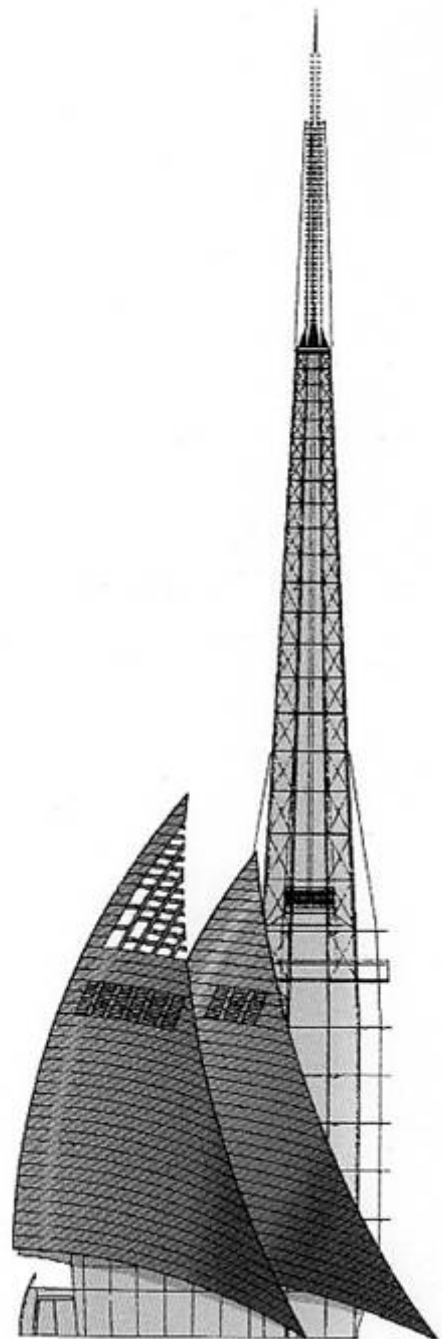


The Swan Bells Foundation Inc.

Annual Report
2003-2004



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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Letter of Transmittal
For the Year Ended 30 June 2004

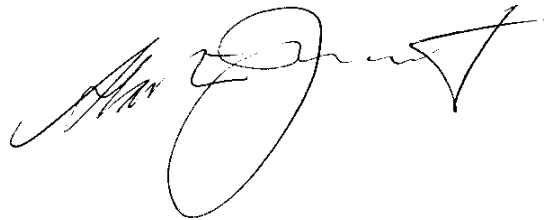
THE HON SHEILA M^cHALE MLA
Minister for Culture and the Arts

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 2004.

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



Paul Grootveld - Manager
30 August 2004



Alastair Bryant - Chair
30 August 2004

Chair's Report

The year has been one of continued growth, as Swan Bells Foundation launched its strategic plan to grow attendance and build further its profile at a local, national and international level.

Attendance of interstate and overseas visitors maintains its upward trend. The Free day initiative, which was introduced as part of the strategic plan, has been a big hit with local visitors and increased accessibility to the community. Also central to our strategic plan is the ongoing commitment to enhancing the visitor's experience at Swan Bells. This was achieved with the rollout of the *It's about Time* exhibition.

This exhibition has been and continues to be a success with visitors. Many thanks to the WA Museum, the Perth Observatory, Laith Reynolds, the bell ringers, the Horological Guild of WA and the management and staff for their preparation and implementation of this exhibition. The Foundation plans to further develop this and other exhibitions as more funds and appropriate display items become available.

Thanks to ongoing Government support, the Foundation has been able to continue to operate and develop the potential of this magnificent facility.

Even in these uncertain times, the future looks positive for Swan Bells. The opening of the new Convention Centre will be a boost to the tourism industry in the State as a whole but also to the Swan Bells. The Foundation expects a growth in function trade and also a growth in general attendance

thanks to business being generated by the new Centre.

The year has also seen changes within the board, as a number of Foundation members have completed their terms of appointment or have retired from their representative body.

