western Australia, are employees of the Department of Culture and the Arts. Therefore, the Board has no liabilities in relation to employee entitlements and accrued salaries. Accrued salaries are offset against resources received free of charge in the Income Statement. Refer to note 3 'Department of Culture and the Arts'.

m) Amounts Receivable for Services (Holding Account)

The Board receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement.

See also note 22 'Income from State Government' and note 26 'Amounts receivable for services'.

n) Inventories

The Board's inventories relate to stock held at the Art Gallery Shop. Inventories are measured at the lower of cost and net realisable value. Costs are assigned on an average cost basis.

See note 24 'Inventories'.

o) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (ie. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for

uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Board will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(j) 'Financial Instruments' and note 25 'Receivables'.

p) Payables

Payables are recognised at the amounts payable when the Board becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(j) 'Financial Instruments' and note 32 'Payables'.

q) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date.

(i) Provisions - Employee Benefits

Annual leave and long service leave

All staff of the Culture and Arts portfolio agencies, including the Board of the Art Gallery of Western Australia, are employees of the Department of Culture and the Arts. Therefore, the Board has no liabilities in relation to employee entitlements, as it does not employ staff (refer to Note 3 'Department of Culture and the Arts').

Superannuation

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

The Board has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made to the GESB. The concurrently funded part of the GSS Scheme is a defined

contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who are not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. Concurrent contributions are made to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer share.

See also note 2(r) 'Superannuation expense'.

(ii) Provisions - Other

Employment On-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Board's 'Employee benefits expense'. See note 12 'Other expenses'.

r) Superannuation expense

The following elements are included in calculating the superannuation expense in the Income Statement:

- a) Defined benefit plans - Change in the unfunded employer's liability (ie. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- b) Defined contribution plans - Employer contributions paid to the GSS, the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

Defined benefit plans - in order to reflect the true cost of services, the movements (ie. current service cost and, actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS transfer benefits are recognised as expenses. As these superannuation expenses are provided by the Department of Culture and the Arts as a resource provided free of charge (refer note 3 'Department of Culture and the Arts') a revenue equivalent to the expense is recognised under 'Income from State Government' in the Income Statement. See note 22 'Income from State Government'.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided in the current year.

The GSS Scheme is a defined benefit scheme for the purpose of employees and whole-of-government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

s) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate, at fair value.

t) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3. Department of Culture and the Arts

The Department of Culture and the Arts services the Board of the Art Gallery of Western Australia and other agencies in the Culture and Arts portfolio. The Department receives an appropriation to cover the cost of the staff that provide services to the Board. These resources, provided to the Board, but paid for by the Department, have been treated as 'Resources received free of charge'. The expenses have been included in the appropriate categories, being offset by an equivalent amount included in the item 'Income from State Government'. See note 22 'Income from State Government'.

4. Judgements made by management in applying accounting policies

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

Operating Lease Commitment

The Board has entered into commercial leases rather than finance leases for motor vehicles. The Board has determined that the lessor retains all the significant risks and rewards of ownership of the vehicles. Accordingly, the leases have been classified as operating leases.

5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Board has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2006:

1. AASB 2005-9 'Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an "insurance contract" under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The Board does not currently undertake these types of transactions, resulting in no financial impact in applying the Standard.
2. UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease' as issued in June 2005. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At balance sheet date, the Board has not entered into any arrangements as specified in the Interpretation, resulting in no impact in applying the Interpretation.
3. UIG Interpretation 9 'Reassessment of Embedded Derivatives'. This Interpretation requires an embedded derivative that has been combined with a non-derivative to be separated from the host contract and accounted for as a derivative in certain circumstances. At balance sheet date, the Board has not entered into any contracts as specified in the Interpretation, resulting in no impact in applying the Interpretation.

The following Australian Accounting Standards and Interpretations are not applicable to the Board as they have no impact or do not apply to not-for-profit entities:

AASB
Standards and
Interpretations

2005-1	'Amendments to Australian Accounting Standard' (AASB 139 - Cash flow hedge accounting of forecast intragroup transactions)
2005-5	'Amendments to Australian Accounting Standards [AASB 1 & AASB 139]'
2006-1	'Amendments to Australian Accounting Standards [AASB 121]'
2006-3	'Amendments to Australian Accounting Standards [AASB 1045]'
2006-4	'Amendments to Australian Accounting Standards [AASB 134]'
2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraph 9
UIG 5	'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'
UIG 6	'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment'
UIG 7	'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'
UIG 8	'Scope of AASB 2'

Voluntary changes in accounting policy

The Board has not adopted any voluntary change in accounting policy during the reporting period.

Future impact of Australian Accounting Standards not yet operative

The Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Board has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Board's exposure to risks, enhanced disclosure regarding components of the Board's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The Board does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
2. AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023, & AASB 1038)'. The amendments are as a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the financial instrument disclosure requirements in these standards. The Board does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
3. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The Board is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
4. AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. This will result in no impact as a consequence of application of the Standard. The Standard is

required to be applied to annual reporting periods beginning on or after 1 July 2007.

5. AASB 2007-5 'Amendment to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities (AASB 102)'. This amendment changes AASB 102 'Inventories' so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The Board does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.
6. AASB 2007-6 'Amendments to Australian Accounting Standards arising from AASB 123' makes amendments to AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 111 'Construction Contracts', AASB 116 'Property, Plant and Equipment', AASB 138 'Intangible Assets', Interpretation 1 'Changes in Existing Decommissioning, Restoration and Similar Liabilities' and Interpretation 12 'Service Concession Arrangements'. AASB 2007-6 is applicable for annual reporting periods beginning on or after 1 January 2009 and must be applied at the same time as AASB 123 'Borrowing Costs'. This standard principally removes the references to expensing borrowing costs on qualifying assets and is not expected to affect the Board's financial report.
7. AASB 2007-7 'Amendments to Australian Accounting Standards arising from AASB 2007-4' makes amendments to AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', AASB 2 'Share-based Payment', AASB 4 'Insurance Contracts', AASB 5 'Non-current Assets Held for Sale and Discontinued Operations', AASB 107 'Cash Flow Statements' and AASB 128 'Investments in Associates'. AASB 2007-7 is applicable for annual reporting periods beginning on or after 1 July 2007. This standard is only expected to impact disclosures contained within the financial report.
8. AASB Interpretation 4 'Determining whether an Arrangement Contains a Lease [revised]'. This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007, it would not be within the scope of Interpretation 4. At balance sheet date, the Board has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is

first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

9. AASB Interpretation 12 'Service Concession Arrangements'. This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the Board if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the Board has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

10. AASB Interpretation 129 'Service Concession Arrangements: Disclosures [revised]'. This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the Board has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

The following Australian Accounting Standards and Interpretations are not applicable to the Board as they will have no impact or do not apply to not-for-profit entities:

AASB Standards
and
Interpretations

AASB 8	'Operating Segments'
AASB 1049	'Financial Reporting of General Government Sectors by Governments'
AASB 2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'
AASB 2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraphs 1 to 8

AASB 2007-3	'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'
Interpretation 10	'Interim Financial Reporting and Impairment'
Interpretation 11	'AASB 2 – Group and Treasury Share Transactions'

Changes in accounting estimates

The Board has determined no change in accounting estimates that have an effect in the current period or are expected to have an effect in future periods.

