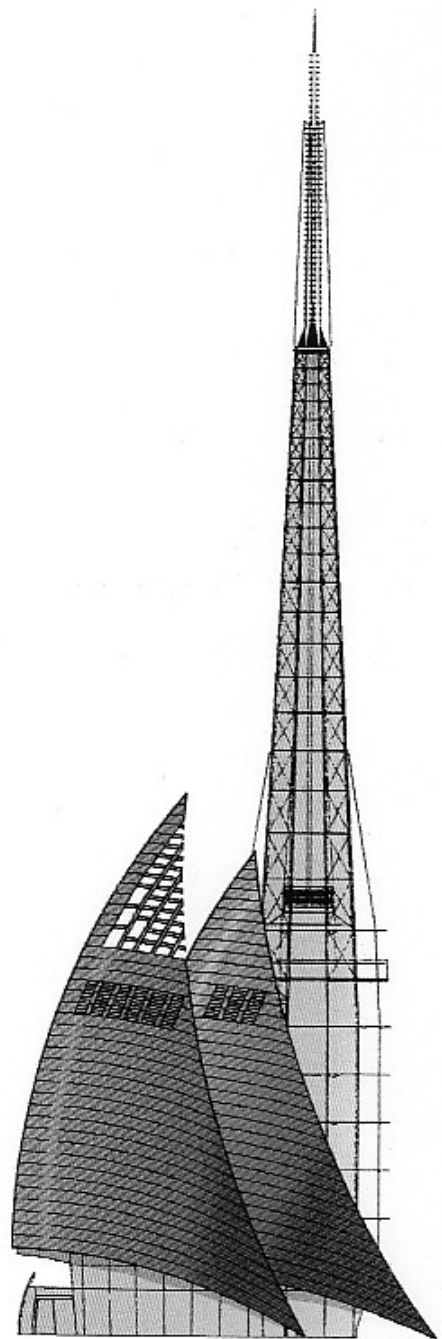


# The Swan Bells Foundation Inc.

Annual Report  
2001-2002



## **The Swan Bells Foundation Inc.**

*‘The general object of the Foundation is to achieve one, several or all of the following:*

- *promoting;*
- *encouraging;*
- *sponsoring;*
- *educating; or*
- *advancing*

*music and performing arts in Western Australia.’*

In line with State Government requirements, this annual report is published in an electronic format.

The aim of the Government’s annual report publication standards is to minimise costs while ensuring all reporting requirements are met, with a focus on essential content rather than promotional material. As part of these requirements, the use of graphics and illustrations has been minimised to avoid increased down load times.

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Information about this report and requests and inquiries concerning reproduction should be addressed to:

Paul Grootveld  
PO Box 5590  
Perth St Georges Tce.  
Western Australia 6083

08 9221 3744  
[paul@swanbells.com.au](mailto:paul@swanbells.com.au)

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**Statement of Compliance**  
**For the Year Ended 30 June 2002**

***THE HON SHEILA McHALE MLA***  
***Minister for Culture and the Arts***

In accordance with Section 66 of the *Financial Administration and Audit Act 1985*, we hereby submit for your information and presentation to Parliament, the Annual Report of The Swan Bells Foundation Inc. for the financial year ended 30 June 2002.

The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.

**Paul Grootveld - Manager**  
**30/8/2002**

**Alastair Bryant - Chair**  
**30/8/2002**

## Chair's Report

The year has seen the Swan Bells establish itself as both a major tourist attraction and a significant part of the cultural fibre of Western Australia.

This year has been an exciting period, with some outstanding achievements – as well as some difficult challenges.

The downturn in tourism resulting from the 11 September terrorist attack on New York, and the demise of Ansett Airlines had a direct effect on the financial viability of the Swan Bells Belltower.

The operations of the Swan Bells evolved from the previous year in which entry was free, into a more commercially run organisation where entrance fees made a very significant contribution to the running costs. Management moved during the year from Ogden IFC to the Foundation taking direct operational control of the building.

Visitors continue to express their appreciation of the Swan Bells. The bellringers, the staff, the building itself, and of course the bells, all fit together to exceed visitor expectations.

The Manager and his team, working together with the Foundation, have striven to provide excellence in customer service, whilst at the same time ensuring that very tight expenditure budgets have been met.

The financial survival of the Swan Bells has been a matter that has occupied much of the

time and attention of both management and the Foundation members. Fortunately we have had the support of both the Minister and the Department of Culture and the Arts. Without this, the Swan Bells would not continue to be the attraction it has become.

A venture as complex as the Swan Bells requires the dedication and input of a wide variety of people and interests. The bellringers have donated many thousands of hours of their time so that the bells can be heard. The unique qualities of the Swan Bells as a musical instrument has meant that Western Australian bell ringers now have access to this state of the art bellringing facility incorporating the historic St-Martin-in-the-Fields bells.

I wish to thank my fellow Foundation members for their support and work during the year including the retiring member Bill Gillespie. I would also like to thank the management and staff of the Swan Bells, and of course the volunteer bellringers. All of these people have been instrumental in the successes of the Swan Bells.

**Alastair Bryant**  
**Chair**

## **The Swan Bells Foundation Inc. Board Members**

The Board consist of ten members:

- the Minister for the Arts or his/her nominee
- the Minister for Tourism or his/her nominee;
- three members appointed by the Minister for the Arts;
- one representative from the University of Western Australia;
- one representative from the City of Perth;
- one representative from Tourism Council Australia;
- one representative from the Western Australian branch of the Australian and New Zealand Association of Bellringers Inc; and
- one representative from the Perth Port at Barrack Square Inc.

