

# Montsalvat



**ANNUAL REPORT 2019/2020**







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# MISSION

Montsalvat's mission is to continue to be a living, thriving artistic community, welcoming to the general public. We aim to educate and to promote local, national and international cultural practice, and to conserve and enhance our magnificent natural site, unique buildings and collection, so that present and future generations can draw inspiration from Montsalvat's serene beauty and creative heritage.



Montsalvat will be recognised internationally as a respected Australian home of arts and culture, where work of the highest quality is created, taught, exhibited, performed, promoted and held in trust.









# CHAIR'S REPORT

Over its eighty plus year history, Montsalvat has seen many changes and challenges. Once a private semi-rural retreat for artists, it is now a public hub of creative opportunity in a great country that prides itself on a commitment to arts and culture. Montsalvat has long been a contributor to that history and commitment. Its perfect environment for creativity and exploration articulates why both artists and visitors gravitate to these Melbourne hills for inspiration.

However, this year saw a number of significant challenges that stopped Australia and the world in its tracks. On a local level, the Black Summer bushfires saw devastation across the country and while Montsalvat was not directly impacted, the fires resulted in over eighteen million hectares being burnt. Many communities were impacted and Montsalvat responded with a community exhibition and opening fundraising events to raise much needed funds for the Victorian Bushfire Appeal. We are proud that we raised \$18,834 with the support of local artists and businesses.

In early 2020 the global pandemic became a reality and has resulted in catastrophic consequences in terms of fatalities, illness and economic impacts. Australia has also been affected by Covid-19 and this has resulted in significant consequences for Montsalvat with ongoing lock downs. Like many other arts organisations, Montsalvat has been severely impacted financially. It will take some time to recover from this challenging situation and my thanks goes to the many supporters of Montsalvat which includes our patrons, donors, Friends, volunteers, artists and visitors. I would like to thank our staff who have continued to work in extraordinary circumstances.

## THE BOARD

Montsalvat Ltd, with its executive and staff, is responsible for sustaining Montsalvat's ongoing commitment to the making and teaching of art in its many forms. The tradition began in the 1930s, with the Jørgensen and Skipper families and the artists and friends who supported them. The Montsalvat Ltd Board, as Trustee since the Board's formal establishment in 2007, continues the commitment to provide for artists and foster arts education programs that spark engagement and encourage the highest standards from all who participate in them.

In addition to the extraordinary challenges during this year, the Board's further task is to ensure the structural and financial integrity of a heritage institution. Montsalvat is unique in Australia for its French-provincial-derived

architectural style and its locally devised building methods. The care and ongoing maintenance of the buildings and gardens are part of Montsalvat's commitment to providing artists and the public with an inspiring gathering place. Montsalvat's arts activities are financially underpinned through a diversity of events and celebrations, for which Montsalvat is an ideal site.

Montsalvat Ltd is a not-for profit company. Its Board Directors volunteer their services. Their professional experience in 2019-20 covered the arts, arts education, music, architecture, law, literature, journalism, finance, business, philanthropy, governance, public relations, hospitality, administration and marketing. The Board meets formally five times a year, with an Annual General Meeting in October/November.

# CHAIR'S REPORT

I would like to acknowledge all Board member's role in achieving this objective. Unlike many organisations, all Directors play an active role and this outstanding dedication is appreciated and acknowledged. Board members bring a wealth of professional experience and skills and this knowledge is intrinsic to our success, now and in the future.

The Montsalvat Foundation is the body authorised to receive gift-deductible donations to Montsalvat. The Montsalvat Foundation Incorporated Committee meets as required. Its AGM was held in November 2019.

The Board undertakes regular succession planning in accordance with Montsalvat's constitutionally mandated criteria for selection, and its own assessment of the capabilities required to meet Montsalvat's needs.

Former Board directors Dr Barry Jones AC, Phillip Adams AO and Morag Fraser AM became patrons of Montsalvat at the conclusion of their respective terms.



## COMMITTEES

Between Board meetings, Montsalvat Ltd's committees oversee the governance, strategic and financial planning, maintenance and risk management needs of Montsalvat. They operate within strict terms of reference. In 2019 the following committees met regularly:

- Finance, Audit and Risk Management Committee, chaired by Mr Peter Sexton.
- Governance Committee, chaired by John Howie AM.
- Fundraising Committee, Chaired by Dr Michael Liffman
- Montsalvat Buildings and Facilities Development Committee, chaired by Mr Peter Moore.

## PLANNING AND GOVERNANCE

Montsalvat Ltd currently follows its Strategic Plan 2017-2022, with this vision: 'Montsalvat will be recognised internationally as a respected home of arts and culture, where work of the highest quality is created, taught, exhibited, performed, promoted and held in trust.' It will continue to be a living, thriving artistic community, welcoming to the general public.

Montsalvat Ltd's foundational governance documents – Constitution, Governance Plan, and Committees' Terms of Reference – are regularly reviewed and updated to comply with government regulations and to reflect best practice.



# CHAIR'S REPORT

## THE ARTS

During 2019-20, Montsalvat's arts activities included exhibitions, classes, concerts, school excursions, film shoots, and the Montsalvat Arts Festival, all directed and developed by Montsalvat's Arts team and Executive Director. This artistic program also included Montsalvat's now established ceramics Centre, Clay Talk which has expanded in popularity due to our talented and inspiring tutors.

Covid-19 and the consequential lock down in Victoria and other states, significantly limited the proposed arts program this year. It is hoped that this can be restored in future times.



## EVENTS, COMMUNITY AND HOSPITALITY

Montsalvat's events, hospitality and promotional programs help keep Montsalvat viable as a centre for art. They also serve to welcome into Montsalvat a broad spectrum of Australian and international visitors, to enjoy the art, architecture, the gardens, and to celebrate significant milestones in their own lives. Again, credit goes to the Montsalvat events team for managing this vital part of our business and ensuring that our clients have a meaningful experience. There are many complex issues to manage and we are fortunate to have staff who are experienced, thoughtful and professional in their work.

During the extended Covid-19 lock down periods, all events ceased as a requirement of the health regulations. It is hoped that these events can be rescheduled in the future.



# CHAIR'S REPORT

## GROUND'S AND MAINTENANCE

Montsalvat has for years benefitted from the expertise and enthusiasm of our head gardener and her handy, energetic team of artisans and volunteers. Together they care for Montsalvat's gardens and unique buildings with exceptional sensitivity and regard for the unique nature of the place.

Their care has continued during the Covid-19 pandemic, strictly adhering to all relevant health regulations.



## VOLUNTEERS

Montsalvat is assisted in every aspect of its operations by the generosity of people who volunteer here. They work in the gardens, in the galleries, at festivals; they operate the car parks, help out with front of house; they volunteer their expertise and labour with a friendly smile. Montsalvat thanks them all – we could not do without them.

Unfortunately, Covid-19 meant that we had to suspend our volunteers' program due to the health restrictions. We look forward to welcoming back our supports in the future.

## VALE SIGMUND AND SEBASTIAN JORGENSEN

It was with great sadness that we acknowledge the passing of both Sigmund Jorgensen OAM and Sebastian Jorgensen. A tribute to Sigmund and Sebastian is printed below.

## CONCLUSION

This year has been a time of exceptional challenges and collectively we have managed to retain our vision and sense of purpose. My sincere thanks go to the Board, our staff, artists, volunteers, donors and patrons for your outstanding and continued contribution and commitment. This collective energy is the essence of what makes Montsalvat such a vibrant and exceptional, creative place to be. We look to the future, while acknowledging the past.

**Catherine Dale (Dr)**  
**Chair Montsalvat Ltd**



### **Vale Sigmund Jorgensen OAM (29 April 1940 – 21 July 2019)**

It is acknowledged with great sadness that Sigmund Jorgensen OAM passed away in July 2019. Sigmund's contribution to Montsalvat was outstanding and his legacy will continue for many years

We remember Sigmund Jorgensen OAM, son of Justus Jorgensen who was the founder of Montsalvat.

Sigmund led Montsalvat from 1975 – 2005, during which time he made Montsalvat a haven for local and international artists. His contributions to art and culture were many, including the Melbourne culinary scene, running the award winning restaurant Clichy, being a judge at the Melbourne Asian Food Festival, food critic for the Melbourne Times and forming and Co-Directing the Montsalvat Jazz Festival which has gone on to become one of the major Melbourne cultural events.