	2007	2006
	\$000	\$000
6. Employee benefits expense		
Wages and salaries ^(a)	3,074	2,705
Superannuation (defined contribution plans) ^(b)	296	251
Long service leave	47	59
Annual leave	206	175
Other related expenses	51	51
	<u>3,674</u>	<u>3,241</u>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component

(b) Defined contribution plans include West State and Gold State (contributions paid)

Employment on-costs such as workers' compensation insurance are included at note 12 'Other expenses'.

7. Supplies and services

Advertising	351	453
Insurance premiums	198	188
Consultants and contractors	178	176
Travel	177	136
Materials	113	139
Consumables	104	27
Freight and cartage	100	333
Printing	75	85
Communications	73	73
Repairs and maintenance	70	54
Licences, fees and registrations	62	51
Motor vehicles	50	45
Exhibition fees	47	91
Exhibition construction costs	15	29
Lease and hire costs	11	29
Bank charges	7	9
Photographic services	5	3
Other	126	132
	<u>1,762</u>	<u>2,053</u>

	2007	2006
	\$000	\$000
8. Depreciation and amortisation expense		
Depreciation		
Buildings	384	319
Plant, equipment and vehicles	238	233
Total depreciation	<u>622</u>	<u>552</u>
Amortisation		
Intangible assets	13	23
Total amortisation	<u>13</u>	<u>23</u>
Total depreciation and amortisation	<u>635</u>	<u>575</u>
9. Accommodation expenses		
Security services	940	963
Electricity and gas	563	480
Accommodation maintenance	444	452
Cleaning	91	92
Facilities management	50	52
Water	24	22
Other	9	9
	<u>2,121</u>	<u>2,070</u>
10. Grants and subsidies		
<u>Recurrent</u>		
Bunbury Regional Art Gallery	161	165
Other	-	3
	<u>161</u>	<u>168</u>
11. Capital User Charge		
Capital user charge	<u>11,980</u>	<u>11,866</u>

The charge was a levy applied by Government for the use of its capital. In 2006-07, the final year in which the charge was levied, a single payment was made equal to the appropriation for 2006-07.

	2007	2006
	\$000	\$000
12. Other expenses		
Workers' compensation insurance	200	56
Audit fees ^(a)	35	39
Prizes paid	10	20
Write-off – bad debts	9	-
Doubtful debts expense	-	18
	<u>254</u>	<u>133</u>

(a) See also note 41 'Remuneration of auditor'

13. User charges and fees		
Exhibition revenue	120	822
Venue hire	77	77
Rent	52	64
Public programs	32	42
Hire of works of art	14	3
Other	49	52
	<u>344</u>	<u>1,060</u>

14. Trading profit		
Sales	981	1,068
Cost of sales:		
Opening inventory	(439)	(417)
Purchases	(808)	(648)
	<u>(1,247)</u>	<u>(1,065)</u>
Closing inventory	635	439
Cost of sales	<u>(612)</u>	<u>(626)</u>
Trading profit	<u>369</u>	<u>442</u>

See note 2(n) 'Inventories' and note 24 'Inventories'.

15. Sponsorship		
Cash sponsorship	157	276
Sponsorship in kind	217	251
	<u>374</u>	<u>527</u>

	<u>2007</u> <u>\$000</u>	<u>2006</u> <u>\$000</u>
16. Donated works of art		
Donated works of art	3,167	1,187
	<u>3,167</u>	<u>1,187</u>

Donations of works of art, which contribute to the development of the state art collection, are received from various individuals and brought to account as income at their estimated fair value. See also note 29 'Works of art'.

17. Bequest trust and special purpose funds contributions

Bequest contributions	409	1,575
Trust and special purpose funds contributions	252	111
	<u>661</u>	<u>1,686</u>

Contributions are received from various parties for special purpose funds administered by the Board. In addition, bequest contributions are, from time to time, received from individuals as a result of long-term relationships with the Art Gallery of Western Australia.

18. Commonwealth grants and contributions

Recurrent	3	-
	<u>3</u>	<u>-</u>

19. Interest revenue

Interest revenue	104	57
Bequest, trust and special purpose funds interest revenue	453	344
	<u>557</u>	<u>401</u>

	2007	2006
	\$000	\$000
20. Other revenue		
Grants and contributions - external	176	3
Recovery of impaired receivable	18	-
Salary, workers' compensation and severance recoups	15	41
Insurance revenue	9	-
Recoup of prior year expenses	2	205
Donations	2	-
Sale of publications	1	36
Auction revenue	-	50
Other revenue	12	15
	<u>235</u>	<u>350</u>

21. Net loss on disposal of non-current assets

Costs of Disposal of Non-Current Assets

Plant and equipment	8	2
---------------------	---	---

Proceeds from Disposal of Non-Current Assets

Plant and equipment	2	-
---------------------	---	---

Net loss	<u>6</u>	<u>2</u>
----------	----------	----------

See also note 28 'Property, plant and equipment'.

	<u>2007</u> <u>\$000</u>	<u>2006</u> <u>\$000</u>
22. Income from State Government		
Appropriation received during the year:		
Service appropriation ^(a)	3,626	3,505
The following assets have been assumed from the Department of Culture and the Arts during the financial year:		
Office equipment	24	24
Total assets assumed	<u>24</u>	<u>24</u>
Resources received free of charge ^(b)		
Determined on the basis of the following estimates provided by agencies:		
Services provided by the Department of Culture and the Arts:		
Salaries, wages, allowances and employee reimbursements	2,864	2,853
Superannuation	296	251
Capital user charge	11,980	11,687
Fringe benefits tax	11	-
Total resources received free of charge	<u>15,151</u>	<u>14,791</u>
Total Income from State Government	<u>18,801</u>	<u>18,320</u>

(a) Service appropriations are accrual amounts reflecting the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) Where assets or services have been received free of charge or for nominal cost, the Board recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners in which case the Board shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

	2007	2006
	\$000	\$000
23. Restricted cash and cash equivalents		
Current		
Bequest, trust and special purpose accounts ^(a)	3,861	3,536
	<u>3,861</u>	<u>3,536</u>
Non-current		
Bequest, trust and special purpose accounts ^(b)	3,865	3,465
	<u>3,865</u>	<u>3,465</u>

(a) Cash held in these accounts can only be used in accordance with the requirements of the individual bequest or fund.

(b) The Board cannot spend cash held in these accounts. The requirements of the individual bequests only allow the Board to spend interest earned on these accounts.

24. Inventories

Current		
Inventories held for resale:		
- Finished goods		
At cost	635	439
	<u>635</u>	<u>439</u>

See also note 2(n) 'Inventories' and note 14 'Trading profit'.

25. Receivables

Current		
Receivables	161	79
Allowance for impairment of receivables	-	(18)
GST receivable	77	83
	<u>238</u>	<u>144</u>
Prepayments	5	8
Total current	<u>243</u>	<u>152</u>

See also note 2(o) 'Receivables' and note 39 'Financial Instruments'.