### **Number of meetings held - 8**

#### **Alastair Bryant (nominee Minister for the Arts, 8 meetings attended)**

Alastair was appointed Director General of the then Ministry for Culture & the Arts in November 2000 (now Department of Culture and the Arts). The Department consists of the Art Gallery of WA, the WA Museum, the State Library of WA, the State Records Office, Perth Theatre Trust, ScreenWest and ArtsWA. In addition to being Chair of the Swan Bells Foundation, he serves on the Boards of the Museum, the Art Gallery, the Library, ScreenWest and the Perth Theatre Trust. He was previously Commissioner of State Revenue in Western Australia, a position he held for six years.

He has a Bachelor of Business and a Master of Leadership and Management degree, is a Fellow of the Australian Society of Certified Practising Accountants, a Fellow of the Australian Institute of Management, and a Fellow of the Taxation Institute of

Australia. He also serves on the committee of Kids Help Line.

His current interests include Rotary. He was a foundation member and past President of the Heirisson Club. He was awarded a Paul Harris Fellow in recognition of his service to the Heirisson Club. He is also a founding Trustee of the Healing Hearts Foundation.

Alastair is married with two sons and a daughter.

#### **Gerry Gannon (Tourism Council Australia, 5 meetings attended)**

Following a distinguished career as a journalist and broadcaster with ABC Radio, Gerry Gannon established Australia Wise Malaysia.

Gerry Gannon now operates Gannon Media Services providing PR, marketing, comparing, writing, communications training and broadcasting services to domestic and international clients.

He maintains an interest in broadcasting through his association Radio Television Hong Kong (RTHK). He established Indonesia's first English language radio station in Bali and in November 2000 he was appointed the Australian Representative for the Sarawak Tourism Board.

He has presented a series of television programmes on the Westlink network for the Department of Commerce and Trade on the theme of Sustaining Communities. He has been retained as a TV presenter for the TAFE Communications Network. Together with journalist colleagues Roger Martin (The Australian) and John McNamara (ABC 720 Drive) he presents "WA News Week" on Access 31 Television in Perth.

He is also President of the Royal Flying Doctor Service (WA), a Director of Access 31 Television, a Director of the Tourism Council of WA, Vice President of the Australia Malaysia Business Council and a committee member of the International Business Council of WA.

**Eric White (representative from the Western Australian branch of the Australian and New Zealand Association of Bellringers Inc. 8 meetings attended)**

A retired engineer who has practised the art of bell ringing for 50 years, Eric has been Tower Captain of St. George's Cathedral, Ringing Master of the Western Australian Branch of the Australian Association of Bell Ringers and Tower Captain at Swan Bells and St Martin's Society of Change Ringers.

A prominent member of the local bell ringing association for many years, he has comprehensive knowledge and is skilled in the art of bell ringing.

**Carol Day OEM (appointed by the Minister for the Arts 7 meetings attended)**

Carol is an extremely active member of the Arts Community who holds an Order of Australia Medal (1995) for services to youth music and the community. Carol has obtained Masters Degrees in International Relations- (Curtin University 2002), Strategy & Defence - (ANU/ Curtin University 2002) Arts (Futures Studies - Curtin University 2001). Active in many areas, Carol is Chairman of the Board for the West Australian Youth Orchestra Association and a member of the Marketing, Sponsorship and Planning Committees. She also sits on the Boards of the Australia Council - Music Board, Perth

Zoological Gardens, and National Australia Day Council - WA Board Member.

**Denise Satterley (appointed by the Minister for the Arts 7 meetings attended)**

During her career, Denise has worked in a number of fields including business administration and office management.

In 1994 she left the workforce to concentrate on home and family commitments. A significant part of these responsibilities involves community and social activities undertaken by the Satterley Property Group including Medical Research, Woolaston College Building Fund, West Coast Eagles Charity House – (Youth Development Program), Urology – U.L.C. Telethon and Appealathon.

Over the past 5 years Denise has been involved with the Variety Club Toy Bank. The Toy Bank was set up in 1994 to help enhance the lives of children involved in a domestic violence situation.

For the past 3 years she has also been involved with His Majesty's Theatre Foundation which raises funds to enhance and promote His Majesty's Theatre as Perth's grand theatrical landmark and as a place of excellence for the performing arts.

**Martin Griffith B Com, FCPA (University of Western Australia 5 meetings attended)**

Martin is Executive Director, Finance and Resources at The University of Western Australia. Martin is a graduate in Commerce of The University of Western Australia and a Fellow of the Australian Society of Certified Practising Accountants. Active in many areas, Martin is Chairman of the Australian and New Zealand Universities Mutual Association Ltd,

Deputy Chairman of the Black Swan Theatre Company and Honorary Treasurer of the Perth International Arts Festival. He is a Director of Higher Ed Systems Pty Ltd, TechStart Australia Pty Ltd and The University Credit Society Ltd, and Chairman of Tertiary Travel Service Pty Ltd. He is also a member of the Board of the Western Australian Sports Centre Trust, the Asthma and Allergy Research Institute, and the Keogh Institute for Medical Research (Inc).

**William (Bill) Edgar (representative from the Perth Port at Barrack Square Inc. 3 meetings attended)**

Bill was elected as the inaugural Chairman of “Perth Port @ Barrack Square Inc.” in a time of much turmoil and controversy with the redevelopment of Barrack Square. He is extremely active in pursuing the better interests of the businesses at Barrack Square to the benefit of Western Australian tourism. He has been involved in many facets of marketing, accountancy, taxation, insurance, business management and real estate, throughout Australia before returning to Perth where he became involved in tourism via ferry/charter boats at the “Barrack Square” complex. A strong supporter of Western Australia he is strongly committed to promoting the State to all visitors.