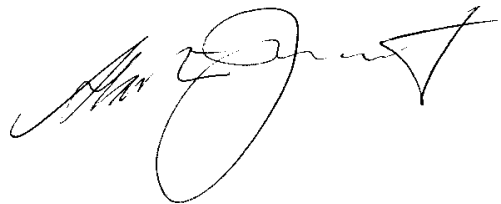
I would like to recognise the contribution made by departing Board member Carol Day

We also welcome to the Board, Dr Ian McLeod from the Western Australian Museum.

I am sure this new wealth of experience and diverse range of expertise will serve the Swan Bells Foundation well.

I acknowledge the colossal input of the bellringers who volunteer their time and expertise to entertain and educate visitors to the Swan Bells and who give this unique instrument its voice. Without them Swan Bells would not be the facility that it is.

I wish to thank the management and staff for their hard work and continued commitment to the Swan Bells.



Alastair Bryant
Chair

The Swan Bells Foundation Inc. Board Members

The Board consist of eleven members:

- *the Minister for the Arts or his/her nominee*
- *the Minister for Tourism or his/her nominee;*
- *four 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 - 5

Alastair Bryant (nominee Minister for the Arts)

Alastair was appointed Director General of the Department of Culture and the Arts in November 2000. 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. He serves on the Boards of the Museum, the Art Gallery, the Library, ScreenWest and the Perth Theatre Trust, and is also Chair of the Swan Bells Foundation. He was previously Commissioner of State Revenue in Western Australia, a position he held for six years.

He has a Bachelor of Business, 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, in which he was a foundation member of the Heirisson Club and is a past President of that 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, a daughter, and a granddaughter.

Richard Muirhead (appointed by the Minister for the Tourism)

Richard Muirhead is the Chief Executive Officer of Western Australian Tourism Commission.

Richard (who incidentally is a qualified Town Planner) joined the Western Australian Public Sector in 1987, bringing with him some 14 years of private sector experience in market research and marketing, including in his own company, which was sold to a major national research group in 1986.

He originally joined the (then) Western Australian Technology & Industry Development Authority (TIDA) as the Director of the Marketing Division. Apart from two years in London (1990-1991) as Director of Trade and Investment of the Western Australian European Office, he remained with the Department in its various guises as Executive Director of Trade and Industry Development until 1997.

In mid-1997 he was appointed Chief Executive Officer of the WA Department of Commerce & Trade, the State's premier industry and trade development agency - a

post he held until May 2001, when he left to head up the Western Australian Tourism Commission.

Richard is also a member of the Australian Standing Committee on Tourism (ASCOT) and the State Aviation Ministerial Council.

Richard, who was born in South Australia, has lived for 23 years in Western Australia. He has 3 children aged 4, 21 and 22 years old.

Darryl Poulsen (University of Western Australia)

Darryl Poulsen graduated with distinction from the Conservatoria of Luxembourg and Liege, Belgium in the horn classes of Professor Francis Orval and has a Master of Music degree from The University of Western Australia. He has held principal horn positions in European and Australian orchestras and has performed throughout Europe, North America, South America, Asia and Australia as soloist, chamber musician and orchestral musician. While active in commissioning new works for horn and having compositions written specially for him. As a performer of both historical natural horns, Darryl has performed as soloist, chamber music and orchestral player with The Joshua Rifken New York Bach Ensemble, Anthony Halstead, Geoffrey Lancaster, Bart Van Oort, Cantus Koln and the Australian Brandenburg Orchestra.

His research into classical hand horn playing has resulted in the publication of the first English translation of the H. Domnich Méthode de premier et de second cor , the most important primary source on classical hand horn playing.

Currently Head of the School of Music at The University of Western Australia, Darryl is also principal horn with the Australian Chamber Orchestra, with whom he has

toured as soloist on national and international tours.

Tony Baker (representative from the Perth Port at Barrack Square Inc.)

Tony Baker has been involved in the ferry industry at Barrack Square since 1971 when he began casual work on the Rottnest ferries whilst studying for a Bachelor of Commerce degree at the University of WA.