	2007	2006
	\$000	\$000
26. Amounts receivable for services		
Current	311	1,059
Non-current	1,692	1,461
	<u>2,003</u>	<u>2,520</u>
Represents the non-cash component of service appropriations. See note 2(m) 'Amounts receivable for services (Holding Account)'. It is restricted in that it can only be used for asset replacement or payment of leave liability.		
27. Other assets		
<u>Current</u>		
Accrued interest	145	118
	<u>145</u>	<u>118</u>
28. Property, plant, and equipment		
Freehold land		
At fair value ^(a)	12,000	3,247
Accumulated impairment losses	-	-
	<u>12,000</u>	<u>3,247</u>
Buildings		
At fair value ^(a)	18,117	17,331
Accumulated depreciation	-	(3)
Accumulated impairment losses	-	-
	<u>18,117</u>	<u>17,328</u>
Buildings under construction		
Works in progress	6	-
Plant, equipment and vehicles		
At cost	2,203	2,404
Accumulated depreciation	(1,073)	(1,045)
Accumulated impairment losses	-	-
	<u>1,130</u>	<u>1,359</u>
Office equipment		
At cost	1,013	739
Accumulated depreciation	(633)	(591)
Accumulated impairment losses	-	-
	<u>380</u>	<u>148</u>
	<u>31,633</u>	<u>22,082</u>

(a) Freehold buildings were revalued as at 1 July 2006 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2007 and recognised at 30 June 2007. In undertaking the revaluation, fair value of land and buildings was determined on the basis of depreciated replacement cost. See note 2(f) 'Property, Plant and Equipment and Works of Art'.

To ensure the valuations provided by Valuation Services were compliant at 30 June 2007 with the fair value requirements under AASB 116, Valuation Services provided the Department of Treasury and Finance (DTF) with information that tracked the general movement in the market value of land and in building construction costs from 1 July 2006 (the date of valuation) to 31 March 2007. DTF reviewed the information and determined that the valuations provided by Valuation Services (as at 1 July 2006) were compliant with fair value requirements for 30 June 2007 reporting without further adjustment.

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out below.

	Freehold land \$000	Buildings \$000	Buildings under construction \$000	Plant, equipment and vehicles \$000	Office equipment \$000	Total \$000
2007						
Carrying amount at start of year	3,247	17,328	-	1,359	148	22,082
Additions	-	752	6	19	203	980
Disposals	-	-	-	-	(5)	(5)
Transfers	-	-	-	(145)	169	24
Revaluation increments	8,753	421	-	-	-	9,174
Impairment losses	-	-	-	-	-	-
Impairment losses reversed	-	-	-	-	-	-
Depreciation	-	(384)	-	(103)	(135)	(622)
Carrying amount at end of year	12,000	18,117	6	1,130	380	31,633

	Freehold land \$000	Buildings \$000	Buildings under construction \$000	Plant, equipment and vehicles \$000	Office equipment \$000	Total \$000
2006						
Carrying amount at start of year	3,247	15,936	-	1,427	233	20,843
Additions	-	120	-	45	13	178
Disposals	-	-	-	-	(2)	(2)
Transfers	-	-	-	-	24	24
Revaluation increments	-	1,591	-	-	-	1,591
Impairment losses	-	-	-	-	-	-
Impairment losses reversed	-	-	-	-	-	-
Depreciation	-	(319)	-	(113)	(120)	(552)
Carrying amount at end of year	3,247	17,328	-	1,359	148	22,082

	2007	2006
	\$000	\$000
29. Works of art		
At fair value	168,512	123,816
Additions	219	331
Donations at fair value	3,167	1,187
Revaluations	3,093	43,178
	<u>174,991</u>	<u>168,512</u>

See note 2(f) 'Property, Plant and Equipment and Works of Art'.

30. Intangible assets

Computer software		
At cost	192	185
Accumulated amortisation	(140)	(149)
Accumulated impairment losses	-	-
	<u>52</u>	<u>36</u>

Reconciliation:

Computer software		
Carrying amount at start of year	36	59
Additions	32	-
Disposals	(3)	-
Amortisation expense	(13)	(23)
Carrying amount at end of year	<u>52</u>	<u>36</u>

31. Impairment of assets

There were no indications of impairment of property, plant and equipment, works of art and intangible assets at 30 June 2007.

The Board held no goodwill or intangible assets with an indefinite useful life during the reporting period and at balance sheet date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2007 have either been classified as assets held for sale or written off.

	2007	2006
	\$000	\$000
32. Payables		
Current		
Trade payables	879	204
Payables for works of art acquisitions	67	99
	<u>946</u>	<u>303</u>

See also note 2(p) 'Payables' and note 39 'Financial Instruments'.

33. Other liabilities		
Current		
Accrued expenses	30	8
Income received in advance	71	9
	<u>101</u>	<u>17</u>

34. Equity

Equity represents the residual interest in the net assets of the Board. The Government holds the equity interest in the Board on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity		
Balance at start of the year	52,542	52,121
Contribution by owners		
Capital contribution ^(a)	<u>295</u>	<u>421</u>
Balance at end of the year	<u>52,837</u>	<u>52,542</u>

(a) Capital Contributions (appropriations) have been designated as contributions by owners in Treasurers Instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and are credited directly to equity.

	2007	2006
	\$000	\$000
Reserves		
Asset revaluation reserve:		
Balance at start of year	128,873	84,104
Net revaluation increments:		
Land	8,753	-
Buildings	421	1,591
Works of art	3,093	43,178
Balance at end of year	<u>141,140</u>	<u>128,873</u>

Bequest, trust and special purpose reserve⁽ⁱ⁾:		
Balance at start of year	7,098	5,534
Bequest Contributions*	661	1,686
Other income*	55	58
Interest received*	453	344
Bequest, trust and special purpose funds distributions*	<u>(423)</u>	<u>(524)</u>
Balance at end of year	<u>7,844</u>	<u>7,098</u>

(i) The bequest, trust and special purpose reserve is used to record increments and decrements to bequest, trust and special purpose funds.

Donated works of art reserve⁽ⁱⁱ⁾:		
Balance at start of year	11,638	10,451
Donated works of arts for the year*	<u>3,167</u>	<u>1,187</u>
Balance at end of year	<u>14,805</u>	<u>11,638</u>
Total Reserves	<u>163,789</u>	<u>147,609</u>

(ii) The donated works of art reserve is use to record donations of works of art received by the Art Gallery of Western Australia.

Accumulated surplus		
Balance at start of year	2,121	1,007
Result for the period	3,918	3,865
Transfers from/(to) above reserves (sum of items marked * above)	<u>(3,913)</u>	<u>(2,751)</u>
Balance at end of year	<u>2,126</u>	<u>2,121</u>

2007	2006
\$000	\$000

35. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash and cash equivalents	2,371	1,732
Restricted cash and cash equivalents (see note 23 'Restricted cash and cash equivalents')	7,726	7,001
	10,097	8,733

Reconciliation of net cost of services to net cash flows used in operating activities

Net cost of services	(14,883)	(14,455)
Non-cash items:		
Depreciation and amortisation expense	635	575
Doubtful debts expense	(18)	18
Bad debts expense	8	-
Resources received free of charge	15,151	14,791
Adjustment for other non-cash items	2	7
Net loss on sale of property, plant & equipment	6	2
Donated works of art	(3,167)	(1,187)
(Increase)/decrease in assets:		
Current receivables	(97)	38
Current inventories	(196)	(21)
Other current assets	(27)	(89)
Increase/(decrease) in liabilities:		
Current payables	620	(282)
Other current liabilities	84	(95)
Net GST receipts/(payments)	2	(39)
Change in GST in receivables/ payables	6	(19)
Net cash used in operating activities	(1,874)	(756)

	2007	2006
	\$000	\$000
36. Commitments		
Lease commitments		
Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements are payable as follows:		
Within 1 year	31	32
Later than 1 year and not later than 5 years	14	31
	<u>45</u>	<u>63</u>

The six motor vehicle leases are all cancellable operating leases with lease expenditure payable monthly in advance. These lease commitments are all inclusive of GST.