Sigmund was a supporter of the significant student orchestra which has trained many of the top musicians now back in Melbourne for the Australian World Orchestra; the Geminiani Chamber Orchestra, who used to perform at Montsalvat. After his father's death Sigmund as one of the Directors of the Montsalvat Trust, oversaw the completion of many of Montsalvat's buildings and initiated others, including the restaurant.

As part of Sigmund's community involvement he was for a time the Mayor of the Nillumbik Shire.

A friend and supporter of the arts and artists all his life. He will be sadly missed.



### **Vale Sebastian Jorgensen (10 July 1939 - 19 August 2019)**

It was with a heavy heart that Montsalvat also farewelled Sebastian Jorgensen on 19th August 2019. Sebastian was a highly respected and renowned musician, having studied and performed in Europe. He had a passion for preserving the music of our first nations people and considered that this was a key to genuine reconciliation.

Sebastian's contribution as an artist will be long remembered.





# CULTURAL OPERATIONS



## EXHIBITIONS

### Barn Gallery

Nillumbik Prize for Contemporary Art 2019

The Story

Interlude

Rick Amor Self Portrait Prize 2019

Marc McBride

A Daedal Gallimaufry

Lesley Sinclair

Nillumbik Shire Council

Baldessin Press

Bryan Dawe

Montsalvat

Marc McBride

Owen Rye (Skepsi Gallery)

Montsalvat Collection

30 May – 21 July 2019

25 July – 15 September 2019

18 September – 14 November 2019

14 November 2019 – 26 January 2020

29 January 2020 – 1 March 2020

7 March – 22 March 2020

5 June 2020 – 1 February 2021



# CULTURAL OPERATIONS



## Long Gallery

Breathnu	Shannon Donovan (curator)	25 June – 29 July 2019
Winter Journey	Lucy Chapman	31 July – 25 August 2019
Drawing Breath	Katie Roberts	29 August – 22 September 2019
Seniors in Action	Estia Health	26 September – 20 October 2019
Tender Are the Hunters	Mia Freeman	24 October – 18 November 2019
Full Circle	Lisa Axiotis	20 November – 8 December 2019
Descendent	Irene Amorosi	11 December 2019 – 6 January 2020
Destruction, Beauty & Hope Victorian Bushfire Appeal	Montsalvat	31 January – 9 March 2020
The Sands of Time	Julian Cook	11 March – 29 June 2020
Jo Carroll and Bev Plowman	Jo Carroll and Bev Plowman	30 June – 21 December 2020

# CULTURAL OPERATIONS



## Residents Gallery

Passage	Maria Colaidis	11 June – 22 July 2019
The Story	Baldessin Press	25 July – 18 August 2019
Peter McIlwain	Peter McIlwain	21 August – 15 September 2019
Everyday Objects	Kae Norman	20 September – 13 October 2019
Decay	Kate Belvedere	15 October – 11 November 2019
Female is the New 'F' Word	Aimee Timpson	12 November – 9 December 2019
Pictures and Portraits	Damien Skipper and Jean-Paul Zilliacus	11 December 2019 – 30 January 2020
Destruction, Beauty & Hope Victorian Bushfire Appeal	Montsalvat	31 January – 9 March 2020
Horizons	Geoffrey Falk	5 June – 29 June 2020
TRIO: Three Montsalvat Painters	Angela Abbott, Don James and Adam Frith	30 June – 30 November 2020

## The Boulevard @ Montsalvat

Cottles Bridge Seasons	Sue Robertson	2 May – 31 July 2019
Kitchenalia	Sharron Okines	2 August – 29 October 2019
Connectivity	Melisa Savickas	6 November 2019 – 27 January 2020
Connection to Place: Embedded in Landscape	Kate Cross	28 January – 30 June 2020

## The Grounds

The Tudor	Christabel Wigley	26 June 2018 - 14 November 2019
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# CULTURAL OPERATIONS

## CONCERTS AND PERFORMANCES

Solo Piano - Yasmin Rowe	14 July 2019
Shostakovich: Through the Lens of the String Quartet - Flinders Quartet	4 August 2019
The Beauty of Living Sound - Simone De Haan	25 August 2019
Inspiration Tango - Firebird Trio	18 August 2019
The Art of the Oud - Joseph Tawadros	19 September 2019
From Rome to Paris via Hamburg - Capella Corelli	5 October 2019
A Banquet of Musings - Joe Chindamo	5 October 2019
Meet the Guadagnini - Aleksandr Tsiboulski & Kate Macfarlane	6 October 2019
Bach Cello Suites	6 October 2019
The Clifford Hocking Concert - Flinders Quartet	20 October 2019
Three's Company - Trio Anima Mundi	26 October 2019
Quartet for the End of Time - Collide and Wilma Smith	27 October 2019
Collide Trio	24 November 2019
Chopin Nocturnes - Piers Land	28 November 2019
French Romantic Cello & Piano - David Berlin & Benjamin Martin	1 December 2019
Christmas Carols with Ensemble Gombert	15 December 2019
The Grigoryan Brothers	29 February 2020
Robin Hood - Playhouse Pantomimes	11 and 12 January 2020
Beethoven 120 - Flinders Quartet	1 March 2020



# CULTURAL OPERATIONS

## SPECIAL EVENTS

MONTSALVAT WEDDING OPEN DAY  
8 September 2019

MONTSALVAT ARTS FESTIVAL  
5 and 6 October 2019  
1186 in attendance

On the first week in October, Montsalvat hosted the 2019 Montsalvat Arts Festival to great success.

The Saturday of the festival featured an afternoon and evening program of concerts with Capella Corelli and Joe Chindamo. The main event of the Montsalvat Arts Festival on the Sunday connected our studio artists to Montsalvat visitors and the local community with an open studios program featuring 12 resident artists, a concert from resident guitar virtuoso Aleksandr Tsiboulski and a talk on ceramics by Kevin White. The event featured a combination of ticketed events and general admission and welcomed 1,186 visitors.

In addition to the open studios program, general admission included entertainment from Japanese Drummers Wadaiko Rindo, jewellery making with Rebecca Jory and craft activities with Polly Mackenzie. The ticketed events featured a variety of genres and artforms including Clay Talk classes, a talk by Bryan Dawe and the most popular sold out Bach Cello Suites performed in the Upper Gallery. The event also engaged 38 volunteers from a variety of areas such as the Nillumbik and Diamond Valley communities, university students and as far as Footscray in the western suburbs.

Montsalvat Arts Festival 2019 Program:

From Rome to Paris via Hamburg, Capella Corelli  
A Banquet of Musings, Joe Chindamo  
Wadaiko Rindo Japanese Drummers  
Meet the Guadagnini, Aleksandr Tsiboulski and Kate Macfarlane  
Bach Cello Suites with Campbell Bank, Edwina Cordingley, Rohan de Korte, Zoe Knighton, Josephine Vains and Rosanne Hunt  
Brunch with Gideon Haigh  
Lunch with Writers Panel, Katheryn Kovacic, Bella Li, Emily Bitto in conversation with Morag Fraser  
A Satirist's Journey with Bryan Dawe  
Kevin White on Ceramics  
Clay Talk Kids Hand Building with Mary-Lou Pittard  
Clay Talk Adult wheel throwing with Denholm Lappas  
Clay Talk adult hand building with Amy Kennedy  
Vikki Conley Workshops  
Jewellery Making with Rebecca Jory  
Craft Activities with Polly Mackenzie





# CULTURAL OPERATIONS

HallowSCREAM

31 October 2019

1,100 in attendance

RICK AMOR SELF PORTRAIT PRIZE 2019

14 November 2019 - 26 January 2020

Our Rick Amor Self Portrait Prize 2019 exhibited the work of thirty-five shortlisted artists selected from a record number of entries from over 250 artists from across Australia and overseas. The exhibition was opened by renowned barrister Julian Burnside QC AO. Once again, Montsalvat thanks Rick Amor for his generous sponsorship of this prize.

The finalists were:

Tom Alberts, Gregory Alexander, Tyler Arnold, Kate Beynon, Paul Borg, Max Bowden, Isobel Clement, Byron Copland, Yvette Coppersmith, Archer Davies, Mark Dober, Lisa Dottore, Graeme Drendel, Jennifer Fyfe, Liz Gridley, Tsering Hannaford, Shane Jones, Kate Kurucz, Kevin Lincoln, Terry Matassoni, Joshua McPherson, Matilda Michell, Michelle Molinari, Jim Moody, Surya Murali, Elizabeth Nelson, Anh Nguyen, Tom Parsons, Petra Reece, Peter Roccella, Jenny Rodgers, Damien Skipper, Daniel Vukovljak, Li Zhou, and Michelle Zuccolo.