In 1977 he became General Manager of Rottnest Passenger Service – a position he occupied until 1981. The lure of the sea proved more enticing and, after a twelve-month holiday, Tony obtained his first Master's Certificate in Queensland where he worked for a short period on the Gold Coast.

He returned to Perth when offered a position as Manager/Skipper of Captain Cook Cruises in August 1982. After the very competitive America's Cup period Tony had the opportunity to purchase the Company in 1987. Since then the business has grown into the largest ferry company in Perth and operates six vessels up and down the Swan River moving over 200,000 passengers per year.

In 2001 the Company also successfully tendered for the South Perth Ferry Service and operates a further two vessels moving 400,000 people per year from Barrack Square to South Perth.

Tony is well respected by his peers and a very strong supporter of the tourism industry with an aggressive marketing focus both interstate and overseas.

David Knewstub (representative from the St Martin's Society of Change Ringers)

David worked with the ANZ Banking Group Ltd in London and Perth for 37 years.

He first learned the art of change ringing at St George's Church, Barkingside (Ilford) UK in 1965 before migrating to Perth in 1972.

Since arriving here he has held a number of important roles within the bell ringing community:

- Treasurer/Secretary St George's Cathedral Bellringers' Assn (SGCBA) 1972-1977, 1982-1987.
- Tower Captain SGCBA 1978-1979, 1991-1996, 1998-2001.
- Vice Captain SGCBA 2002-.
- Editor "Ringing Towers" for Australian & New Zealand Association of Bellringers (ANZAB) 1980-1982.
- Co-ordinator WA branch of ANZAB (WAanzab) 1991-2001.
- Vice-President ANZAB 1994, 1999-2000, 2003-.
- President ANZAB 1995-1998, 2001-2002.
- Member Central Council of Church Bellringers 2002-2004.
- Tower Captain Swan Bells 2003-.

Dr Peter Nattrass (Representative of City of Perth)

Dr Nattrass graduated from the University of Western Australia Medical School in 1967 and subsequently obtained a post-graduate specialist degree from the Royal College of Obstetricians and Gynaecologists, London.

In 1995 he was elected Lord Mayor and was subsequently re-elected for further terms in 1999 and 2003.

He has schooled, lived and worked within the City boundaries all his life and until recently maintained a part-time

gynaecology practice in addition to his full-time Lord Mayoral duties.

Dr Nattrass has in the past or is currently a member/chairman of the following:

- Numerous City of Perth Standing and Occasional Committees
- Vice President, World Energy Cities Partnership
- Perth Theatre Trust
- Local Government Association Executive Committee
- Swan River Management Authority
- East Perth Redevelopment Authority
- Western Australian Planning Commission
- Central Perth Planning Committee
- Lord Mayor's Distress Relief Fund
- WA Municipal Association
- Premier's Capital City Committee
- City of Perth Superannuation Fund
- Representative to the West Australian Heritage Council

Laith Reynolds (appointed by the Minister for the Arts)

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 firm 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). David was the Past President of ANZAB, ran the Bicentennial National Bell Project, and remains active in Rotary

Ian MacLeod (appointed by the Minister for the Arts)

Ian MacLeod has been a bellringer for more than forty years, having learnt the ancient art in Ballarat as a student. He has rung at all the Scottish towers during his post-doctoral sojourn in Scotland and has been a member of the St George's cathedral band since 1976 when he arrived in Perth. He is a foundation members of the St Martins Society at the Swan Bell Tower. In his role as Principal conservator at the Western Australian Museum Ian has more than 25 years of experience in the conservation and care of metal objects, with special expertise on the conservation of corroded ancient bronze objects. He has conserved many of the museum's collection of shipwrecked bells and his expertise in conservation is sought by many international bodies. He is a Fellow of the International Institute for Conservation, a Fellow of the Australian

Academy of Technological Sciences and Engineering and a Fellow of the Royal Australian Chemical Institute and is a regular ringer at the Swan bells.