37. Events occurring after the balance sheet date

The Board has no subsequent events (other than those events whose financial effects have already been brought to account) to report.

38. Explanatory Statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% and \$100,000.

Significant variances between estimated and actual result for 2007

	2007	2007	Variation
	Estimate	Actual	Over/(Under)
	\$000	\$000	\$000
Expenses			
Supplies and services	2,111	1,762	(349)
Accommodation expenses	2,012	2,121	109
Cost of sales	512	612	100
Income			
Sales	825	981	156
Donated works of art	-	3,167	3,167
Bequest, trust and special purpose funds contributions	88	661	573
Interest revenue/Bequest trust and special funds interest	320	557	237

Supplies and services

The favourable variance is mainly the result of:

- Major exhibition program expenditure of \$141,000 that was originally anticipated to occur in 2007 but which is now expected to occur in 2008. This includes expenditure to be deferred for the exhibition 'Egyptian Antiquities from the Louvre: Journey to the Afterlife' (exhibiting in 2008) and return freight of artworks for the 'Raised by Wolves' and 'Edge of Desire' exhibitions;
- The deferral to 2007/08 of approximately \$105,000 in expenditure for various non-exhibition-related projects/activities;
- Savings of \$35,000 in other exhibitions supplies and services expenditure offset by the application of these funds towards additional salaries expenditure for exhibition construction and installation;
- A reallocation of \$29,000 in other exhibitions expenditure originally intended for consumable supplies but applied towards the acquisition of capitalised assets for exhibition purposes; and
- Savings of \$20,000 in travel expenditure for the development and research of future major exhibitions.

Accommodation expenses

The variance is largely due to an increase in building repairs and maintenance costs and an overall increase in utilities usage and expenditure.

Cost of sales

The increase is attributed to higher than expected Gallery Shop activity from the exhibition 'Norman Lindsay: Drawn to Women. The complete published etchings' and an end of year stock clearance sale.

Sales

The favourable variance in sales is mainly attributed to increased Gallery Shop activity as a result of the exhibition 'Norman Lindsay: Drawn to Women. The complete published etchings' and an end of year stock clearance sale.

Donated works of art

Donations of works of art result from long-term relationships that generally result in donations at irregular intervals over extended periods. This item was not estimated due to the uncertainty associated with donations.

Bequest, trust and special purpose funds contributions

The 2007 actual includes two bequests received for \$409,000. Bequest contributions are the result of relationships with the Gallery that extend over a long period of time. This item is conservatively estimated due to the uncertainty associated with bequest, trust and special purpose contributions.

Interest revenue/Bequest trust and special purpose funds interest

This item was conservatively estimated however an overall increase to bequest, trust and special purpose funds and additional contributions to these funds plus a general rise in interest rates contributed to the favourable variance.

Significant variances between actual results for 2006 and 2007

	2007	2006	Variance
	\$000	\$000	Over/(Under)
			\$000
Expenses			
Employee benefits expense	3,674	3,241	433
Supplies and services	1,762	2,053	(291)
Capital user charge	11,980	11,866	114
Other expenses	254	133	121
Income			
User charges and fees	344	1,060	(716)
Sponsorship	374	527	(153)
Donated works of art	3,167	1,187	1,980
Bequest, trust and special purpose funds contributions	661	1,686	(1,025)
Interest revenue/Bequest trust and special funds interest	557	401	156
Other revenue	235	350	(115)

Employee benefits expense

The increase is largely due to:

- A 4.5% pay increase applied during the year for staff employed under the *Public Service Award 1992*;
- The filling of vacant positions during 2007; and
- An increase to superannuation and leave entitlements resulting from the increased salary costs.

Supplies and services

The reduction is the result of decreased expenditure for art freighting and advertising due to an overall decrease in exhibition scale and activity when compared to 2006.

Capital user charge

The increase in capital user charge is due to an increase to the Art Gallery's net asset position over the year. Capital user charge is levied at 8% of net assets (after the deduction of certain exempted balance sheet items).

Other expenses

The increase is mainly the result of a workers' compensation performance adjustment relating to 2003 paid during the year to RiskCover, the Art Gallery's insurance provider.

User charges and fees

2006 user charges and fees included admissions revenue for the major exhibition 'St Petersburg 1900'.

Sponsorship

The decrease in sponsorship revenue reflects a reduction in major exhibition activity and associated sponsorship opportunities.

Donated works of art

Works of art are donated at irregular intervals and increases or decreases from year to year are generally expected. A collection of Norman Lindsay etchings valued at \$1.782m was donated during 2007.

Bequest, trust and special purpose funds contributions

Two bequest payments totalling \$0.409m were received in 2007 compared with two bequests totalling \$1.575m received during 2006. In addition, there was an increase in contributions provided to the Art Gallery of Western Australia Foundation.

Interest revenue/Bequest trust and special purpose funds interest

The increase in interest revenue resulted from the combination of:

- The full year impact of interest earned on bequests received in 2006;
- Interest earned on bequests received during 2007;
- An overall increase to interest-earning trust and special purpose funds;
- An overall increase to the level of invested non-restricted funds; and
- An increase in 2007 average interest rates when compared to 2006.

Other revenue

The difference in other revenue is mainly due to:

- A recoup of prior year capital user charge expense in 2006 for overpaid capital user charge expense in 2005; and
- Auction and publication sale revenue in 2006 related to the exhibition 'St Petersburg 1900',
offset by grants and contributions received in 2007 from:
 - The Perth International Arts Festival for the exhibition 'Raised by Wolves';
 - The Gordon Darling Foundation Travel Grant - Global;

- The Sarah & Baillieu Myer Family Foundation for the acquisition of a work of art; and
- The City of Geraldton as a contribution towards Geraldton Regional Art Gallery salaries and administration costs.

39. Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Board are cash and cash equivalents, receivables and payables. The Board has limited exposure to financial risks. The Board's overall risk management program focuses on managing the risks identified below.

Credit risk

The Board trades only with recognised, creditworthy third parties. The Board has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Board's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Board has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Cash flow interest rate risk

The Board is not significantly exposed to interest rate risk. The Board has no borrowings or finance leases. Some cash and cash equivalents are interest bearing and restricted cash and cash equivalents are interest bearing however the exposure to market risk for changes in interest rates is minimal as the Board does not rely on interest income for its principal operating activities.

(b) Financial Instrument disclosures

Interest rate risk exposure

The following table details the Board's exposure to interest rate risk as at the balance sheet date:

	Weighted Average Effective Interest Rate	Variable Interest Rate	Within 1 year	Fixed Interest Rate Maturity					Non- Interest Bearing	Total
				1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years		
2007	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets										
Cash and cash equivalents	6.0	1,605	-	-	-	-	-	-	766	2,371
Restricted Cash and cash equivalents	6.0	7,726	-	-	-	-	-	-	-	7,726
Receivables	-	-	-	-	-	-	-	-	243	243
Amounts receivable for services	-	-	-	-	-	-	-	-	2,003	2,003
Other current assets	-	-	-	-	-	-	-	-	145	145
		9,331	-	-	-	-	-	-	3,157	12,488
Financial Liabilities										
Payables	-	-	-	-	-	-	-	-	946	946
Other current liabilities	-	-	-	-	-	-	-	-	101	101
	-	-	-	-	-	-	-	-	1,047	1,047

	Weighted Average Effective Interest Rate	Variable Interest Rate	Within 1 year	Fixed Interest Rate Maturity					Non- Interest Bearing	Total
				1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 Years		
2006	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets										
Cash and cash equivalents	5.5	1,466	-	-	-	-	-	-	266	1,732
Restricted Cash and cash equivalents	5.5	7,001	-	-	-	-	-	-	-	7,001
Receivables	-	-	-	-	-	-	-	-	152	152
Amounts receivable for services	-	-	-	-	-	-	-	-	2,520	2,520
Other current assets	-	-	-	-	-	-	-	-	118	118
		8,467	-	-	-	-	-	-	3,056	11,523
Financial Liabilities										
Payables	-	-	-	-	-	-	-	-	303	303
Other current liabilities	-	-	-	-	-	-	-	-	17	17
	-	-	-	-	-	-	-	-	320	320

Fair Values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

2007 \$000	2006 \$000
---------------	---------------

40. Remuneration of members of the Board and senior officers

Remuneration of Members of the Board

The number of members of the Board, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$0 - \$10,000	8	9
----------------	---	---

The total remuneration of the members of the Board is:	0	3
--	---	---

The total remuneration includes the superannuation expense incurred in respect of members of the Board.