**Tess Stroud (representative from the City of Perth 8 meetings attended)**

Whilst in the North, Tess was deeply involved in isolated children’s education - School of the Air, the Royal Flying Doctor’s Service (WA of the Air), country racing and sporting activities. In the late 1970s Tess moved to the Perth metropolitan area and maintained her involvement in community activities. She is a founding member of the WA branch of the Stockman’s Hall of Fame

based in Longreach, Queensland, and is also a National Director of that organisation.

Tess is a member of the Women Writers’ Association and has published a book of outback poetry as well as other material.

Tess was elected a foundation Councillor and the first woman on the West Pilbara Shire Council in 1975. Her election in 1995 to the newly formed Council of the City of Perth where once again she was the only woman councillor.

In 1997 Tess Stroud was elected for a two year term as Deputy Lord Mayor for the City of Perth and was the Western Australian Municipal Association’s representative on the National Parks and Nature Conservation Authority. Tess is one of the Council’s representatives on the Perth Theatre Trust, and the Festival of Perth Board of Management. Tess is currently a Councillor at the City of Perth and Chairs the following Council committees:-

- Safety and Security Committee
  - Australia Day Celebrations Committee
  - Christmas Decorations Committee
  - Heritage Advisory Committee
- and serves as a member of the following Council committees:
- House/Sponsorship & Donations Committee
  - Budget Committee
  - Employment Committee
  - Foreshore Enhancement Committee
  - City of Perth Art Foundation
  - International Strategic Alliances Advisory Committee

**Laith Reynolds (appointed by the Minister for the Arts, 5 meetings attended)**

During his youth Laith was very active in the life of St George's Cathedral, Perth - as



head server and a leader of the youth group. This is where he developed his life-long passionate interest in English change ringing and the bells themselves as an instrument. In 1960 this passion resulted in the refurbishment of the Cathedral bells and the re-introduction of change-ringing after a 30 year break.

While living in London in the 1980s and on hearing that the bells of St. Martin-in-the-Fields were to be melted and re-cast, Laith developed the idea of giving Australian metal to St. Martin's for new bells and bringing the old bells to Perth (originally for the Australian Bicentennial and the University of WA's 75th anniversary). The Bells eventually became, with the vision of the then Premier Richard Court and architecture from Hames Sharley, the magnificent Swan Bells.

In recognition of his work on bells he was given the Freedom of the City of London.

Over the past 25 years he has organised and/or given bells, or rings of bells, to many new projects in the UK, Toronto, Honolulu (as a memorial to the eight Hawaiian monarchs) and throughout Australia where, while he was the President of Australia & New Zealand Association of Bellringers (ANZAB) for Australia's Bicentennial, he was instrumental in organising, encouraging, refurbishing and obtaining bells for many towers. Since then he has played a major part in sourcing and donating bells for all 5 other towers in Western Australia, (York, Claremont, Mandurah, Rockingham, Mosman Park).

**Bill Gillespie (appointed by the Minister for the Arts, 7 meetings attended)**

Retired from the Board.

## Board Fees

No fees or allowances were paid to any member of The Swan Bells Foundation.

<b>FORMAL COMMITTEES OF THE BOARD</b>	<b>MEMBERS</b>
Marketing Sub-Committee	Gerry Gannon, Laith Reynolds, Tess Stroud, Denise Satterley
Finance sub-Committee	Alastair Bryant, Carol Day, Martin Griffiths
Operations Committee	Bill Edgar, Gerry Gannon, Laith Reynolds

Note: Table specifies Board member representation on committees during the year. Committee membership includes Board members, staff and/or external representatives.

## Manager's Report

The Swan Bells Foundation Inc. was established in January 2001 to manage the operation of the Swan Bells belltower located within Barrack Square. A lease arrangement is proposed between the Foundation and the Government effectively giving the Foundation complete responsibility for Swan Bells. As The Swan Bells Foundation Inc. does not have certainty as to future funding, the lease remains unsigned, although the Foundation has assumed direct responsibility for the operation of the facility. The Foundation was set up in such a manner to facilitate the appointment of a contractor to manage the day-to-day operation. A tender was let by the Foundation in May 2001 for an operator to manage the facility on a day-to-day basis. Unfortunately no tenders were deemed to be acceptable. The Minister for Culture and the Arts accepted the Foundation recommendation that the Foundation directly undertake all operational aspects of the Belltower.

In September 2001, The Foundation decided after a comprehensive selection process that I would be appointed as Manager to take direct responsibility for Foundation's activities and the operations of Swan Bells. Prior to this appointment, the facility was run by Ogden IFC who were appointed by the Perth Theatre Trust on behalf of the State Government. I took over direct control of The Swan Bells operations on November 1, 2001.

From November there were a number of priorities necessary to lay the future foundations for the Swan Bells success:

- Develop and implement a comprehensive marketing plan
- Develop human resources policies and guidelines
- Update and formalise procedures

- Establish accounting and purchasing systems
- Let maintenance contracts
- Improve liaison with the volunteer bellringers
- Establish short, medium, and long term funding requirements

Many of these issues had not been dealt with prior to November. In particular there was no marketing in place. As part of the process to develop and implement a marketing plan, surveys of visitors were undertaken to establish reasons for visitation. For many locals curiosity was the main driver. This created new challenges as once this curiosity had been satisfied, there was little to attract repeat visitation. The marketing plan contained a number of strategies to address this, the most important of which was the need to improve the product of the belltower.