Members retired or whose term was completed during the year:

- Carol Day

Board Fees

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

Senior Officers

Paul Grootveld MBA (Manager)

Paul Grootveld has over 20 years of senior management experience within the tourism and recreation fields.

He managed Hotham Valley Tourist Railway and was part owner and Managing Director of Adventure World Pty Ltd.

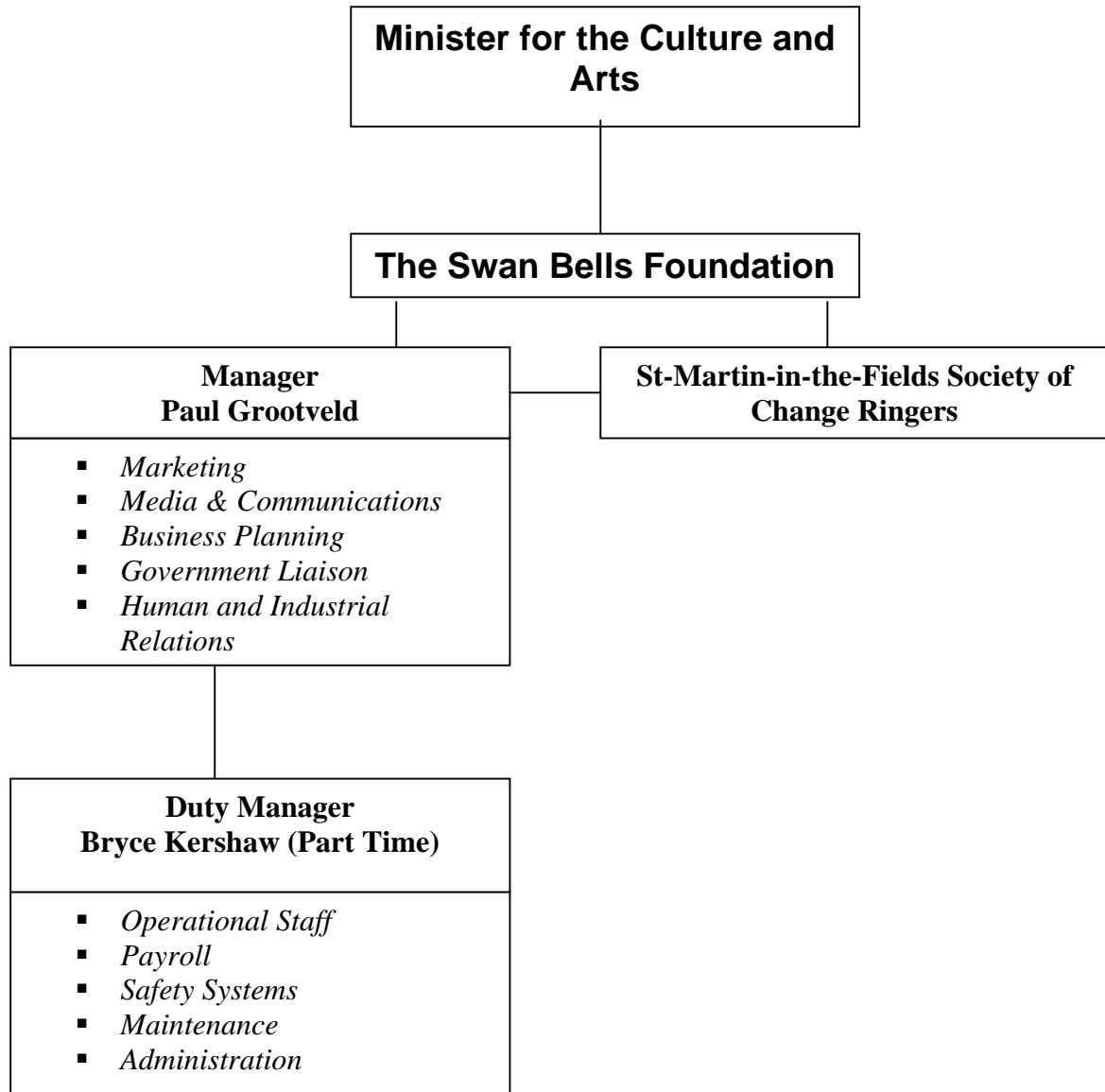
Paul remains active in the tourism industry:

- Chair of the Association of Perth Attraction
- Chair of the Perth Port at Barrack Square
- Member of the Chamber of Commerce's Capital City Committee
- Representative for the attractions industry on the Tourism Council Western Australia

Number of Staff

2.6 FTEs, 3 people

Administrative Structure



Manager's Report

Coinciding with our third birthday Swan Bells launched the *It's about Time* exhibition in December 2003. Thanks to partnerships formed with the WA Maritime Museum, the Perth Observatory and private collectors, we managed to secure some fantastic new displays to enhance our visitors' experience of the Swan Bells. Items include the transit meridian telescope on loan from the Perth Observatory and two sets of tubular bells, (obtained from the UK by Laith Reynolds) dating back over a hundred years. The new exhibition has been a great success with visitors.

We intend to add and expand this exhibition, such as the installation of the Carillon from Canberra on our observation deck, as funds become available. I would like to take this opportunity to thank the staff at the WA Maritime Museum and the Perth Observatory, Laith Reynolds and the bell ringers, the Horological Guild of WA and our own staff in the preparation and implementation of this exhibition.

The new Convention Centre will undoubtedly have a positive impact for us as many potential customers have already inspected the Swan Bells as a possible venue for functions or side excursions. We expect a growth in function trade and also a growth in general attendance thanks to business being generated by the new Centre. Swan Bells will participate in the WA on Show exhibition in conjunction with the Department of Culture and the Arts.

In line with our aims to increase accessibility to Swan Bells, on the first Tuesday of each month no entry fee is charged. The community has responded enthusiastically to the initiative with high attendance levels recorded on these occasions. It has been good exposure for us

and gives greater accessibility to the wider community with minimal financial impact.

Swan Bells continues to play an active part, in conjunction with the other traders, in the promotion of the Barrack Square precinct. The precinct is looking forward to growth over the next few years as all available areas are now leased.

Increased parking on both Riverside Drive and within Barrack Square has been very positive. In conjunction with new landscaping this has enhanced the aesthetics of the Square with many positive comments from our visitors. Plans for increased lighting in the Square will enhance security at night.

Once again the Variety Club Australia Day festival was a success and allowed the area to host approximately 200 special needs children. Our observation deck was hired out on the night by a corporate client and enquires to hire the tower for Australia Day 2005 have been strong.

At Swan Bells we often donate our time and services to local and international charities and organisations such as the Cystic Fibrosis Society, Rotary, Society of St. Vincent de Paul, and the Australia Cambodia Foundation amongst others. We are also committed to continuing our support of Foster Free Carer day.

Media exposure both locally and internationally has been strong and positive. We have welcomed several lifestyle TV programmes and notice a definite spike in attendance figures following the broadcast of these shows.

We have undertaken a considerable number of successful marketing initiatives

throughout the year. Highlights of these include:

- Support for the production of a stage play that was performed at the Blue Room Theatre in Northbridge that incorporated a ghost story about the Swan Bells.
- A drive to increase attendance by students from both public and private schools.
- The introduction of the Friends of the Bells loyalty programme. After only one year of operation we are approaching one thousand members. The friends receive free entry to the building, discounts on our entire range of merchandise and a monthly newsletter, which keeps them informed of upcoming events, special offers and prize giveaways.

We have had several visits from visiting UK ringers, including the Association of College Youths, a group that was founded in the City of London in 1637. The Ancient Society of College Youths' members are master bell ringers. It is the oldest and by far the most famous ringing society known within Britain or Europe and most probably the world. Their visit was a huge success with the public.