No members of the Board are members of the Pension Scheme.

Remuneration of Senior Officers

The number of senior officers, other than senior officers reported as members of the Board, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$130,001 - \$140,000	-	1
\$140,001 - \$150,000	1	-
\$210,001 - \$220,000	1	-
\$220,001 - \$230,000	-	1

The total remuneration of senior officers is:	363	358
---	-----	-----

The total remuneration includes the superannuation expense incurred by the Board in respect of senior officers other than senior officers reported as members of the Board.

No senior officers are members of the Pension Scheme.

2007 \$000	2006 \$000
---------------	---------------

41. Remuneration of auditor

Remuneration payable to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	35	39
--	----	----

The expense is included at note 12 'Other expenses'.

42. Related bodies

At the balance sheet date, the Board of the Art Gallery of Western Australia had no related bodies.

43. Affiliated bodies

At the balance sheet date, the Board of the Art Gallery of Western Australia had no affiliated bodies.

44. Supplementary financial information

Write-Offs

Debts written off by the Board during the financial year	9	-
--	---	---

Losses Through Theft, Defaults and Other Causes

Losses of public moneys and public and other property through theft	-	-
---	---	---

Gifts of Public Property

Gifts of public property provided by the Board	-	-
--	---	---

45. Income and Expenses by Service

For the financial year ended 30 June 2007, the Art Gallery of Western Australia operated under one service titled 'Art Gallery Services' and therefore service information is reflected in the Income Statement.

KEY PERFORMANCE INDICATORS

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the following performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Art Gallery of Western Australia's performance, and fairly represent the performance of the Art Gallery of Western Australia for the financial year ended 30 June 2007.



Helen Cook
Chair,
Board of the Art Gallery of Western
Australia
14 September 2007



Hamish Beck
Member
Board of the Art Gallery of Western
Australia
14 September 2007

DETAILED INFORMATION IN SUPPORT OF KEY PERFORMANCE INDICATORS

Treasurer's Instruction 904 requires that the Art Gallery produce and include in its Annual Report Key Performance Indicators (KPIs).

A revised Outcome and KPI Structure was approved by the Government's Outcome Structure Review Group during the reporting period. The new structure aligns the Government's Desired Outcome for the Gallery and KPIs with the Government's Strategic Planning Framework – *Better Planning: Better Futures*. The revised structure identifies the Gallery's contribution to the achievement of the Government's goals.

The Gallery contributes to the achievement of a number of these goals, the main contribution being to Government Goal 1 and Strategic Outcome 1.4, which are:

Better Services: Enhancing the quality of life and wellbeing of all people throughout Western Australia by providing high quality, accessible services.

Strategic Outcome 1.4: A strong and vibrant community:

All members of society should have the opportunity to participate in cultural and artistic activities and voluntary work, which enrich people's lives and improves their connections with the wider community. Social infrastructure will be provided to ensure a reasonable standard of living. Communities will be supported to develop welcoming and inclusive neighbourhoods with their unique histories and identities and the differing needs and abilities of people recognised and addressed.

GOVERNMENT DESIRED OUTCOMES

The Government Desired Outcome for the Gallery is that:

Western Australia's State Art Collection is preserved, accessible and sustainable.

Achievement of the Government Desired Outcome for the Gallery will facilitate the achievement of a creative community that participates in and values culture and the arts as essential to the quality of life and wellbeing of all people throughout Western Australia.

ART GALLERY SERVICES

Art gallery services provided by the Gallery are listed in the 2006/07 Budget Papers under the Department of Culture and the Arts. KPIs have been developed in accordance with Treasurer's Instruction 904 to evaluate the agency's performance in achieving the Government Desired Outcome and provide an overview of the critical and material aspects of service provision.

Preservation

Extent to which the part of the State Art Collection that requires preservation is preserved

	2005-06	2006-07
Proportion of time that the storage and display environment has not been breached	Not Available	93.5%
Proportion of the Collection for which there have been conservation treatment reports prepared.	Not Available	1.72%

Explanatory notes

There are many indicators of 'preservation' in an art-museum context. The Gallery has adopted the above two as indicators of the preservation of the State Art Collection.

The environment within which art works are stored and displayed is a principal indicator of the effort being taken to preserve them for future generations. Indicators of the 'storage and display environment' are temperature and relative humidity. The general agreed international standard used in the art museum industry is that the ideal temperature for display and storage of works of art is $21^{\circ}\text{C} \pm 2^{\circ}\text{C}$. The ideal Relative Humidity is $50\% \pm 5\%$. These benchmarks are used as indicators of the display and storage environment at the Gallery. On average the Gallery maintained the storage and display environment for 93.5% of operational hours. This proportion is a composite of the environmental data from three distinct environments. The main Gallery, the Centenary Galleries and the Collection Stores. Averages for these are calculated at 99%, 84% and 98% respectively reflecting the ongoing difficulty in maintaining the Centenary Galleries as an effective display space.

Another indicator of the focus on preservation is the proportion of the Collection for which conservation treatment reports have been prepared. The Gallery targeted and assessed 287 art works from the 'A' list of the collection. This represented 78% of the total 367 'A' listed works. The number of conservation treatment report prepared as a proportion of the number of items in the collection (16681) represents 1.72% of the collection by number.

Accessibility

Extent to which Art Gallery services are accessible

	2005-06	2006-07
Number of Accesses	393,319	397,000
Number of accesses to Western Australia's State Art Collection per capita. ⁶	192 per 1000	191 per 1000
Percentage of clients satisfied with the services associated with accessing Western Australia's State Art Collection.	95%	91%

Explanatory notes

Accesses are determined by the number of attendances, Internet user sessions (website hits), and attendances at venue hire functions. Accesses are expressed per capita, based on the population of WA.

Satisfaction is measured by a statistically valid survey. The market research consultants have advised that the sample used 'provides a maximum survey error of $\pm 4.9\%$ at the 95% confidence level'. The customer satisfaction survey is conducted by Patterson Market Research. Of the questions answered by customers, the prime response is to the question 'What was your overall satisfaction with your visit to the Gallery today?'

Sustainability

Extent to which the State Art Collection and Art Gallery services are sustainable

	2005-06	2006-07
Value of State Art Collection renewal, content development and/or expansion as a proportion of Collection value.	0.54%	0.39%

Explanatory notes

The sustainability KPI provides an assessment of the Gallery's capacity to annually renew a portion of, develop content of, and expand and/or maintain the physical integrity of the State Art Collection. Renewal, content development, expansion and/or maintaining the physical integrity are essential to the sustainability of the Collection. This indicator is based on a 5-year

⁶ Population (Per Capita) based on ABS Data table 3218 (WA): 05/06 = 2,050,884; 06/07 = 2,081,647; 07/08 = 2,112,872

rolling average of the cost of maintaining the collection as a proportion of the value of the Collection.