The winner of the Rick Amor Self Portrait Prize 2019 was Michelle Zuccolo, for her painting titled Augury.

The prize of \$20,000 (non-acquisitive) was judged and awarded by Prudence Flint, who commented that "Michelle Zuccolo's Augury has a striking delicacy in regard to its narrative, rendering of 'self' and its painterly space. The profile offers the viewer room to swing and move and think about the implied tensions and intensities throughout the work".

Special mentions were also given to Daniel Vukovljak for his work Self Portrait, which Prudence Flint complimented for "its candid unrelenting stare and mesmerizing completeness in painting application", along with Liz Gridley for Isolated Self, Tom Parsons for Self Portrait with 3D printed peeled orange and Byron Copland for Studio by Door Light.

The People's Choice Award of \$1000, sponsored by Montsalvat, was awarded to Jennifer Fyfe for her work Self in Studio Landscape. The prize was judged by attendees of the exhibition throughout its duration.



# CULTURAL OPERATIONS

## DESTRUCTION, BEAUTY & HOPE VICTORIAN BUSHFIRE APPEAL

29 January - 6 March 2020

Opening Event February 1

Following a devastating summer of bushfires across Australia, Montsalvat responded with a community exhibition and opening fundraising event to raise much needed funds for the Victorian Bushfire Appeal. After a call out to the community, Destruction, Beauty & Hope featured 118 works from 66 local and prominent artists. The exhibition opening run received an overwhelming response and Montsalvat raised \$18,834. Donated funds were directed by the appeal to communities in need, who were directly affected by the bushfires. Thank you to Malcolm Hackett OAM, Chair of the Board of Valley Community Financial Services, for speaking at the exhibition opening and sharing his personal story. Thank you to Bakers Delight Eltham and Crush Fine Wines for donations of food and beverages for the opening event.



Thank you to the artists who donated works

Adam Frith  
Aimee Timpson  
Alexandra Janssens  
Angela Abbott  
Anna Farago  
Anne Melloy  
Annee Kelly  
Cassandra Williams  
Cate Laidler  
Chris King  
Clare Dunstan  
Damien Lewis  
Damien Skipper  
Deborah Punton  
Denise Keel-Bedford  
Don James  
Erica Wagner

Gwen Scott  
Hans Jorgen Jahr  
Irene Amorosi  
Jeanette Dyke  
Jean-Paul Zilliacus  
Jennifer Ayre  
Jo Ludbrook  
John Ringeri  
John Wakefield  
Joy Helen Lea  
Julian Cook  
Karen Hopskins  
Kate Cross  
Kathy Best  
Keiko Matsui  
Ken Toomey  
Kevin White

Leanne Robson  
Lewis Miller  
Lisa Axiotis  
Maike Pritchard  
Mana Aghajary  
Marc McBride  
Maria Colaidas  
Mariella McKinley  
Mary Caia  
Mia Emily Freeman  
Michelle Endersby  
Michelle Sturrock  
Nat Lawson  
Ona Henderson  
Ophelia Keys  
Pascale Garlinge  
Pat Reynolds

Peter McIlwain  
Placard + Pose  
Rebecca Sanchez  
Ross Kimber  
Sally Bowen  
Sheena Varma  
Sue Robertson  
Sue Thomas  
Tania Lucas  
Tracey Yannopoulos  
Ursula Dutkiewicz  
Valeria Cheffings  
Walter Magilton  
Wendy Price Bradke  
Yuki Cook



# CULTURAL OPERATIONS

## ROMANCE IN BOHEMIA

14 February 2020

## SUMMERS END

29 February 2020

318 in attendance at concert and film

The inaugural Summers End festival held on the last day of Summer was a wonderful celebration as the sun set and the last big creative event for Montsalvat prior to the COVID-19 pandemic. The festival featured an outdoor performance by the Grigoryan Brothers in front of the Great Hall, a film screening of Buena Vista Social Club and an artist's market with thirteen local artists and makers selling their work. This event fostered a strong sense of community and saw the coming together of local community, artists, and broader Melbourne in a timely and bitter-sweet end of Summer and start of 2020.



## MONTSALVAT SHOP

The Montsalvat Shop showcases products from Montsalvat Studio Artists, products related to the Montsalvat exhibition program and products from Victorian artists. The Montsalvat Shop underwent a name change this year to better reflect the diversity of our retail products. In the final months of the financial year, we started the initial groundwork and testing phase for an online Montsalvat Shop presence, to launch in the beginning of the 2020/21 financial year. This year, eight new artist lines were introduced offering an expanded range of gifts, including Studio Artist Marc McBride's books *The Glimme* and Studio Artist Angela Abbott's oil paintings. The Montsalvat Shop continues to source unique products offering an expanded range for our visitors.



# ON SITE ART TRADITIONS

## EXISTING ARTISTS

Our studio spaces house a wide range of artists and artisans offering a great diversity of arts activity here at Montsalvat. Artists currently residing or working on site include painters, jewellery makers, puppeteers, ceramic artists and artisans who work with textiles and glass. These artists carry on a rich tradition of making and teaching at Montsalvat.



Angela Abbott  
Simon Baigent  
Mary Caia  
Timothy Clarkson  
Jeanette Dyke  
Adam Frith  
Don James  
Jo Ludbrook  
Marc McBride  
Mariella McKinley  
Richard Nelson  
Kate Storey  
Damien Skipper

Painter  
Goldsmith  
Painter  
Ceramicist  
Jewellery Maker  
Painter  
Painter  
Textiles  
Illustrator  
Glassmaker  
Film Maker  
Experience Designer  
Painter

Susan Reddrop  
Sue Thomas  
Kevin White  
Aleksandr Tsiboulski  
Adam Griggs  
Shinobu Kobayashi  
Kevin White  
Richard Lee  
Matt Stonehouse  
Sigmund Jorgensen OAM  
Sebastian Jorgensen  
Jean-Paul Zilliacus.

Glassmaker  
Textiles  
Ceramicist  
Classical Guitarist and Educator  
Puppeteer  
Woodworker  
Ceramicist  
Sustainable Gardener  
Frame drum maker and musician  
Writer  
Musician  
Sculptor



# ON SITE ART TRADITIONS

## ARTISTS APPOINTED IN 2019 - 2020

The new appointments this year included the inaugural recipient of the Montsalvat Film Prize through which a three-month residency is presented to a film graduate in conjunction with Victorian College of the Arts.

Keiko Matsui                      Ceramicist  
Shelley O'Meara                VCA Film Graduate -

## ARTISTS VACATING STUDIOS IN 2019 - 2020

Timothy Clarkson  
Kate Storey  
Matt Stonehouse



## WORKSHOPS AND CLASSES

Montsalvat continues delivering workshops and classes including a painting workshop for school groups with studio artist and illustrator Marc McBride, and the continued partnership formed with G.A.T.E.WAYS in 2019, offering Montsalvat as an inspiring venue for workshops to be run for highly able and gifted children with special education needs.

# ON SITE ART TRADITIONS



## CLAY TALK

The last 12 months has been a tumultuous time for Clay Talk along with the rest of Montsalvat but adaptation and perseverance has made the best of a difficult situation and we have nothing but optimism for the approaching year ahead.

The second half of 2019 saw Clay Talk whirring along with a steady student base of around 50 regular term students plus weekend workshops including Clay Tasters, Make-a-Plate, Kid's School Holiday classes and more specialised workshops.

Clay Talk hosted a market stall at the Eltham Festival on the 9th & 10th November 2019. The weekend was a huge success with hundreds of people jumping on the wheel for a free crash course at pottery. We had many enrolments as a result and the level of community exposure was huge with thousands of people walking past over the course of the weekend.

We continued our community engagement with attendance at the Warrandyte Pottery Expo on 23rd & 24th November. This day was a chance for pottery lovers and industry professionals to meet, buy pottery and participate in events. The weekend was a huge success with many industry connections being made with a lot of interest garnered for our classes and of particular interest to the many practicing potters was our more advanced specialised workshops.

We sold out our first advanced level workshop 'Glaze Technology with Master Potter Brian Keyte' happening November 17th & 24th. This 2-day workshop was designed for practicing potters to learn the fundamental skills involved in glaze analysis, creation and firing. It was great to see professional potters along with novice students come together to extend their skills into the world of glaze chemistry.