Funding has been a major issue for the Swan Bells. The level of attendance has been significantly less than what was predicted in the Feasibility study prepared by Ernst & Young in October 2000. This has placed considerable strain on the operation of the Foundation, as no external source of funds has been available. A Request for Tender process to appoint a private operator to take on the obligations of the Belltower has been approved and will be implemented in the 2002-2003 year.

Over this year, two groups of people have consistently put in a fantastic effort to ensure that the Swan Bells operates to its maximum potential.

Firstly, the staff. They have endured some uncertain times, but remain dedicated to Swan Bells. They create much of the experience that a visitor to Swan Bells takes

with them. Their dedication and professionalism must be commended.

The second group is of course the St Martin's Society of Change Ringers. They have provided thousands of hours of service, much of it on an entirely voluntary basis. Their efforts have brought the bells to life. Without their efforts, the Swan Bells would be a very silent instrument.

A handwritten signature in black ink, appearing to read 'P. Grootveld', written in a cursive style.

**Paul Grootveld, Manager**

## **Manager's Report on Compliance with Legislation**

### **Freedom of Information Act 1992**

No requests were received.

### **Equal Opportunity Act 1984**

No claims were lodged.

A handwritten signature in dark ink, appearing to read 'P. Grootveld', is written in a cursive style.

**Paul Grootveld  
Manager**

## Overview 2001-2002

The specific objects of the Foundation as stated in its rules are:

***(a) to take a lease of the Tower from the Minister for Lands (to be amended to Minister for Culture and the Arts;***

The lease documentation will be formally signed when an operator is appointed or long-term funding arrangements are put in place.

***(b) to preserve, display and interpret the Bells and other objects of interest relating to bells and bell ringing;***

The bells are constantly kept in good ringing order. All of this work is undertaken by the volunteer St Martin's Society of Change Ringers. Interruptive display material is provided throughout the building, on the Swan Bells website, and is provided personally by the staff and bellringers to visitors. Demonstrations of bellringing is provided by the bellringers to visitors to the belltower on no-ringing days.

***(c) to use the change ringing Bells as the central element of an ensemble of bells which together form a significant musical instrument;***

The Swan Bells are rung up to 4 times every week.

***(d) to promote the use of the Bells as a musical instrument on ceremonial and other occasions in a manner which adds significant cultural heritage value to the City of Perth and Western Australia;***

The Swan Bells are rung for a number of ceremonial and special days throughout the year. Special peels and quarter peels are also rung to commemorate special events.

A muffled quarter peel was rung for the Queen Mother's funeral.

***(e) to gain favourable world recognition for Western Australia's role in promoting change ringing and the art of campanology;***

Swan Bells is rapidly becoming well-known throughout the bellringing world as an exceptional instrument.

***(f) to educate and entertain people using the ensemble of Bells;***

Educational display material is provided throughout the building, on the Swan Bells website, and is provided personally by the staff and bellringers to visitors. The very presence of the high profile Belltower in such a prominent location, has very significantly increased many people's knowledge and awareness of the bells. During the 2001-2002 year approximately 87,500 people visited the Belltower. The Belltower has been filmed by numerous international TV crews for inclusion into a range of documentaries and other productions.

***(g) to encourage the performance of ceremonial bell ringing;***

The Swan Bells have been rung for a number of ceremonial and significant occasions.

Date	Occasion
20 October 2001	Full Peel for Trafalgar and Proclamation Day
22 July 2001	Thanksgiving for Gwen Ropes, died 11/7/01
16 September 2001	In memory of those who died in terrorist attacks in USA
1 October 2001	Queen's Birthday

29 October 2001	Seniors Week
30 October 2001	Seniors Week
2 November 2001	Seniors Week
11 November 2001	Remembrance Day
21 November 2001	Launch of UWA art exhibition at Swan Bells
13 November 2001	298 <sup>th</sup> Anniversary of Admiral Lord Nelsons Funeral
26 January 2002	Australia Day
10 February 2002	Thanksgiving for Princess Margaret.
4 March 2002	Labour Day
7 April 2002	Thanksgiving for Queen Mother (half muffled)
8 April 2002	Thanksgiving for Queen Mother (half muffled)
9 April 2002	Thanksgiving for Queen Mother (half muffled)
11 April 2002	World Parkinson's Day
21 April 2002	76 <sup>th</sup> Birthday Queen Elizabeth II
3 June 2002	Proclamation Day

***(h) to promote the Tower as a key tourist icon in Western Australia;***

The Belltower is now appearing in an ever increasing range of publications as one of the key icons for Western Australia. Publications as diverse as the cover of *The Financial Review's* Western Australian supplement, numerous international publication, through to commercially produced calendars have all made use of the belltower image to label Perth and Western Australia.

***(i) to contribute to the Barrack Square public space in a positive and proactive manner;***

Swan Bells maintains the water features and many of the external architectural lights in Barrack Square. The Swan Bells Manager is an active member of the Barrack Square Traders Association, and maintains contact with the City of Perth over use and promotion of the precinct.

***(j) to manage the Tower in a commercially and functionally successful manner;***

The Foundation structure has allowed the Belltower to operate on a commercial basis. Costs have been rigorously controlled whilst every effort has been made to maximise income to minimise the requirement for additional funding. However due to the tourism crisis combined with the business downturn in Barrack Square, visitor numbers have been too low to provide sufficient income to cover all costs.

***(k) to raise revenue or borrow funds in accordance with the Lease to achieve the objects of the Foundation;***

No loan funds have been sought. Funding support has been provided by the Western Australian Government as shown in the accounts.