Key efficiency indicators

	2005-06	2006-07
Average cost of Art Gallery services per Art Gallery access.	\$22.55	\$23.24

Explanatory notes

Key Efficiency Indicators relate the level of resource input to the services provided. This indicator is arrived at using the following formula:

$$\frac{\text{Total Cost of Services (Excludes DCA overheads and Capital User Charge)}}{\text{Number of Accesses}}$$

MINISTERIAL DIRECTIVES

No ministerial directives were received during the year.

OTHER FINANCIAL DISCLOSURES

PRICING POLICIES OF SERVICES PROVIDED

Most Gallery exhibitions are presented free of charge to the public. From time to time major exhibitions are mounted as a joint venture with another exhibitor. The ticket cost for such exhibitions is based on a contractual negotiation with the joint venture exhibitor. Typically the cost of such entry is \$12 and is applied to contribute towards the cost of the exhibition.

CAPITAL WORKS

Capital projects uncompleted

There were no major capital projects commenced during the year that remained uncompleted at the end of the financial year.

Capital projects completed

With the Minister's support the Gallery received \$750,000 special funding to carry out an upgrade of its early-warning indicator and fire-detection systems. This was considered essential to enable the effective management of risk with regard to works of art, both on loan and in the State Collection, as well as providing effective protection for the Gallery's visitors and staff. The project commenced in March 2006 and was completed during 2006/07.

In addition to the above the Gallery installed a new traffic-counting system to record visitor numbers accurately. This electronic visitor counting system will provide valuable information for marketing purposes and will also be used to provide data used in organisational KPIs.

The Gallery completed a major renovation of the public toilets on the ground floor of the Main Gallery building.

EMPLOYMENT AND INDUSTRIAL RELATIONS

STAFF PROFILE

	2005/06	2006/07
FTEs at 30 June	53	53

	2005/06	2006/07
Permanent – full-time	33	33
Permanent – part-time	21	19
Fixed Term – full-time	8	6
Fixed Term – part-time	2	3
Casual	26	10
	90	71

	2005/06	2006/07
Women	65	50
Men	25	21
	90	71

The FTE figure represents the number of full-time-equivalent positions as at the end of the financial year. (One FTE is defined as one full-time job for one financial year on the basis of hours worked to normal Award/ Agreement hours provisions.⁷)

WORKERS' COMPENSATION

Based on the public sector's MOIR information, the lost time injury/ disease index for the Gallery was 8.59. The estimated cost of workers' compensation claims per \$100 payroll is .0790.

The following table provides comparative information.

	2005/06	2006/07
Frequency rate	9.75	8.59
Average time lost rate	15	2.0
Incident rate	1.41	1.45
Estimated cost of claims/\$100 wage roll	0.7595	0.0790
Contribution (premium rate)	1.82	0.84
Rehabilitation success rate	NA	NA

⁷ MOIR data provided by the DCA

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

The Art Gallery of Western Australia is committed to equity and diversity by encouraging the employment of Indigenous Australians, young people, people with disabilities, people from culturally diverse backgrounds and women.

The Art Gallery of Western Australia participates as a member of the Culture and the Arts Portfolio Equity and Diversity Reference Group. In December 2006 the Reference Group completed planning, consultation and development for a new portfolio-wide *Equal Employment Opportunity and Diversity Management Plan 2007–2009* to achieve the objectives under the Government's *Equity and Diversity Plan for the Public Sector Workforce*.

Art Gallery of Western Australia representation across the diversity groups as at 30 June 2007

Diversity Group	% Representation	Equity Index*
Women	72.2	70
People from Culturally Diverse Background	9.6	n/a
Indigenous Australians	3.8	n/a
People with Disabilities	11.5	n/a
Youth (under 25)	4.4	n/a

* A measure of the distribution of a diversity group across all classification levels. If the distribution for the diversity group is the same as for all employees in the organisation, then the equity index is 100 (ideal). Equity Indexes are not available for a sample size of 10 or less and for youth distribution as the value is no longer meaningful.

STAFF DEVELOPMENT

Art Gallery of Western Australia employees offer a great diversity of skills and experience, providing a solid platform on which to further develop the resources required to deliver a wide range of outcomes.

In 2006/07 staff took advantage of professional development opportunities in areas such as conservation practices, leadership, fundraising, sponsorship, process analysis, customer service, information and data management, risk management and project management. Staff were also funded to attend conferences focusing on a variety of specific art-museum practices.

VOLUNTEERS

Volunteers continued to enrich the experience of Art Gallery visitors with guided tours, front-of-house support and research. During the year the Gallery undertook the training of twenty-two volunteer guides while upgrading training for existing guides. Overall the Gallery worked with 160 volunteers who helped in the delivery of its programs to the public and schools.

GOVERNANCE DISCLOSURES

CONTRACTS WITH SENIOR OFFICERS

At the date of reporting, other than normal contracts of employment of service, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the Art Gallery of Western Australia and its senior officers.

DIRECTOR'S LIABILITY INSURANCE

The Gallery has, through RiskCover, taken out a Directors and Officers Liability Policy. The policy premium for 2006/07, which was paid during the reporting period, was \$13,285.80.

OTHER LEGAL REQUIREMENTS

COMPLIANCE WITH PUBLIC SECTOR MANAGEMENT ACT 1994 SECTION 31(1)

1. In the administration of the Art Gallery of Western Australia, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and the Gallery's Code of Conduct.
2. I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessment to satisfy myself that the statement made in 1. is correct.
3. Compliance with the Public Sector Standards and Ethical Codes is assessed by regular internal and external reviews of related procedures and staff feedback. An ethics and integrity awareness-raising program has commenced; it includes awareness on the Public Sector Code of Ethics, the Code of Conduct and the Public Sector Standards in Human Resource Management.
4. A new portfolio-wide performance-management system, the Staff Development System (SDS), has been developed and implemented to meet the requirements of the Public Sector Standards in Human Resource Management for Performance Management. Training in performance management processes has been conducted for all line managers to ensure a consistent approach to assessing, developing and managing employee performance. The system provides a strategy for long-term workforce planning and supports employees' ongoing development and increased job satisfaction.
5. There were no breaches of the Public Sector Standards in Human Resource Management for the annual reporting period 2006/07.



Alan R. Dodge
Director
14 September 2007

ADVERTISING – ELECTORAL ACT 1907 SECTION 175ZE

In compliance with section 175ZE of the *Electoral Act 1907*, the Art Gallery is required to report on expenditure incurred during the reporting year in relation to advertising agencies, market research organisations, polling organisations and media advertising organisations. Details are as follows:

	\$
Expenditure with advertising agencies	
Marketforce	20,748.15
Expenditure with market research agencies	
Patterson Market Research	11,180.09
Expenditure with polling agencies	0
Expenditure with direct mail agencies	
HPA	5,620.15
Expenditure with media advertising agencies	
Art Almanac	768.00
Gallery Circuit	1,239.09
Media Decisions	133,579.76
Total expenditure	<u>173,135.74</u>

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

During the year the Gallery's DAI Committee, in consultation with the Department of Culture and the Arts, produced a 2007–2012 Action Plan as part of the ongoing process to ensure that all visitors, including people with disabilities, can access Gallery services and facilities. The plan is subject to review and will be amended as priorities and needs change.