I would like to take this opportunity to thank the volunteer members of the St Martin's Society of Change ringers. Their endeavours to enable some form of bell ringing every day of the week is to be commended. Without them, Swan Bells would not be the attraction that it is.

Last but by no means least I would also like to take this opportunity to thank the fantastic staff of Swan Bells. Their positive attitude and professionalism, interacting

with visitors from all walks of life and nationalities, is to be applauded.



Paul Grootveld
Manager

Compliance with Legislation

Freedom of Information Act 1992

No requests were received.

Equal Opportunity Act 1984

No claims were lodged.

Publications

The following publications produced by the Swan Bells Foundation Incorporated are available on request from the Foundation:

- Annual Report
- The Swan Bells Foundation Incorporated Internet Website (www.swanbells.com.au)
- Advertising brochures

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment of service, no Board Members or Senior Officers, or firms of which Members or Senior Officers are members, or entities in which Members or Senior Officers have substantial interests had any interests in existing or proposed contracts with the Swan Bells Foundation Incorporated and Members or Senior Officers.

Changes in Written Law

There were no changes in any written law that affected the Swan Bells Foundation Incorporated during the financial year.

Ministerial Directives

No Ministerial directives were received during the financial year.

Workers Compensation

No claims for workers compensation were recorded during the year.

Major promotional, public relations or marketing activities

The advertising and promotional activities carried out during the financial year contributed towards the objectives of the Foundation. The promotion material used was mainly advertising brochures.

Pricing policies on outputs

The Swan Bells Foundation Incorporated has discretion to charge for services provided subject to Ministerial approval.

Insurance premiums paid to indemnify members of the Board

There is no insurance policy to indemnify members of the Board against any liability incurred under sections 13 or 14 of the *Statutory Corporations (Liability of Directors) Act 1996*.

Electoral Act 1907 section 175ZE

In compliance with section 175ZE of the *Electoral Act 1907*, the Model Statutory Authority is required to report on expenditure incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

The details of the report are as follows:

Treasurer's Instruction 903
Swan Bells Foundation

2003/2004

Expenditure related to Advertising and Market Research Organisations

In accordance with Section 175ZE of the Electoral Act 1907 expenditure by The Swan Bells Foundation on advertising and related costs is listed below

a) Advertising Agencies

Campaignmakers Pty Ltd	\$	9,237.06
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b) Market research organisations	Nil
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c) Polling organisations	Nil
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d) Direct mail organisations	Nil
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e) Media advertising organisations

Countrywide Publications	4,799.06
Ringing World	61.14
Department of Culture and the Arts	100.00
Imagine Advertising	1,150.00
Media Decisions	14,023.38
Hello Perth	317.27
Arttype Productions	11,280.00
Great Aussie Holidays Pty Ltd	1,818.18
City of Perth	2,079.78
Aussie Drawcards Pty Ltd	2,070.00
Eyezon Pty Ltd	3,945.46
Neat Ideas	1,140.00
What's On	909.10
Countrywide Publications	188.18

Total - Other	\$43,881.55
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Total Media Advertising	\$53,118.61
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Paul Grootveld
Manager

Enabling Legislation

The Swan Bells Foundation Incorporated has no enabling legislation.

Legislation Administered

The Swan Bells Foundation Incorporated does not administer any legislation.

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*

In the financial administration of The Swan Bells Foundation, we have complied with the requirements of the *Financial Administration and Audit Act 1985*. 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.

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

Objectives and Outcomes

The specific objectives 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);

No formal lease has been agreed to. Negotiations remain open between the Foundation's Board and the Department of Culture and the Arts.

(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. Much of this work is undertaken by the volunteer St Martin's Society of Change Ringers. Interpretive 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 are provided by the bellringers to visitors to the belltower on non-ringing days.

During this financial year additional displays have been installed. These include:

- a number of bells on loan from the WA Maritime Museum and private collectors
- a complete set of tubular bells dating from the late 19th century.
- 16 Bells from the Canberra Carillon to be used as part of a future Carillon to be installed within the building.
- A number of clocks on loan from the Perth Observatory and private collectors.