***(l) to encourage liaison and co-operation between the Foundation and educational institutions, and in particular the University of Western Australia, the WA Academy of Performing Arts and other schools of music and performing arts;***

The University of Western Australia and the WA Academy of Performing Arts are both represented on The Foundation. During the year an exhibition on prints created by Arts students from UWA were displayed at Swan Bells.

***(m) to perform ceremonial bell ringing at times specified by the State Government;***

No specific occasions have been specified by the State Government.

***(n) to assist members of the Australian and New Zealand Association of Bellringers Inc and / or its Western Australian members and bellringers generally with music education, change ringing and its extensions and the general use of the Bells and any other bells;***

The Swan Bells Foundation ensures that bellringers have access to the bells at all reasonable times to facilitate practice and training for bellringing. The Foundation works closely with ANZAB to provide access to the Swan Bells for visiting bellringers.

***(o) to provide music and performing arts scholarships and fellowships based on assessment criteria determined by the Foundation from time to time;***

No surplus funds have been produced or distributed.

***(p) to provide money and other pecuniary benefits to projects and persons to develop or advance music and performing arts in Western Australia provided that such a distribution is made in accordance with the public selection criteria established by the Public Fund Committee;***

No surplus funds have been produced or distributed.

***(q) to apply all monies which are surplus to the requirements of the Foundation for the education and advancement of all youth in the fields of music and***

***performing arts with not less than 30% of any such surplus being directed to the youth in regional areas in the State of Western Australia provided that such a distribution is made in accordance with the public selection criteria established by the Public Fund Committee;***

No surplus funds have been produced or distributed.

## Responsible Minister

THE HON SHEILA McHALE MLA  
*Minister for Culture and the Arts*

## Legislation impacting on The Swan Bells Foundation Inc. activities

In the performance of its functions, The Swan Bells Foundation complies with the following written Western Australian laws:

- Disability Services Act, 1993
- Equal Opportunity Act, 1984
- Financial Administration & Audit Act, 1985
- Salaries and Allowances Act, 1975
- Public and Bank Holidays Act, 1972
- Government Employees Superannuation Act, 1987
- Occupational Health, Safety and Welfare Act, 1984
- Workers Compensation and Rehabilitation Act, 1981
- Industrial Relations Act, 1979
- Freedom of Information Act, 1992
- Public Sector Management Act, 1994

In the financial administration of The Swan Bells Foundation, we have complied with the requirements of the Financial Administration and Audit Act. Controls have been exercised which provide reasonable assurance that the receipt and expenditure of monies and the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

## Operations

The Swan Bells is open every day of the year except Good Friday and Christmas Day. Admission charges from 1 July 2001 to 30 June 2002 were:

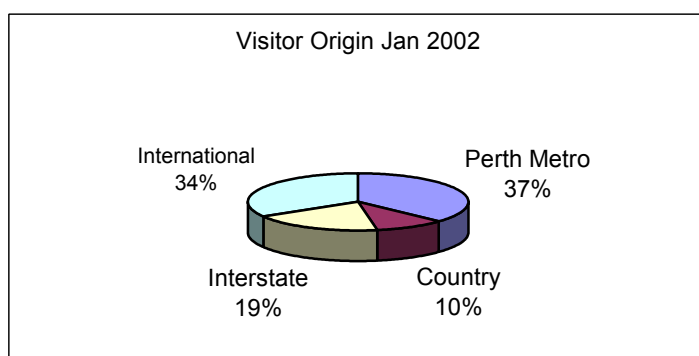
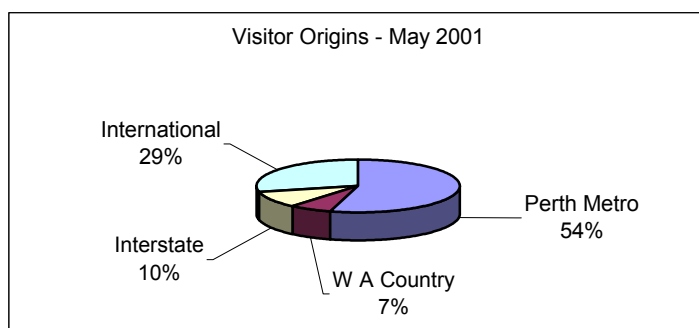
Adults	\$6.00
Children 4-15	\$3.00
Children under 4 years	Free
Australian concession card holders	\$5.00
Seniors	\$3.00