Implementation of the Disability Services Plan and the 2004–2007 Action Plan continued in all areas of the Gallery. Representatives from all teams met quarterly to ensure compliance.

RECORD-KEEPING PLANS

A major review of its record-keeping practices resulted in the implementation of a staged, planned approach to effecting improved record-keeping at the Art Gallery of Western Australia. Key initiatives undertaken include:

- Development of a comprehensive policy and procedure framework.
- Development and implementation of a revised classification scheme.
- Development and submission to the State Records Office of a revised Retention and Disposal Schedule.
- Submission to the State Records Office of a revised record-keeping plan.
- Development of an ongoing program of record-keeping training and awareness.

The principal objective for 2006/07 was to build a solid, compliant record-keeping foundation to be expanded on in the following year.

GOVERNMENT POLICY REQUIREMENTS

CORRUPTION PREVENTION

The Premier's Circular No. 2005/02 requires a report on actions taken to prevent corruption. The Gallery distributed the Fraud Prevention and Detection Policy promulgated by the Department for Culture and the Arts to all staff in the previous period, and is in the process of assessing the risk of fraud and other associated risks in the context of its Risk Management Program.

REGIONAL DEVELOPMENT POLICY

Particularly through its funding and support of regional galleries in Bunbury and Geraldton, the Art Gallery of Western Australia is committed to regional development. The Minister's *Cultural Signposts – Directions for Arts and Culture in Regional Western Australia* provides the focus for this initiative.

The Geraldton and Bunbury Regional Art Galleries have supported the development and promotion of emerging and mid-career artists. In staging the Noongar Country exhibition, Bunbury encouraged artists to make work specifically for the exhibition. They responded to a curatorial brief to examine the precursors and impacts of the 1967 referendum.

The annual exhibition 'Year 12 Perspectives' again provided students with an opportunity to display their work in the State gallery. A regional tour of selected works, sponsored by Woodside Energy Ltd, also provided for teacher and student workshops conducted in the Pilbara region.

SUBSTANTIVE EQUALITY

The Art Gallery of Western Australia is committed to the elimination of systemic racial discrimination from all policies and practices of public sector services.

In conjunction with all portfolio agencies, a Substantive Equality Policy demonstrating a statement of commitment was developed by the Department of Culture and the Arts and approved in July 2006. Since implementation, there has been an increase in employee awareness of the principles of substantive equality, and the framework has been built into the policy approval process to ensure the principles of substantive equality are maintained.

SUSTAINABILITY

The Gallery incorporates the principles of sustainability in its operations and planning. The Strategic Plan 2007–2011 and this Annual Report align with goals and principles that are consistent with *Better Planning: Better Futures – A Framework for the Strategic Management of the Western Australian Public Sector*.

FOUNDATION AND SPONSORS

SPONSORSHIPS

The Gallery continues to receive strong support from organisations that acknowledge the significant benefits of a flourishing arts sector to their businesses and employees as well as to the broader community.

Strategically, the focus is on forging long-term industry-exclusive key partnerships. In 2006/07 the Art Gallery of Western Australia was privileged to have the continuing annual support of:

Wesfarmers Arts
The West Australian
Marketforce
Channel Seven Perth
Mirvac Hotels and Resorts
The International Foundation for Arts and Culture

Sponsors who supported programs and exhibitions in 2006/07 included:

AngloGold Ashanti Australia Ltd
Carey Mining
City of Perth Winter Arts Festival
Curriculum Council of Western Australia
Curtin University of Technology
Department of Education and Training
Museum of Contemporary Art
Qantas
Roche Mining
The Visual Arts and Craft Strategy
UWA Perth International Arts Festival
Visions of Australia, a Commonwealth Government Programme
West Australian Symphony Orchestra
Woodside Energy Ltd

ART GALLERY OF WESTERN AUSTRALIA FOUNDATION

Since its formation in 1989, the Art Gallery of Western Australia Foundation has provided an opportunity for art lovers to provide their support, both financial and in kind, to the Art Gallery of Western Australia, nurturing and supporting the Gallery while enhancing the cultural wellbeing of the entire community.

Members provide their support across a number of significant areas including the Contemporary Art Group and the Acquisition Fund.

Many donors also provide their support through the donation of works of art through the Commonwealth Government's Cultural Gifts Program.

In return for their generous support, Foundation members enjoy a lifetime association with the Gallery and a close relationship with the Director and the curatorial team.

FOUNDATION COUNCIL

The Foundation is overseen by the Foundation Council, a voluntary group whose primary role is to develop and continually expand a network of individuals and organisations to provide financial and other support to the Gallery.

FOUNDATION COUNCIL MEMBERSHIP 2006/07:

Helen Cook	(Board Chair) from July 2006
Brett Davies	Chairman from April 2004 / Councillor from August 2002
Alan R. Dodge	(Director) from January 1997
Annie Fogarty	From March 2004
Ian Trahar	From February 2006
Jo Dawkins	From December 2005
John Hanley	From December 2005
Marlene Stafford	From October 2004

**FOUNDATION MEMBERS LIST
2006/07**

Honorary Patron

His Excellency Dr Kenneth Michael, AC
Governor of Western Australia

Patrons

(Not less than \$1,000,000)

Sue and Ian Bernadt
The late Leah Jane Cohen
Dr Jo Lagerberg and Dr Steve Swift
The late Dr Harold Schenberg

Vice Patron

(Not less than \$500,000)

Anonymous donor
Government of Western Australia
The late Betsey Linton
The late Dr Rose Toussaint
Barbara and the late Albert Tucker

Governor

(Not less than \$100,000)

BHP Billiton Community Trust
Brian Blanchflower
The Christensen Fund
Freehills
Friends of the Art Gallery of WA
Robert and Lesley Girdwood
Gordon Darling Foundation
Evelyn and the late Kemp Hall
Janet Holmes à Court, AO
Robert Juniper
The late May Marland

John McBride
James Mollison, AO
John Nixon
Max Pam and Jann Marshall
The late Clifton Pugh, AO
Kerry Stokes, AO
Sheila and the late Howard Taylor, AM
Wesfarmers Limited
Westpac Banking Corporation – Challenge Bank
Lyn Williams

Benefactor

(Not less than \$50,000)

Anonymous Donor
Agapitos/ Wilson Collection
Margot Bunning and family
Gunter Christmann
Sir James and Lady Cruthers
Robin and Elizabeth Forbes
Warwick Hemsley and family
Mandy Juniper
Dr Douglas Kagi
Kathleen O'Connor Advisory Committee

Ben and Helen Korman
J. Barris and Judith Lepley
Elizabeth Malone
Graeme Morgan
Judge Jim O'Connor
The Stan Perron Charitable Trust
The Shell Company of Australia Limited
Mitchiko Teshima

Fellow
(Not less than \$15,000)