# ON SITE ART TRADITIONS

In March, a 3-day Woodfiring was conducted by Denholm Lappas and Daniel Nikitin, along with a team of students and volunteers, to coincide with the opening of Owen Rye's exhibition 'A Daedal Gallimaufry'. This was a truly special event gathering many visitors to the Woodfiring site over the weekend, with a particularly large amount during Owen Rye's opening. The woodfire kiln is a unique asset of Montsalvat and a rare thing to find at an education centre these days, we look forward to its utilisation in the future.

The advent of COVID-19 and forced closures saw the end to regular on-site classes but during our hiatus we have been busy running online classes, fundraising, conducting much needed maintenance and planning for the future.

Adapting to the changes produced by COVID-19 we have coordinated a series of online classes which have been running successfully on a weekly basis since April, with a total of 28 students enrolled over this period. With a new major project every 4 weeks including vases, teapots, plates and kid's classes, the content was reinvigorated every workshop.

When restrictions allowed, we hosted a contactless drop-off/collection firing service for students who were working from home. This kept our kilns and technician in use, students connected to their craft and also brought in much needed consistent revenue.

We also created an online messaging platform through Whatsapp to keep our students engaged with critiques from tutors and fellow students, along with technical advice from staff.

Fundraising began for our new Rohde kiln through market stalls, shop sales, student donations, fundraising campaigns, and private donors. The kiln is expected to arrive later in the year, and we extend a huge thank you to our students, Montsalvat staff and a particular thank you to our generous donors so far. This kiln will be an indispensable asset to Clay Talk.

After a successful year, Clay Talk looks forward to a safe return to pottery classes post COVID-19 to continue to grow and develop the ceramics centre.



## MONTSALVAT FOUNDATION

The Montsalvat Foundation continues to receive our donations which in turn enables Montsalvat to care for the historic buildings and to promote and encourage the arts by way of exhibitions, public concerts, lectures, workshops and master classes. The foundation has a Deductible Gift Recipient status; therefore, we are able to issue tax receipts for any donations over \$2.

Private donations totalling \$30,425 were received during the year for which Montsalvat is extremely grateful.

## MONTSALVAT PARTNERSHIPS

Montsalvat is a diverse and complex organisation that provides an enormous breadth of activities and attractions for our guests and visitors. This would not be possible without the support and assistance from our partners and supporters.

We would like to take this opportunity to thank them all for their assistance throughout the year. Without their help Montsalvat would not be able to provide the wonderful concerts, exhibitions, festivals and workshops that the community is so familiar with.

Rick Amor  
Alec Arnott, Creative Visuals  
Austrian Government  
Araluen Disability Support Service  
Baldessin Press  
Bryan Dawe  
Eltham High School  
Eltham Cemetery Trust  
Eltham Heritage and District Society  
Geoffrey Falk  
Morag Fraser AM  
G.A.T.E.ways  
Flinders Quartet  
John Henshall, Ethos Urban  
Italian Institute of Culture  
Minter Ellison Lawyers Melbourne  
Methodist Ladies' College, International  
Baccalaureate Community Service  
Susan Martin, Associate Pro Vice  
Chancellor Research, LaTrobe University  
Justitia Lawyers  
Anthony D Lang Barrister  
Siobhan Jackson  
Virginia Jackson

Christine Johnson  
Lions Club – Eltham Branch  
Rotary Club – Eltham Branch  
Field of Vision Photography  
Quest Apartments Doncaster  
Recovery Tree Services  
Deborah Routley  
Nillumbik Shire Council  
Multicultural Arts Victoria  
Mike Scott  
Lisa Riddel  
Rohan Miller  
Skepsi On Swanston  
Michael Shmith  
Elizabeth Sprague  
La Trobe University  
Barbara van Ernst  
The University of Melbourne,  
Department of Fine Arts  
Emma Wise Photography  
3MBS Community Radio  
Vicki Ward Member for Eltham  
Creative Victoria







## MONTSALVAT LIMITED BOARD

Dr Catherine Dale	General Manager, Eurobodalla Shire Council. <i>Appointed Chair, November 2019</i>
John Howie AM	Lawyer, <i>Deputy Chair</i>
Peter Sexton	Partner RSM Australia, <i>Treasurer</i>
Dr Jacqueline Ogeil	Executive Director, Montsalvat Ltd, <i>Company Secretary</i>
Peter Moore	Director, Flyford Communications
Allan Willingham	Architect, Architectural Historian and Heritage Consultant
Dr John Wiltshire	Professor Emeritus, La Trobe University
Dr Michael Liffman	Adjunct Associate Professor, Swinburne University
Kate Dundas	Landscape Architect
Sharyn Lowe (until February 2020)	Director of Flaunt Marketing
Anthony Aspididis (until November 2019)	General Manager, Montsalvat Ltd.

## PATRONS

Barry Jones AC	Professorial fellow at University of Melbourne Board member of Victorian Opera
Phillip Adams AO	Australian broadcaster, film producer, writer & commenter
Morag Fraser AM	Australian journalist, editor and literary critic Chair Book Review



## STAFF

Executive Director	Dr Jacqueline Ogeil	
General Manager	Anthony Aspididis (until November 2019)	
Operations Manager	Craig Hill (from November 2019)	
Arts Manager	Natalie Buckley	
Events Manager	Rebecca Jory	
Functions Co-ordinator	Laura Camilleri (until August 2019)	
	Brighid Murphy (from February 2020)	
	Marco Romeo (September to November 2019)	
Functions SUpervisor	Naomi Voake	
Event Officer	Gemma Eades (until September 2019)	
Arts Support Co-ordinator	Rachel Duffy	
Arts Administrator	Christine Johnson (until October 2019)	
Curator	Lachlan Sutherland	
Assistant Curator	Matilda Perez	
Chef	Maureen White	
Finance and Administration Officer	Denholm Lappas	
Kiln Technician	Tania Mason	
Administrative Support	Nat Lawson	
Reception, Tourism & retail Co-ordinator	Shannon Donovan	
Reception	Rachel Duffy	
	Pascale Garlinge	
	Emmy Horvath	
	Leith Maguire	
	Olivia Morris	
	Belinda Rogers	
	Jessica Sharp	
	Lisa Solomon	
	Naomi Voake	
	Peter Coare	
	Veronica Dapiran	
	Jo Douglas	
	Jean-Paul Zilliacus	
Buildings and Grounds		
Function Staff		
Brendan Peck	Kadhim Al-Medhaje	Jack Naughton
Ayrten Korakis	Karina Marcato	Shermilli Kumera
Callum Barker	Maria Mena	Bella Duncan
Ethan Said	Navya Ragipani	Rachel Camilleri
Maxine Treisman	Rahul Poojari	Jack Zhang
Hannah Treisman	Sybella Kelly	
Vanessa Kirkwood	Vinay Pal-Gill	
Nathan Kirkwood	Amy Dixon	

# VOLUNTEERS

## VOLUNTEERS

Montsalvat is incredibly grateful to its volunteer base who are the people that keep Montsalvat looking beautiful and delivering high quality events. In 2019/2020 our volunteers contributed 5,596 voluntary hours including continued efforts onsite and off-site throughout Montsalvat's closure during COVID-19. Our volunteers make an incredible impact to Montsalvat through helping in the garden, the galleries, running tours and contributing their time and passion to arts events. Montsalvat would not be Montsalvat without them.