The average income per person was \$4.73

## Visitor Numbers

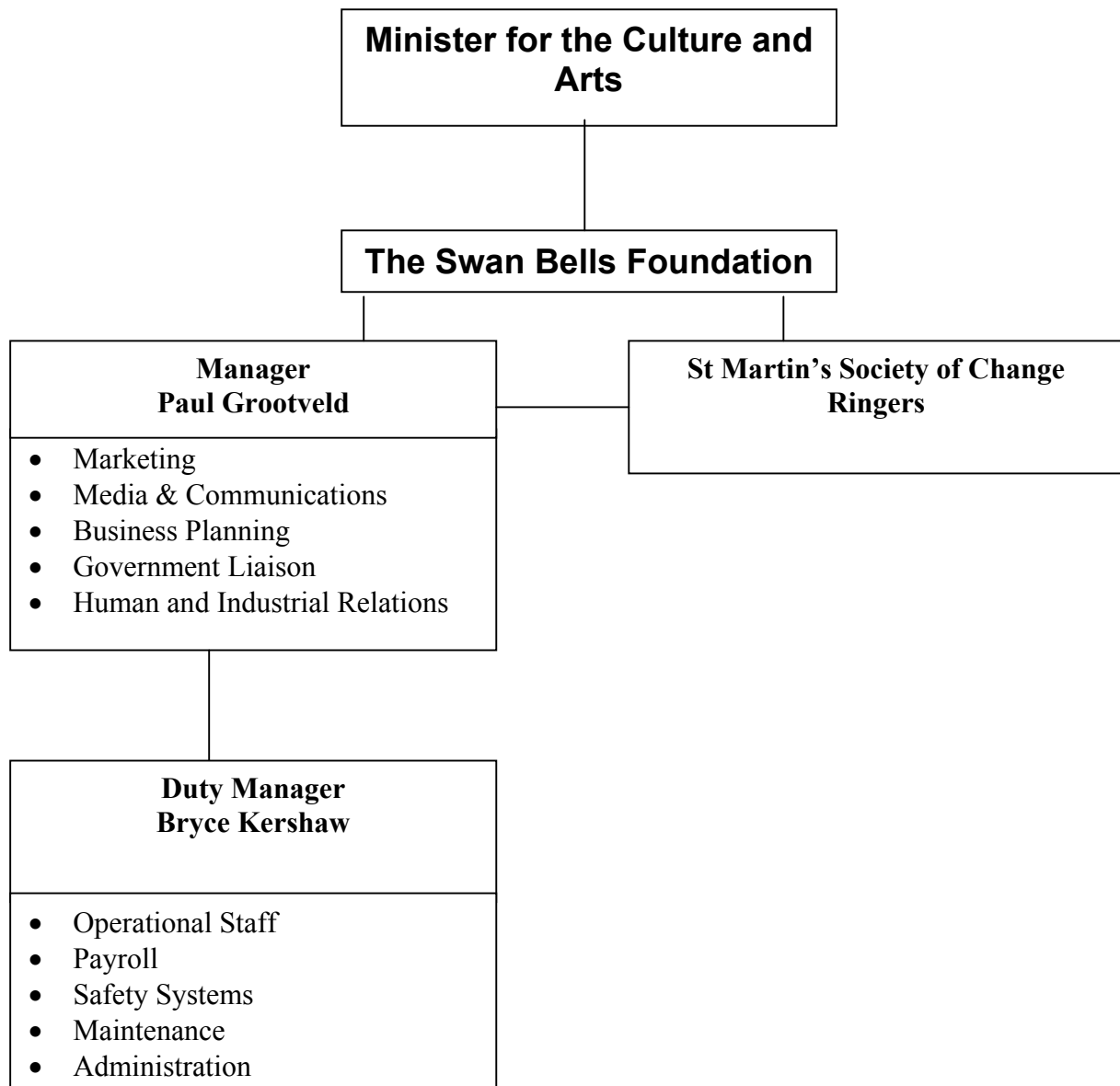
During the reporting year 87,346 people visited Swan Bells. This is considerably less than the 403,000 forecast in the feasibility study prepared by Ernst and Young in 2000.

Surveys were conducted to determine visitor origins and see if the patterns were changing. The following two graphs show that international and interstate visitors are playing an increasingly important part in driving attendance.





## The Swan Bells Foundation Structure



## Future Directions

There are several priorities for the 2002-2003 year. They are:

***Establish funding arrangements to provide for the medium to long-term operation of Swan Bells.***

Proposals are being called for the provision of a private operator that would be required to assume the operating risk for the Belltower. Proposals should be finalised in September 2002 with the appointment of an operator expected shortly afterwards. It is envisaged a formula will be established so that a proportion of any profits will be distributed to the Foundation.

***Improve the product on offer at Swan Bells to further enhance the visitor experience and encourage repeat visitation.***

Any attraction must continue to provide new incentives for people to visit. The marketing plan identified a number of product enhancements that should be implemented. Whilst some items will require additional funding, the improvement of product on offer at Swan Bells will remain a high priority.

***Maximise the potential opportunities presented by the construction of the Convention Centre and the Mandurah to Perth rail link.***

The new Perth Convention Centre and the Mandurah rail link will significantly increase the market potential for the Swan Bells. Not only will there be an increase in the activity in the area, but Swan Bells is well placed to provide a venue for small functions for convention 'breakaway' groups. The construction and development of these two major projects will continue to be monitored to act upon opportunities.

***Continue to work with the bellringing community to help create opportunities for the Swan Bells to achieve the objectives of the Foundation.***

The bellringers are essential in ensuring that the Swan Bells is a living musical instrument that contributes positively to the arts in Western Australia. Positive liaison with the bellringers will help to create opportunities that will benefit all parties.

# Auditor General's Opinion



## AUDITOR GENERAL

### INDEPENDENT AUDIT REPORT

To the Members of The Swan Bells Foundation Incorporated

#### Scope

I have audited the special purpose financial statements of The Swan Bells Foundation Incorporated for the year ended June 30, 2002 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and accompanying Notes. The members of the Board of Management are responsible for the financial statements and have determined that the accounting policies used and described in Note 1 to the financial statements are appropriate to meet the requirements of the Associations Incorporation Act (WA), the needs of the members of The Swan Bells Foundation Incorporated and the financial accountability requirement of the Lease Agreement for the Swan Bells Bell Tower. I have conducted an independent audit of the financial statements in order to express an opinion on them to the members of The Swan Bells Foundation Incorporated. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate to the needs of the members of The Swan Bells Foundation Incorporated.