Anonymous donor	Gerie and Ole Hansen
Michael Abbott	ICI Australia
Dr David Alltree	Kevin and Jan Jackson
Dario and Susan Amara	Dr Tim Jeffery
AngloGold Ashanti Australia Limited	The late Cliff Jones
Neil Archibald	Dr Graham Linford
Dr Bruce Bellinge	Robert Macpherson
Barbara Blackman	Diane McCusker
E. L. (Mick) Bolto	Ken and Merran McGregor
Sue Bolto	Dr Fred and Mrs Georgina Nagle
Eileen Bond	National Australia Bank Limited
John Brunner	Avril S. and Brian J. O'Brien
Fiona Clarke (in memory of Mrs Jean Clarke)	The Peploe family
Commonwealth Bank of Australia	Angela Roberts
The late Esther Constable	Ruth Rowell Phelps
Professor Ian Constable, AO	Anthony Russell
Syd and Danae Corser	Dr John and Thea Saunders
Daniels Printing Craftsmen	Anna Schwartz
Gary Dufour and Siné MacPherson	Gene and Brian Sherman
Trevor and Judy Eastwood	Graham and Marlene Stafford
Ernst & Young Chartered Accountants	Vivienne Stewart
Christine and Winston Foulkes-Taylor	John Stringer
Ben Gascoigne	Brian Swan
Julian Goddard and Glenda de Fiddes	Ian and Sue Trahar
David Goldblatt	Women's Service Guild of Western Australia
Helen Grey-Smith and children	Ashley Zimpel
Diether Hanisch	

Member
(Not less than \$4,000)

Anonymous donor	Helen Cook
Robyn Ahern	The late Chandler Coventry
Aisen Family Trust	Anne Cranston
ANZ Banking Group Limited	Susan and Michael Croudace
Monique and Sam Atlas and family	Dr Ben Darbyshire
Australian Campaign for Tibet (WA) Inc.	Dr and Mrs N. J. Davis
Shelley Barker	Jo Dawkins
John Barrett-Lennard	Lauraine Diggins
Corinne Barton	Alan R. Dodge
R. G. Bennett	Marco D'Orsogna
Peter and Stella Blaxell	Pamela Douglas
Lin Bloomfield	The Hon. Peter and Mrs Benita Dowding
Frank and Margaret Bongers	Hilaire Dufour
Keith Bradbury	Hollis Dufour
Brigitte Braun	Meredith Dufour
Brett Davies Lawyers	Edwin Eames
Claire Brittain	The late David Englander
Margaret Brophy	Jenny and the late Bill Fairweather
The late Lina Bryans	Michael J. Fallon
Peter and Christine Buck	The Feilman Foundation
Janet Burchill	Fini Group of Companies
Sally Burton	Fire & Emergency Services Authority
Bruce Callow & Associates Pty Ltd	Allan and Lynette Fletcher
Fraser Campbell	Annie and Brett Fogarty
Estate of John Chilvers	Larry and Peggy Foley
Susan Clements	Tom Gibbons and Miriam Stannage
Jock Clough	Gary Giles
Libby Cocks	Rodney Glick and Lynette Voevodin
	David and Hannah Goldstone

Mark Grant
 Grant Thornton Chartered Accountants
 Greenhill Galleries
 Alix and Geoffrey Grice
 Guardian Resources (Joshua Pitt)
 Lloyd and Jan Guthrey
 John Hanley
 Dorethea Hansen-Knarhoi
 Kim Hawkins
 Lyn-Marie Hegarty
 Michael Hoad
 Marie and Michael Hobbs
 Estate of Dr Ernest Hodgkin
 Diana Hodgson
 Glen Host and Jill Potter
 Julie Hoy
 John Hughan
 The late Judy Hughes
 Don and Joan Humphreys
 Jim and Farida Irani
 Japan Chamber of Commerce and Industry in
 Perth Inc.
 Angus and Louise Jones
 Ashley and Nina Jones, Gunyulgup Galleries
 Joyce Corporation Ltd
 Dr Patricia Kailis, AM, OBE
 Katherine Kalaf
 Nancy Keegan and Don Voelte
 Melissa Kelly and Kasia Kelly Dang
 Jennie Kennedy
 Jeff Kerley
 Denis and Valerie Kermode
 Kosta Boda, Sweden
 Lamb Printers Pty Ltd
 Estate of Clifford Last
 Ross and Fran Ledger
 Cherry Lewis
 Michele MacKellar
 Bea Maddock
 Lesley Maloney
 Bettina Mangan
 Jan and Bill Manning
 Dr Anthony McCartney and Jacinta McCartney
 Bryant and Tedye McDiven
 John McGlue and Sharon Dawson
 Marshall and Amanda McKenna
 Ian and Jayne Middlemas
 Geraldine Milner
 Esther Missingham
 Moet & Chandon Art Foundation
 Charles and Caroline Morgan
 Geoffrey and Valmae Morris
 Jock and Jane Morrison
 The late Kenneth Myer

Etsuko Nishi
 Robert O'Hare
 Norah Ohrt
 Dr Walter Ong
 Helen and Barry Osborne
 Gillianne Packer
 Mimi and Willy Packer
 Maureen Paris
 Shane Pavlinovich
 Georgina Pearce
 Poolman Management
 Rosemary Pratt
 Howard and Lindsay Read
 Estate of Ian Richmond
 Linda Savage Davis and Dr Stephen Davis
 Jenny and Wyborn Seabrook
 Roslyn Searle
 Celia Searle
 Stirling and Judy Shaw
 J. & J. Shervington
 John and Marie-Louise Simpson
 Singapore Airlines
 Cecily A. Skrudland
 Darryl and Heather Smalley
 Stateships
 Paul and Carla Sullivan
 Geoffrey Summerhayes, OAM
 Gloria Sutherland
 John and Antoinette Tate
 Rodney and Penelope Thompson
 Gene Tilbrook
 Wendy Treasure
 Edna Trethowan
 Peter Tyndall
 Elizabeth and Max Vinnicombe
 Patsy Vizents
 Mark Walker
 Patti Warashina
 Diana and the late Bill Warnock
 Darryl and Margaret Way
 Estate of Ian Whalland
 Donna White
 Heather Whiting
 Richard Wilenski and Fiona Kalaf
 Ian and Jean Williams
 Ron and Sandra Wise
 Mark Woffenden
 Woodside Petroleum Ltd
 Brigid Woss
 Yacht Grot
 Di Yarrall
 Carlos Zerpa
 Dr Dolph W. Zink, AM, and Mrs Zink

LOCATION, SERVICES, PROGRAMS AND AMENITIES

For further information concerning the Art Gallery of Western Australia, its programs and facilities, please contact:

Art Gallery of Western Australia

Perth Cultural Centre, Perth WA 6000
PO Box 8363, Perth Business Centre, Perth WA 6849
Telephone 08 9492 6600
Infoline: 08 9492 6622
Facsimile: 08 9492 6655
Internet: www.artgallery.wa.gov.au
Email: admin@artgallery.wa.gov.au

Open 10am–5pm daily
Anzac Day 1–5pm
Closed Good Friday and Christmas Day

General admission is free.
Admission fees apply to some exhibitions.

Information on donations to the Gallery, including the Cultural Gifts Program and the Cultural Bequest Program, is available on request, as are copies of the Gallery's Mission and Vision Statement and its Customer Service Charter.

Foundation

For information on how you can become involved with the Gallery, including membership and bequests, please telephone 08 9492 6761 or email foundation@artgallery.wa.gov.au.
Gifts to the Foundation of \$2 or more are tax deductible.

Friends of the Art Gallery of Western Australia

Membership and general enquiries can be made by telephone (08 9492 6750), email (friends@artgallery.wa.gov.au) or facsimile (08 9492 6755).

Sponsorship

For information on becoming a Gallery partner please contact the Partnership Manager by telephoning 08 9492 6693.

Art Gallery Shop

For Gallery publications and gifts, please contact the Gallery Shop.
Telephone: 08 9492 6766.

Art Gallery Café

Telephone: 08 9228 3100.