Aditi Sharma  
Alan Johanson  
Alana Meehan  
Alex McGregor  
Anne Bravos  
Anne Langworthy  
Barbara Tufts  
Barbara Van Ernst  
Barbara Woolcock  
Bob Rusling  
Brenda Smith  
Catherine Dattner  
Cathie McRoberts  
Cathy Romero  
Charlie Camera  
Clemence Overall  
Danielle Gilchrist  
David Hanford-Hobbs  
Deb Pasinis  
Delia Court  
Denise Smedley  
Ed Catmull  
Elizabeth Hall  
Faye Hyari  
Gail Walsh  
Gene De Luca

Godana Stankovski  
Harrison Verschuuk  
Llse Jawdets  
Ian Graham  
Ibrahim Aljohani  
Ivana Glogowski  
Jaci Anderson  
Jack Waghorn  
Jan Aitken  
Jim Pasinis  
Jo Hillbrick  
Joan Dennison  
Josephine Ball  
Joyie Choi  
Karin Motyer  
Keir Semenov  
L Dean  
Leah Riston  
Leanne Ipsen  
Lindsay Holder  
Mary Pountney  
Mengya Zhang  
Mike Ridley  
Muhammad Talha Iqbal  
Mohammed Al Arai  
Natalia Anossovitch

Natalija Conic  
Nicola Combes  
Nick Dell'Oso  
Ningyue Zhang  
Olivia Ellis  
Othman Aljohani  
Polly Mackenzie  
Priyanka Mohite  
Rob Pas  
Robert Kedge  
Robert Heritage  
Rochelle Van Der Merwe  
Ron Boucher  
Rosie Johnston  
Roxanne Viggiano  
Stephen McColl  
Suzanne Bowers  
Ted Clohesy  
Tia Lehtikainen  
Tony Landy  
Tricia Bulmer  
Vincent Galante  
Xuan Li  
Yvonne Camera



**MONTSSALVAT ACNC GROUP**

**A.B.N. 78 126 070 988**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2020**

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Montsalvat ACNC Group  
Directors' Report  
For the Year Ended 30 June 2020

The Directors of Montsalvat Ltd present their report together with the financial statements of the consolidated entity known as Montsalvat ACNC Group comprising of Montsalvat Ltd (the Company) and its commonly controlled entities (the group) for the financial year ended 30 June 2020.

Montsalvat Ltd, the parent entity of the group, is not an ACNC registered charity (although an application for registration will shortly be made) and it did not direct any proceeds or assets from any controlled entities that are ACNC registered charities for any non-charitable purpose. The following entities of the Montsalvat ACNC Group are registered as charities with the ACNC:

Montsalvat Utilities Pty Ltd  
Montsalvat Trust  
The Montsalvat Foundation Inc

The names of the directors in office at any time during, or since the end of the year are set out below. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Catherine Dale (Board Chair)  
John Anthony Howie (Deputy Chair)  
Peter Sexton (Treasurer - appointed 1 November 2019)  
Michael Liffman  
Kate Dundas (appointed 1 November 2019)  
Lisa Riddle (appointed 2 November 2020)  
Lynda Jorgensen (appointed 2 November 2020)  
Deb Ganderton (appointed 30 April 2021)  
Anthony Aspridis (resigned 24 July 2019)  
Sharyn Lowe (resigned 1 November 2019)  
Peter Moore (resigned 2 November 2020)  
Allan Frederick Willingham (resigned 2 November 2020)  
Jacqueline Ogeil (resigned 9 December 2020)  
John Wiltshire (resigned 29 April 2021)

## Montsalvat's objectives

Montsalvat's mission is to continue to be a living, thriving artistic community welcoming to the general public. We aim to educate and to promote local, national and international cultural practice, and to conserve and enhance, our magnificent natural site and unique buildings so that present and future generations can draw inspiration from Montsalvat's serene beauty and creative heritage.

## Strategy for achieving the objectives

- Increase national and international recognition of the artistic and heritage contribution made by Montsalvat's Founders particularly Justus Jorgensen;
- Restore and maintain Montsalvat's heritage buildings and grounds;
- Building on its heritage, develop Montsalvat as a community of artisans where the creation and display of art, skills and artistic performance is central to its existence;
- Develop diversified income streams to ensure financial sustainability;
- Develop the organizational practices and processes, people and facilities to enhance Montsalvat's purpose; and
- Increase community and tourism visitation to Montsalvat

## Principal activities

- Arts – Concerts, exhibitions, literary events and festivals;
- Providing studio residence to selected artists;
- Education in art.
- Private events (weddings, engagement parties, birthdays, funerals)



## **Principal activities (continued)**

No significant changes in the group's state of affairs occurred during the financial year. The group expects to continue its activities in promoting the arts and preserving its buildings in accordance with the terms of the will of Justus Jorgensen and hence there are no likely developments in the group's operations.

## **Performance measures**

The group measures its performance in its ability to make sustainable profits and the expansion of its principal activities in the support of artists.

## **Financial performance**

The consolidated result of the group for the financial year amounted to a loss of \$245,918 (2019: loss \$20,573). The 2020 financial result was significantly influenced by the impact of the COVID-19 that resulted in the closure of Montsalvat function centers that generate the major source of revenue from weddings, funerals, corporate and public events.

## **Events after the reporting date**

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

### **Coronavirus (COVID-19)**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially challenging for the group up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is still changing and is dependent on measures imposed by Federal, State and Territory Governments within Australia and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

## **Indemnity and insurance of officers**

The Company has indemnified the directors and executives of the group for costs incurred in their capacity as a director or executive for which they may be held personally liable, except where there is a lack of good faith. During the financial year the company paid a premium in respect of a contract to insure the directors and executives of the group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

## **Contributions on winding up**

In the event that the company Montsalvat Ltd is wound up, members are required to contribute a maximum of \$100 each.

## Information on Directors

### Catherine Dale

#### *Qualifications*

- Doctorate of Philosophy
- Master of Business Administration
- Master of Education
- Bachelor of Music
- Qualified Town Clerk

#### *Experience*

- General Manager Eurobodalla Shire Council

### John Anthony Howie

#### *Qualifications*

LL.B University of Melbourne

#### *Experience*

- Lawyer and Consultant with his own practice
- Chair, Corporate and Governance standing committee, Vision 2020 Australia
- Board member, Vision 2020 Australia, Cain Foundation
- Former Chair, Victorian Legal Aid
- Former President, Film Victoria
- Former Chair Vic Sport
- Former Deputy Chair, Olympic Park Trust
- Former Board member, Melbourne and Olympic Park Trust
- Former Board member, Victoria Law Foundation

### Michael Liffman

#### *Qualifications*

- BA hons. University of Melbourne
- M.Sc [Social Admin], London School of Economics
- Ph.D University of Melbourne

#### *Experience*

Founding Director of the Asia-Pacific Centre for Philanthropy and Social Investment at Swinburne University; now Adjunct Associate Professor. Community agency experience includes the Brotherhood of St Laurence, and the Ecumenical Migration Centre, CEO of one of Australia's leading philanthropic foundations, The Myer Foundation. During his term at the Myer Foundation he created The Cranlana Program, and was closely involved in the establishment of Asialink. He was also administrator of the Sidney Myer Performing Arts Awards.

Michael is a Director of WINGS (Worldwide Initiatives for Grantmaker Support), and of the Melbourne Forum. He is a former President of the Australian Association of Philanthropy and was a member of the International Network on Strategic Philanthropy. He was a Director of the Australian Institute of Multicultural Affairs. Other involvements have included membership of the Human Research Ethics Committee of the Government of Victoria's Department of Human Services, the Community Advisory Committee of the Special Broadcasting Service, the Immigration Review Tribunal, Southport Community Nursing Home, and the Alpine School for Student Leadership.



Montsalvat ACNC Group  
Directors' Report  
For the Year Ended 30 June 2020

**Peter Sexton**

*Qualifications*

- Chartered Accountant (CAANZ)
- GAICD
- Bachelor of Business (RMIT)

*Experience*

- Retired partner of RSM Australia Partners
- Director at William Angliss Institute of TAFE
- Director and chair of the audit committee at Australian Securities Ltd

**Kate Dundas**

*Qualifications*

- Ba(Hons) Industrial Design
- MA Landscape Architecture
- MSc Urban Design

*Experience*

- Non-executive director at 3000acres

**Lisa Riddle**

*Qualifications*

- D.App.Sci (Town Planning)
- Certified Practicing Planner
- MAICD

*Experience*

- Owner and Director, Praxis Planning Pty Ltd
- Former Director, Ethos Urban Pty Ltd
- Former owner and Managing Director, Planisphere Pty Ltd
- Former Planning Panels Victoria sessional member
- Former alternate member Heritage Council of Victoria
- Former member Planning Institute of Victoria Committee

Lisa Riddle is a highly experienced planner with over 40 years in local government and private practice as owner and Director. She has contributed to planning practice in Victoria through her involvement in the PIA, the Heritage Council and Planning Panels, with many professional awards, and continues to work in the field. A large proportion of her work has been focussed on strategic planning and the interface between design, character, landscape and heritage. She has conducted overseas study tours for planners and related professionals, in NZ and the USA. Lisa is a Fellow of the Planning Institute and was awarded Victorian Planner of the Year in 2019.

**Lynda Jorgensen**

*Qualifications*

- Certificate IV Disability
- Certificate III Early Childhood Education & Care
- Certificate II Hospitality & Tourism

*Experience*

- Granddaughter of Justus Jorgensen (founding member of Montsalvat).
- Small business owner / operator and farmer

**Deborah Ganderton**

*Qualifications*

- Master of Arts (Professional Communication)
- Master of Science (Strategic Foresight)

*Experience*

CEO of the Greater Metropolitan Cemeteries Trust with 40 years' experience in business development, community engagement, advocacy, change management and building resilient cultures in organisations.