The financial statements have been prepared for distribution to members for the purpose of fulfilling the requirements of the Associations Incorporation Act (WA) and the financial accountability requirements of the Lease Agreement for the Swan Bells Bell Tower. I disclaim any assumption of responsibility for any reliance on this audit report or on the financial statements to which it relates to any person other than the members of The Swan Bells Foundation Incorporated and the Lessor of the Swan Bells Bell Tower, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with my understanding of The Swan Bells Foundation Incorporated's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

#### Audit Opinion

In my opinion, the financial statements present fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of The Swan Bells Foundation Incorporated at June 30, 2002 and the results of its operations and its cash flows for the year then ended.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON  
AUDITOR GENERAL  
March 21, 2003

# THE SWAN BELLS FOUNDATION INCORPORATED

## Certification of Financial Statements

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### THE SWAN BELLS FOUNDATION INCORPORATED CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002


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The accompanying financial statements of The Swan Bells Foundation Incorporated have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2002 and the financial position as at 30 June 2002.

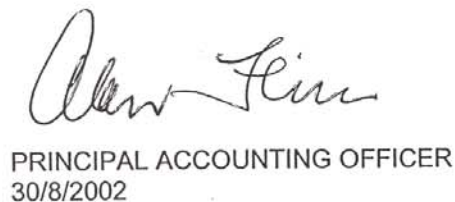
At the date of signing we are not aware of any circumstances, which would render any particulars included in the financial statements misleading or inaccurate.



CHAIRMAN  
30/08/2002



BOARD MEMBER  
30/8/2002



PRINCIPAL ACCOUNTING OFFICER  
30/8/2002

**THE SWAN BELLS FOUNDATION INCORPORATED**

**Statement of Financial Performance  
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$000
<b>REVENUE</b>		
<b>Revenue from ordinary activities</b>		
<i>Revenue from operating activities</i>		
User charges and fees	2	337
Trading profit	3	14
Donations and sponsorship		3
<i>Revenue from non-operating activities</i>		
Interest received		1
<b>Total revenues from ordinary activities</b>		<b>355</b>
<b>EXPENSES</b>		
<b>Expenses from ordinary activities</b>		
Employee expenses	4	328
Supplies and services	5	171
Depreciation expense	6	3
Administration expenses	7	27
Accommodation expenses	8	50
<b>Total expenses from ordinary activities</b>		<b>579</b>
<b>Profit/(loss) from ordinary activities before grants and subsidies from Government</b>		<b>(224)</b>
Grants and subsidies from Government	9	190
Assets transferred in	9	25
<b>NET PROFIT/(LOSS)</b>		<b>(9)</b>
Net increase/(decrease) in asset revaluation reserve		0
Net initial adjustments on adoption of a new accounting standard or UIG consensus view		0
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>0</b>
<b>TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS</b>		<b>(9)</b>

**THE SWAN BELLS FOUNDATION INCORPORATED**

**Statement of Financial Position  
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	2002 \$000
<b>Current Assets</b>		
Cash assets	13(a)	4
Inventories		2
Receivables	10	1
Prepayments		2
<b>Total Current Assets</b>		<b>9</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	11	22
<b>Total Non-Current Assets</b>		<b>22</b>
<b>TOTAL ASSETS</b>		<b>31</b>
<b>Current Liabilities</b>		
Accrued Salaries		2
Provisions		9
Payables		29
<b>Total Current Liabilities</b>		<b>40</b>
<b>Total Liabilities</b>		<b>40</b>
<b>NET LIABILITIES</b>		<b>(9)</b>
<b>Equity</b>		
Retained profits/(accumulated losses)		(9)
<b>TOTAL EQUITY</b>	12	<b>(9)</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes

## Statement of Cashflows

### FOR THE YEAR ENDED 30 JUNE 2002

	Note	2002 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b><i>Receipts</i></b>		
User charges and fees		337
Trading profit		12
Interest Received		1
Donation/sponsorship		4
GST receipts on sales		25
		<u>379</u>
<b><i>Payments</i></b>		
Employee costs		(315)
Supplies and services		(149)
Administration		(27)
Accommodation		(50)
GST payments on purchases		(12)
GST payments to taxation authority		(12)
		<u>(565)</u>
<b><i>Net cash provided by/(used in) operating activities</i></b>	13	<u><b>(186)</b></u>
<b>CASH FLOWS FROM GOVERNMENT</b>		
Grants and subsidies		190
<b><i>Net cash provided by Government</i></b>		<u><b>190</b></u>
<b><i>Net increase/(decrease) in cash held</i></b>		<b>4</b>
Cash assets at the beginning of the financial year		0
<b><i>Cash assets at the end of the financial year</i></b>	13	<u><b>4</b></u>

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**Notes to the Financial Statements**  
**FOR THE YEAR ENDED 30 JUNE 2002**

**1. Significant accounting policies**

The following accounting policies have been adopted in the preparation of the financial statements.

**(a) General Statement**

The financial statements constitute a special purpose financial report, which has been prepared for use by The Swan Bells Foundation Incorporated in accordance with the Rules of the Foundation and with the Lease for the Swan Bells Bell Tower.

This financial report has been prepared in accordance with Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

The statements have been prepared on the accrual basis of accounting using the historical cost convention.

**(b) Grants and Other Contributions Revenue**

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Swan Bells Foundation obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

**(c) Revenue Recognition**

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the Swan Bells Foundation has passed control of the goods or other assets or delivery of the service to the customer.

**(d) Acquisitions of assets**

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.



**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

(e) Depreciation of Non-Current Assets

Property, plant and equipment, computer equipment and software, furniture and fittings, have been included as non-current assets if the purchase cost is \$1000 or more.

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

Depreciation is calculated on a straight-line basis, using the following rates. These will be reviewed annually.

Computer, Plant & Equipment      10-25%

(f) Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(g) Inventories

Inventories are valued at the lower of costs and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, which the majority being valued on a first in first out basis.