(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 every day and as an ensemble 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, such as Christmas and Australia Day, throughout the year. Special peals and quarter peals are also rung to commemorate special events.

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

Swan Bells has become 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 2003-2004 year approximately 77,340 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
21 Aug 2003	Daffodil Day for cancer Council
11 Sep 2003	Remembrance for "September 11 th "
27 Sep 2003	The members of the Ancient Society of College Youths
29 Sep 2003	Peal for Queen's Birthday
12 Oct 2003	In the memory of the victims of the terrorist attacks in Bali
19 Oct 2003	Trafalgar Day
13 Nov 2003	Remembrance Day
11 Dec 2003	3 rd anniversary of the Bell tower
18 Dec 2003	launching of the "It's About Time" Exhibition
21 Dec 2003	Ringin for Carols by Candlelight
1 Jan 2004	¼ peal for New Year's Day
26 Jan 2004	Australia Day
3 Feb 2004	the first Bell Tower Free Day
4 Mar 2004	¼ peal marking the 100 th Peal at the tower
25 Apr 2004	ANZAC Day
29 Apr 2004	in the memory of the victims of domestic violence
13 Jun 2004	the 111 th birthday of the writer Dorothy L. Sayers, author of the book "Nine Taylors".

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

The Belltower image continues to appear in an increasing range of publications as one of the key icons for Western Australia. Publications include numerous international publications, international travel supplement, as well as 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, The Association of Perth Attractions 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 is represented on The Foundation Board. A seat on the Board is currently vacant and is being held for a representative from the WA Academy of Performing Arts.

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

No specific request for the bells to be rung has been received during this period/

(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.

Operations

The Swan Bells supports *Better Planning: Better Services* and contributes to the Government strategic goals.

Goal 1: People and Communities

To enhance the quality of life and wellbeing of all people throughout Western Australia.

Outcomes:

1. Swan Bells provide numerous learning opportunities for all.
 - Swan Bells in conjunction with the St Martin's Society of Change Ringers provided structured training programs for those interested in learning the art of bellringing.
 - Interpretive materials and displays are provided throughout the building to give details on the history of the bells from St Martin in the Fields, the construction of Swan Bells, and the history of Barrack Square
 - The exhibition "*Its About Time*" has been added. The exhibition includes a number of educational components
 - The Swan Bells website provides a range of information on bells, bellringing, Barrack Square, and the design and construction of the building
 - Swan Bells provide discounted entry for school groups and free entry for accompanying teachers.
2. Opportunities for health, participation and security are optimised in order to enhance quality of life as people age.
 - The volunteer program at Swan Bells encourages participation for all age groups. Many of the ringers are retired and see bellringing as an important enhancement to the quality of their life.
 - The paths that wind through the adjacent garden area house the 'Sign In 2000' community project. This involved school students from all around Western Australia providing signatures that were printed into the surface of ceramic tiles set into the paths. This project provided Western Australian school children with the opportunity to contribute to a community landmark that they will be able to share with family and friends into the future.
3. A positive difference to the lives of people with disabilities, their families and carers
 - From the very beginning of the design of the building, the requirements of disabled visitors were given the highest priority. The building provides for wheelchair access, a lift that accesses all levels, a disabled toilet (which also provides shower facilities for bellringers and staff).
 - Barrack Square provides ramped entry and tactile tiles to mark the edge of the water features.
 - The lift has had a duplicate set of control buttons fitted to allow for larger wheelchairs unable to turn in the lift.