**Allan Frederick Willingham**

*Qualifications*

- Bachelor of Architecture University of Melbourne 1969
- Diploma of Architecture Gordon Institute of Technology Geelong 1970
- Master of Architecture University of Melbourne 1983
- Registered Architect 12390 State of Victoria
- Institute of Advanced Architectural Studies at York, UK: Conservation Short Courses 1976
- Member Australia ICOMOS

*Experience*

Allan Willingham is a registered architect in the State of Victoria. He has extensive teaching, research and practice experience in architecture, architectural history and building conservation and conducts a specialised practice from his North Fitzroy offices. Allan has published many of his researches in architectural history and conservation practice, including a number which relate to Geelong or to Western Victorian properties, towns and heritage places. He was a member of the Historic Buildings Preservation Council in Victoria (1977-1981) and the Historic Buildings Council (1981-1990) and has travelled widely in Europe and North America to study heritage practice. Allan appears regularly as an expert witness in heritage and conservation planning matters and for 15 years conducted a 'Building and DIY' program on ABC Radio in Victoria. He is a past vice-president of the Royal Historical Society of Victoria and an honorary life member of the Victorian Artists' Society. Allan was a member of the Victorian Attorney-General's Law Reform Advisory Council from 1997 to 1999 as a community representative.

**Peter Moore**

*Qualifications*

- BA / MA Cambridge University
- Certified Diploma in Accounting and Finance (CACA UK)

*Experience*

Peter Moore was a management consultant for 27 years with Accenture working in the UK, Australia and Asia Pacific across a range of industries. His activities included strategy development, financial reviews, operational improvement, change management, program management and IT implementation. His management roles included leading Accenture's Resources Industry Group first for Australia and then across the Asia Pacific region. He has now set up his own business providing advisory and publishing services.



**John Arthur Wiltshire**

*Qualifications*

- BA University of Cambridge
- Ph D La Trobe University

*Experience*

Professor of English at La Trobe University before his retirement in 2006; currently Adjunct Professor. His professional work spans eighteenth-century literature, medical history and narrative, and art history. At La Trobe he has organised many conferences, the last in 2004 drawing delegates from New Zealand, India, Italy, Switzerland, UK and USA. He is a frequent speaker at international conferences, and has been a past President of the Johnson Society of Australia. His association with Montsalvat spans several decades from the time that his children were employed there to a period as a volunteer guide 2006-8. He is especially concerned that both the fabric and the history of Montsalvat be preserved.

**Anthony Aspridis**

*Qualifications*

- MBA. La Trobe University
- Diploma Hospitality Management. N.M.I.T

*Experience*

- Former Montsalvat General Manager
- Member Australian Institute Company Directors

**Sharyn Lowe**

*Qualifications*

- BA. (public relations) R.M.I.T

*Experience*

Director of Flaunt Marketing. Influential PR, marketing and digital specialist with 25 years' experience in fundraising/sponsorship, international branding, public affairs and business and organisational growth.

**Jacqueline Ogeil**

*Qualifications*

- Doctorate of Philosophy
- Master of Music
- Bachelor of Music Education
- Bachelor of Music

*Experience*

- Director of the Woodend Winter Arts Festival
- Former Director of Duneira Estate.
- Jacky Ogeil is an internationally respected artistic leader, performer and musicologist. Concurrently with her artistic activities Jacky worked in secondary and tertiary education for over 20 years.

## Information on Directors

During the financial year, meetings of directors were held and attendances by each director were as follows:

	Number eligible to attend	Number attended
Catherine Dale	4	4
John Anthony Howie	4	4
Jacqueline Ogeil	4	3
Peter Moore	4	4
John Wiltshire	4	4
Allan Frederick Willingham	4	4
Michael Liffman	4	4
Sharyn Lowe	1	1
Peter Sexton	3	3
Kate Dundas	3	3
Anthony Aspidis	0	0
Lisa Riddle	0	0
Lynda Jorgensen	0	0
Deborah Ganderton	0	0

## Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 29.

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

Director: Catherine Dale  
Catherine Dale (Chair)

Director: John Howie  
John Howie (Deputy Chair)

Dated: 7 May 2021



**Montsalvat ACNC Group**  
**Consolidated Statement of Revenue & Expenses and Other Comprehensive Income**  
**For the year ended 30 June 2020**

	Note	2020	2019
		\$	\$
Revenue	2	1,276,376	1,511,399
Other income	2	254,647	19,342
Expenses			
Employee benefits		(906,901)	(810,601)
Cost of materials & consumables used		(197,270)	(187,215)
Accounting & audit fees		(65,713)	(25,106)
Advertising		(41,912)	(19,124)
Bad & doubtful debts		-	(13,243)
Consulting fees		(84,566)	(79,342)
Depreciation		(59,444)	(53,992)
Insurance		(81,824)	(74,601)
Bank interest & fees		(14,277)	(7,966)
IT expenses		(34,089)	(22,128)
Legal fees		(20,337)	(33,541)
Maintenance - buildings & grounds		(125,165)	(84,511)
Utilities & rates		(70,703)	(78,451)
Other expenses		(74,740)	(61,493)
Surplus/(deficit) for the year		<u>(245,918)</u>	<u>(20,573)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive result		<u>(245,918)</u>	<u>(20,573)</u>

**This statement is to be read in conjunction with the accompanying notes**

**Montsalvat ACNC Group**  
**Consolidated Statement of Financial Position**  
**For the year ended 30 June 2020**

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	3	113,749	69,320
Trade and other receivables	4	62,308	16,307
Inventories		17,670	14,498
Other assets	5	60,654	39,705
Total current assets		<u>254,381</u>	<u>139,830</u>
Non-current assets			
Property, plant and equipment	6	12,935,731	12,903,507
Other financial assets		14,000	-
Total non-current assets		<u>12,949,731</u>	<u>12,903,507</u>
Total assets		<u>13,204,112</u>	<u>13,043,337</u>
Liabilities			
Current liabilities			
Trade and other payables	7	233,630	109,263
Financial liabilities	8	188,035	213,590
Borrowings		16,600	-
Provisions	9	59,058	57,724
Total current liabilities		<u>497,323</u>	<u>380,577</u>
Non-current liabilities			
Provisions	9	9,651	15,504
Borrowings	10	412,000	116,200
Total non-current liabilities		<u>421,651</u>	<u>131,704</u>
Total liabilities		<u>918,974</u>	<u>512,281</u>
Net assets		<u>12,285,138</u>	<u>12,531,056</u>
Equity			
Trust Corpus		109,205	109,205
Asset Revaluation Reserve		12,169,492	12,169,492
Retained Earnings		6,441	252,359
Total Equity		<u>12,285,138</u>	<u>12,531,056</u>

**This statement is to be read in conjunction with the accompanying notes**



Montsalvat ACNC Group  
Consolidated Statement of Changes in Equity  
For the year ended 30 June 2020

				Asset
	<b>Total</b>	<b>Retained</b>	<b>Trust</b>	<b>Revaluation</b>
	<b>\$</b>	<b>Earning</b>	<b>Corpus</b>	<b>Reserve</b>
<b>2020</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at beginning of the financial year	12,531,056	252,359	109,205	12,169,492
Surplus/(deficit) for the year	(245,918)	(245,918)	-	-
<b>Balance at end of the financial year</b>	<b>12,285,138</b>	<b>6,441</b>	<b>109,205</b>	<b>12,169,492</b>
<b>2019</b>				
Balance at beginning of the financial year	12,551,629	272,932	109,205	12,169,492
Surplus/(deficit) for the year	(20,573)	(20,573)	-	-
<b>Balance at end of the financial year</b>	<b>12,531,056</b>	<b>252,359</b>	<b>109,205</b>	<b>12,169,492</b>

This statement is to be read in conjunction with the accompanying notes

**Montsalvat ACNC Group**  
**Consolidated Statement of Cash Flows**  
**For the year ended 30 June 2020**

	Note	2020 Inflows/ (Outflows)	2019 Inflows/ (Outflows)
Cash flows from operating activities		\$	\$
Receipts from customers		1,335,983	1,691,288
Payments to employees and suppliers		(1,735,885)	(1,785,412)
Deposits paid		(14,000)	-
Government Jobkeeper & cash boost funding		203,000	-
Donations received		43,444	18,480
Interest paid		(10,627)	(3,735)
Interest received		11	257
Net cash provided by/(used in) operating activities	12(b)	<u>(178,074)</u>	<u>(79,122)</u>
Cash flows from investing activities			
Proceeds from asset sales		1,771	-
Payments for property, plant and equipment		<u>(91,668)</u>	<u>(60,444)</u>
Net cash provided by/(used in) investing activities		<u>(89,897)</u>	<u>(60,444)</u>
Cash flows from financing activities			
Drawings / (repayment) of borrowings		<u>312,400</u>	<u>116,200</u>
Net cash provided by/(used in) financing activities		<u>312,400</u>	<u>116,200</u>
Net increase (decrease) in cash and cash equivalents		44,429	(23,366)
Cash and cash equivalents at the beginning of the financial year		69,320	92,686
Cash and cash equivalents at the end of the financial year	12(a)	<u>113,749</u>	<u>69,320</u>

**This statement is to be read in conjunction with the accompanying notes**

The financial report includes the combined financial statements and notes of Montsalvat Ltd (the Company) and its commonly controlled entities (the group). The financial statements were authorised for issue by members of the Board on the date of the Directors' Report.