(h) Receivables

Receivables are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is raised where some doubt as to the collection exists.

(i) Payables

Payables, including accruals not yet billed, are recognised when the Swan Bells Foundation becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

(j) Interest Revenue

Interest Revenue are recognised as they are accrued.

(k) Employee Entitlements

Annual Leave

This entitlement is recognised at current remuneration rates and is measured at the amount unpaid at the reporting date in respect to employees service up to that date.

The figures shown in the provisions section of the statement of financial position are unpaid entitlements for annual leave.

There is no liability for long service in these statements.

(l) Superannuation

The superannuation expense represents the payments to private superannuation funds.

(m) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The Swan Bells Foundation considers the carrying amount approximates net fair value.

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

(n) Resources Received Free of Charge or For Nominal Value

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

(o) Comparative Figures

Comparative figures are not shown as this financial report is the first to be produced.

(p) Rounding

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	<b>2002</b> <b>\$000</b>
<b>2. User charges and fees</b>	
Admission fees	337
	<u>337</u>
<b>3. Trading Profit</b>	
Sales	20
Cost of Sales:	
Opening inventory	0
Purchases	7
	<u>7</u>
Closing inventory	1
Final Closing Inventory	<u>6</u>
Cost of Goods Sold	<u>          </u>
Trading Profit	<u>14</u>
<b>4. Employee expenses</b>	
Wages and salaries	265
Superannuation	25
Workers compensation premium	3
Other related expenses	35
	<u>328</u>
<b>5. Supplies and services</b>	
Consultants and contractors	23
Advertising	46
Electricity and gas	36
Equipment Purchases < \$1,000	5
Insurance premiums	8
Printing	6
Management Fees	11
Membership Subscriptions	2
Water	5
Other supplies and services	29
	<u>171</u>
<b>6. Depreciation and amortisation expense</b>	
Depreciation	
Computing, plant and equipment	3
	<u>3</u>
<b>7. Administration expenses</b>	
Communication	8
Consumables	1
Maintenance	15
Stationery	3
	<u>27</u>
<b>8. Accommodation expenses</b>	
Repairs & maintenance	5
Security	10
Cleaning & Rubbish Removal	32
Other accommodation	3
	<u>50</u>

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

	<b>2002 \$000</b>
<b>9. Revenues (to) / from Government</b>	
Grants or Subsidies revenue received during the year:	190
	<u>190</u>
The following assets have been transferred from other government agencies during the financial year:	
Total assets transferred – at fair value	25
	<u>25</u>
	<u>215</u>

**10. Receivables**

Current	
GST receivable	1
	<u>1</u>

**11. Property, plant, equipment and vehicles**

Computer Plant & Equip	
At cost	25
Accumulated depreciation	(3)
	<u>22</u>

Reconciliations

	<b>Computer Plant &amp; Equip \$000</b>	<b>Total \$000</b>
<b>2002</b>		
Carrying amount at start of year	0	0
Additions	0	0
Transfers	25	25
Depreciation	(3)	(3)
Carrying amount at end of year	<u>22</u>	<u>22</u>

**12. Equity**

Accumulated surplus/(deficiency)	
Opening balance	0
Change in net assets	(9)
Closing balance	<u>(9)</u>

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

**2002**  
**\$000**

**13. Notes to the Statement of Cash Flows**

(a) Reconciliation of cash

For the purpose of the Statement of Cash Flows, cash includes cash at bank, amounts in suspense and restricted cash, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash assets	3
Restricted Cash Assets (i)	1
	<u>4</u>

(i) Swan Bells Public Fund

The Swan Bells Public Fund is a Restricted Cash asset in that the moneys comprising the Fund may be used only for the promotion of the objects of the Foundation. The Fund is administered by a Management Committee.

(b) Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Profit/(loss) from ordinary activities before grants and subsidies from Government	(224)
Non-cash items:	
Depreciation expense	3
(Increase)/decrease in assets:	
Inventories	(2)
Prepayments	(2)
Increase/(decrease) in liabilities:	
Accrued salaries	2
Provisions	9
Payables	29
Change in GST in receivables/payables (i)	<u>(1)</u>
Net cash provided by/(used in) operating activities	<u>(186)</u>

(i) *This reverses out the GST in accounts receivable and payable.*

**14. Financial Instruments**

(a) Interest Rate Risk Exposure

The following table details the Foundation's exposure to interest rate risk as at the reporting date:

	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate Less than 1 Year	1 to 5 Years	More than 5 Years	Non- Interest Bearing	Total
2002	%	\$000	\$000	\$000	\$000	\$000	\$000
	4.74						
Financial Assets							
Cash assets		4					4
Receivables						1	1
Prepayments						2	2
Other						2	2
		<u>4</u>				<u>5</u>	<u>9</u>
Financial Liabilities							
Payables						29	29
						<u>29</u>	<u>29</u>

(b) Credit Risk Exposure

The Swan Bells Foundation has limited credit risk exposure. The carrying amount of financial assets recorded in the financial statements, other than receivables, represents the authorities maximum exposure to credit risk.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 1 to the financial statements.

**THE SWAN BELLS FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

**2002**  
**\$000**

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**15. Remuneration of Members of the Accountable Authority and Senior Officers**

Remuneration of Senior Officers

The number of members of the Accountable Authority, whose total of fees, salaries and other benefits received, or due and receivable, for the financial year, fall within the following bands are:

\$ 70,001 – 80,000	1
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The total remuneration of senior officers is:	84
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No members of the Accountable Authority are members of the Superannuation and Family Benefits Act Scheme.

**16. Remuneration of Auditor**

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

Auditing the accounts and financial statements	5
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