Montsalvat Ltd, the parent entity of this group, is not an ACNC registered charity (although an application for registration will shortly be made) and it did not direct any proceeds or assets from any controlled entities that are ACNC registered charities for any non-charitable purpose. The following entities of the Montsalvat ACNC Group are registered as charities with the ACNC:

Montsalvat Utilities Pty Ltd  
Montsalvat Trust  
The Montsalvat Foundation Inc

## **1. Summary of significant accounting policies**

### **(a) New or amended Accounting Standards and Interpretations adopted**

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards and Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant for the group:

#### **AASB 15 Revenue from Contracts with Customers**

The group has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalized as an asset and amortised over the contract period.

#### **AASB 1058 Income of Not-for-Profit Entities**

The group has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for non-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer



## 1. Summary of significant accounting policies (continued)

### (a) New or amended Accounting Standards and Interpretations adopted (continued)

received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognize the value as an expense.

#### *Impact of adoption*

AASB 15 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. The adoption of these new accounting standards resulted in no adjustment to opening retained surpluses as at 1 July 2019.

### (b) Basis of preparation

The financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. Each controlled entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

### (c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all commonly controlled entities of Montsalvat Ltd at 30 June 2020 and the results of all commonly controlled entities for the year then ended. Montsalvat Ltd and its commonly controlled entities together are referred to in these financial statements as the 'group'.

Control exists when Montsalvat Ltd is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The commonly controlled entities are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a financial year end of 30 June.

## **1. Summary of significant accounting policies (continued)**

### **(c) Principles of consolidation (continued)**

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Where the Group loses control over a commonly controlled entity, it derecognises the assets and liabilities in the commonly controlled entity. The group recognises the fair value of the consideration received with any gain or loss in the profit or loss.

### **(d) Going Concern**

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the group recorded an operating loss for the year of \$245,918 and the group's current liabilities exceeded its current assets at year-end by \$251,309, which may cast significant doubt over the group's ability to continue as a going concern.

Despite this financial position, the directors believe there are reasonable grounds to believe the group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report, after consideration of the following factors:

- Subsequent to year-end, the group's main operating company Montsalvat Utilities Pty Ltd, signed a grant agreement with Creative Victoria to receive \$200,000 as a contribution to working capital. The first instalment of \$150,000 has been received and the final amount is due before the end of June 2021.
- Included in the balance for current liabilities at year-end is an amount of \$184,898 representing customer deposits received in advance. It was expected that the impact of Covid-19 lockdowns might cause these funds to be repaid, but an amount of only \$22,910 has been requested and repaid since 30 June 2020.
- The company can also draw upon on an unused Westpac finance facility, which at year-end amounted to \$388,000, and
- The group continues to explore fundraising efforts to attract grants and donations which will be used to finance the future growth of Montsalvat.

Accordingly, the directors believe it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the group does not continue as a going concern.

### **(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and which are used in the management of cash on a day-to-day basis.

## 1. Summary of significant accounting policies (continued)

### (f) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate, less any allowance for expected credit losses.

### (g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings as well as artwork and display antiques are carried at their fair value, based on periodic valuations every 5 years by external independent valuers, less accumulated depreciation on buildings. Increases in the carrying amounts arising on revaluation are credited to an asset revaluation reserve in equity. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in surplus or deficit during the financial period in which they are incurred.

#### *Depreciation*

The depreciable cost of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. The depreciation rates used for each class of depreciable asset are:

<b><i>Fixed asset class</i></b>	<b><i>Depreciation rate</i></b>
Freehold buildings	0.50%
Property improvements	2.50%
Plant & equipment	5% to 15%
Furniture & fittings	10%
Computer equipment	25%
Catering equipment	16.67%
Farm vehicles	8.33%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in surplus or deficit in the period in which they arise. When revalued assets are sold, amounts included in the asset revaluation reserve relating to that asset are transferred to retained earnings.



## **1. Summary of significant accounting policies (continued)**

### **(h) Impairment of assets**

At the end of each reporting period the group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in surplus or deficit.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

### **(i) Trade and other payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **(j) Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### **(k) Employee provisions**

#### *Current employee provisions*

The current portion of this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts are classified as current liabilities since the group does not have an unconditional right to defer the settlement of these liabilities in the event employees wish to use their leave entitlement.

Short-term employee benefits are shown at the amounts expected to be paid.

## 1. Summary of significant accounting policies (continued)

### (k) Employee provisions (continued)

#### *Long-term employee provisions*

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. The amounts accrued are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible the estimated future cash outflows.

#### *Contributions to employee's superannuation*

Contributions to superannuation plans are expensed in the periods in which they are incurred.

### (l) Financial Instruments

#### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through surplus or deficit' in which case transaction costs are expensed to surplus or deficit immediately.

#### *Classification and subsequent measurement*

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in surplus or deficit.

#### *(i) Financial assets at fair value through surplus or deficit*

Financial assets are classified at 'fair value through surplus or deficit' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in surplus or deficit.

## 1. Summary of significant accounting policies (continued)

### (l) Financial instruments (continued)

#### *(ii) Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

#### *(iii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in surplus or deficit through the amortisation process and when the financial asset is de-recognised.

#### *(iv) Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in surplus or deficit through the amortisation process and when the financial liability is de-recognised.

#### *Impairment of financial assets*

The group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the group's assessment at the end of each reporting period as to whether the financial instruments credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit and loss.

#### *De-recognition*

Financial assets are de-recognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in surplus or deficit.

### **(m) Fair value of assets and liabilities**

The group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.



## 1. Summary of significant accounting policies (continued)

### (m) Fair value of assets and liabilities (continued)

Fair value is the price the group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the group at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in the highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the group's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

### (n) Revenue and other income

The group recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring good or services to a customer. For each contract with a customer, the group identifies the performance obligations in the contract, determines the transaction price which takes into account estimates of variable consideration and the time value of money, allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered, and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

**1. Summary of significant accounting policies (continued)**

**(n) Revenue and other income (continued)**

*Sales revenue*

Events and fundraising are recognised when received or receivable.

*Donations and bequests*

Donations and bequests are recognised on receipt.

*Grants*

Grant revenue is recognised in profit or loss when the group satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the group is eligible to retain the contribution, the grant will be recognised in the consolidated statement of financial position as a contract liability until those conditions are satisfied.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

*Volunteer services*

The group has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

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

**(o) Income tax**

No provision for income tax has been raised as the entities within the group are exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(p) Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO.

## **1. Summary of significant accounting policies (continued)**

### **(q) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Comparative amounts for the prior year have in some cases been aggregated with other balances to reflect a revised grouping of related balances for the current financial year.

When the group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

### **(r) Current and non-current classification**

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### **(s) Critical accounting estimates and judgements**

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

#### **Coronavirus (COVID-19) pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the group based on known information. This consideration extends to the nature of the services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### **Impairment**

The group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### **Useful lives**

The group assesses the useful lives of assets at the end of each reporting period and reviews the accumulated depreciation attributable to each asset.

Montsalvat ACNC Group  
Notes to the Financial Statements  
For the year ended 30 June 2020

	2020	2019
	\$	\$
2 Revenue		
Contracts with customers	1,108,776	1,346,410
Rent	167,600	164,989
	<u>1,276,376</u>	<u>1,511,399</u>
<i>Disaggregation of revenue</i>		
All revenue from contracts with customers was transferred at a point in time.		
Other income		
Jobkeeper / cash boost	203,000	-
Government grants	4,500	-
Donations	43,444	18,480
Proceeds from asset sales	1,771	-
Interest	11	257
Other	1,921	605
	<u>254,647</u>	<u>19,342</u>
3 Cash and Cash Equivalents		
Cash at bank	112,249	67,820
Petty cash	600	600
Float	900	900
	<u>113,749</u>	<u>69,320</u>
4 Trade and Other Receivables		
<b>Current</b>		
Trade debtors & rent receivables	133,907	96,777
Other	3,294	-
Allowance - expected credit losses		
- trade debtors	(30,523)	(36,100)
- rent	(44,370)	(44,370)
	<u>62,308</u>	<u>16,307</u>
5 Other Current Assets		
Prepayments	<u>60,654</u>	<u>39,705</u>



Montsalvat ACNC Group  
Notes to the Financial Statements  
For the year ended 30 June 2020

	2020	2019
6 Property, Plant & Equipment	\$	\$
Freehold land & buildings - at valuation:		
Land - at valuation 30/6/2018	3,550,000	3,550,000
Buildings - at valuation 30/6/2018	4,900,000	4,900,000
less accumulated depreciation	(49,000)	(24,500)
	<u>8,401,000</u>	<u>8,425,500</u>
Property Improvements - at cost	43,924	43,924
less accumulated depreciation	(1,487)	(389)
	<u>42,437</u>	<u>43,535</u>
Plant & Equipment - at cost	165,127	170,781
less accumulated depreciation	(141,459)	(136,191)
	<u>23,668</u>	<u>34,590</u>
Furniture & Fittings - at cost	165,904	157,460
less accumulated depreciation	(106,495)	(95,901)
	<u>59,409</u>	<u>61,559</u>
Computer Equipment - at cost	79,332	73,999
less accumulated depreciation	(66,949)	(61,457)
	<u>12,383</u>	<u>12,542</u>
Catering Equipment - at cost	98,012	91,248
less accumulated depreciation	(86,260)	(76,921)
	<u>11,752</u>	<u>14,327</u>
Tractor - at cost	25,864	25,864
less accumulated depreciation	(25,864)	(22,581)
	<u>-</u>	<u>3,283</u>
Antiques - at directors valuation	297,380	297,380
Artwork - at directors valuation	4,010,791	4,010,791
Work-in-progress	76,911	-
	<u>12,935,731</u>	<u>12,903,507</u>

Land and buildings were last valued as at 30 June 2018 by Karl Cundall, FPAO Certified Practising Valuer, Australian Property Institute Member No.62181.

Antiques and artworks are currently held at Directors valuation. A valuation of antiques and artwork is a complex and expensive process especially for the initial valuation. An independent valuation will be carried out by a qualified valuer once funding is available.

Montsalvat ACNC Group  
Notes to the Financial Statements  
For the year ended 30 June 2020

	2020	2019
	\$	\$
7 Trade and Other Payables		
Trade creditors	162,225	44,111
Grants in advance	32,500	-
Superannuation payable	19,093	15,885
GST payable	(8,121)	21,060
PAYG withholding payable	14,980	11,834
Accrued expenses	12,953	16,373
	<u>233,630</u>	<u>109,263</u>
8 Financial liabilities		
Customer Deposits	184,898	213,590
Deposit Held for Artist	1,445	-
Gift Voucher Sales/Redemptions	1,692	-
	<u>188,035</u>	<u>213,590</u>
9 Provisions		
<b>Current</b>		
Provision for annual leave	45,690	45,542
Provision for long service leave	13,368	12,182
	<u>59,058</u>	<u>57,724</u>
<b>Non-Current</b>		
Provision for long service leave	9,651	15,504
	<u>9,651</u>	<u>15,504</u>
Total Provisions	<u>68,709</u>	<u>73,228</u>
10 Borrowings		
<b>Non-Current</b>		
Westpac loan facility	<u>412,000</u>	<u>116,200</u>

The total loan facility is \$800,000, it has a variable interest rate, is repayable by 30 June 2023 and is secured over all assets of the Montsalvat group.

11 Controlled entities	% Owned	% Owned
<b>Consolidated:</b>		
Montsalvat Trust	100	100
Montsalvat Utilities Pty Ltd	100	100
The Montsalvat Foundation Inc	0	0

The Boards of the Montsalvat Foundation Inc and Montsalvat Ltd share a majority of common Directors and all donations received by the Foundation are transferred to Montsalvat to be spent in accordance with donor wishes.

<b>12 Note to the Consolidated Statement of Cash Flows</b>	<b>2020</b>	<b>2019</b>
	\$	\$
<b>a) Reconciliation of cash</b>		
Cash at bank	113,749	69,320
<b>b) Reconciliation of cash flows from operating activities</b>		
Operating surplus / (deficit)	(245,918)	(20,573)
<i>Remove non-cash flows included in surplus / (deficit):</i>		
- increase / (decrease) in employee provisions	(4,518)	(40,990)
- depreciation	59,444	53,992
- profit on asset sales	(1,771)	-
<i>Changes in assets and liabilities</i>		
(Increase) / decrease in trade & other receivables	(46,001)	(4,560)
(Increase) / decrease in prepayments	(20,949)	(3,755)
(Increase) / decrease in inventory	(3,172)	(2,961)
(Increase) / decrease in deposits paid	(14,000)	-
Increase / (decrease) in trade & other payables	124,366	(106,665)
Increase / (decrease) in trust funds & deposits	(25,555)	-
Increase / (decrease) in fees in advance	-	46,390
<b>Net cash provided by / (used in) operating activities</b>	<b>(178,074)</b>	<b>(79,122)</b>

### 13 Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director is considered key management personnel.

The total remuneration paid to key management personnel of the group during the year was as follows:

	<b>2020</b>	<b>2019</b>
	\$	\$
Short-term employment benefits	149,658	183,268
Post-employment benefits	14,218	17,410
	<u>163,876</u>	<u>200,678</u>

#### **14 Related Party Transactions**

There were no related party transactions during the year.

#### **15 Commitments and Contingencies**

As at 30 June 2020, the group had no commitments or contingencies.

#### **16 Events Subsequent to Year End**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially challenging for the group up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is still changing and is dependent on measures imposed by Federal, State and Territory Governments within Australia and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group.

#### **17 Company Details**

The registered office of the company and the principal place of business is 7 Hillcrest Avenue, Eltham VIC 3095.



## DIRECTORS' DECLARATION

The directors of the Company declare that in the directors' opinion:

1. The consolidated financial statements and notes of the group, as set out on pages 9 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
  - (b) give a true and fair view of the financial position of the group as at 30 June 2020 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director: Catherine Dale  
Catherine Dale (Chair)

Director: John Howie  
John Howie (Deputy Chair)

Dated: 7 May 2021

**LEAD AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SUBDIVISION 60-C OF THE  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012**

To the directors of Montsalvat ACNC Group:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2020 there has been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-For-Profit Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LDAssurance  
Chartered Accountants



Stephen O'Kane  
Partner

Dated this 7<sup>th</sup> day of May 2021  
330 Collins Street, Melbourne.

## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF MONTSALVAT ACNC GROUP**

### **Report on the Audit of the Financial Report**

#### **Qualified Opinion**

We have audited the financial report of Montsalvat Ltd and its commonly controlled entities ('the Group'), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of revenue & expenses and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, except for the effects of the matters described in the *Basis of Qualified Opinion* section of our report, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Group's consolidated financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### **Basis of Qualified Opinion**

We were unable to verify the completeness, existence and valuation of antiques and artworks, which represents 32.6% of the total assets of the Group at balance date. Accordingly, we are not in a position to, and do not, express an opinion on the completeness, existence and valuation of antiques and artworks.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note 1(d) "Going Concern" to the consolidated financial statements. The financial report has been prepared on a going concern basis and is dependent on a number of factors as outlined in Note 1(d). The Group has incurred a loss of \$245,918 for the year, and its current liabilities exceeds its current assets by \$251,309. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Responsibilities of the Directors for the Financial Report**

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as it determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Responsibilities of the Directors for the Financial Report (continued)**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

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

LDAssurance  
Chartered Accountants



Stephen O'Kane  
Partner

Dated this 7<sup>th</sup> day of May 2021  
330 Collins Street, Melbourne.