- Although not a requirement of employment, the hiring of a number of bilingual staff has proved useful for guests whose first language is not English.
4. A culturally rich, artistically inspired and intellectually stimulated society
- Bellringing is undoubtable an art form. Swan Bells provides the opportunity for people to participate in this ancient art.
 - Swan Bells are rung on most days of the week. This provided the opportunity for people both within the building and surrounding area to hear and enjoy this magnificent instrument.
5. Vibrant communities that enhance and promote safety, a sense of openness, walkability, our rich cultural diversity and the Western Australian lifestyle.
- The Swan Bells is a major part of the vibrancy of the Barrack Square precinct. The design of the building reflects the vitality of the Swan River and is a superb fit with the Western Australian lifestyle.
 - The forecourt area in front of the building also houses a well-used wishing well, installed by Rotary. This provides a regular income to aid Rotary's community service.
 - A number of charities including Amnesty International, the Cancer Foundation and the Heart Foundation have used the building to launch appeals or activities free of charge.
 - The building is completely surrounded by ornamental ponds with nine fountains providing the delightful sounds and atmosphere of moving water. Ten Mosaic illustrations, each approximately three metre by two metres in size, are featured in the ponds. These depict the regions of Western Australia and were commissioned after a state-wide competition. The 'State Images' were chosen from more than 400 entries from artists and community groups and translated into mosaic tiles. The regions illustrated are the Gascoyne, Goldfields, Great Southern, Kimberley, Metropolitan, Mid-West, Peel, Pilbara, South-West, and Wheatbelt

Goal 2: The Economy

To develop a strong economy that delivers more jobs, more opportunities and greater wealth to Western Australians by creating the conditions required for investment and growth.

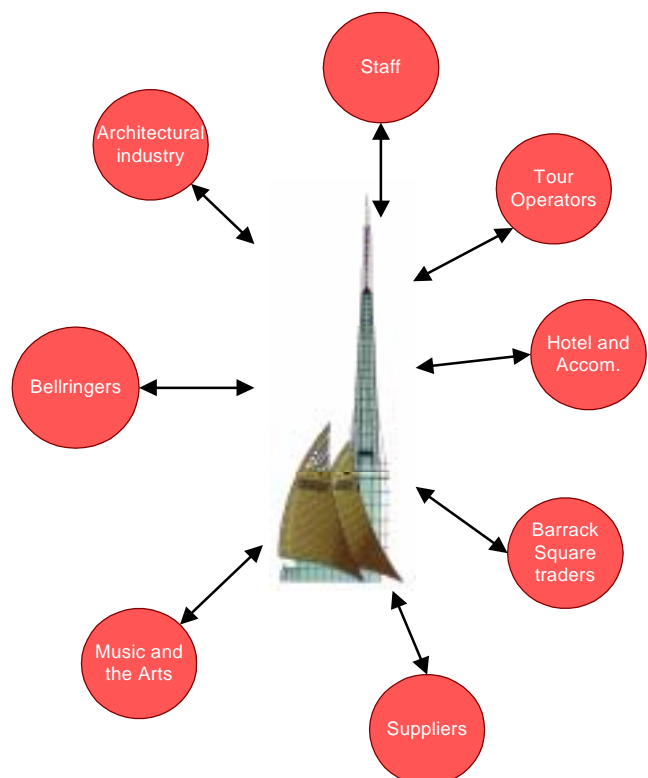
Outcomes:

1. New jobs and employment growth.

- The Swan Bells Foundation is directly responsible for the creation of a number of new jobs.
- Designed by local architectural firm, Hames Sharley (WA) Pty Ltd, the building was constructed using primarily local subcontractors. Every part of the building shows local content. The copper sails, the glass panelling, and the decorative flooring are all further examples of this commitment to local suppliers. This extends to signage and information panels that have all been designed and manufactured locally.
- Local contractors are used whenever possible for all supplies, souvenirs, repairs, design, and advertising.

2. All Western Australians sharing in the benefits of economic growth.

- Swan Bells is now a significant tourism icon both interstate and internationally. As such it contributes to increasing tourism both directly (by those who come specifically to visit Swan Bells) and indirectly by increasing the awareness of Western Australia. Tourism has a significant flow on economic impact.



Goal 3: The Environment

To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.

Outcomes:

1. Healthy river systems

- The Belltower is located in an environmentally sensitive area. It is less than 100 metres from the beautiful Swan River, the centrepiece for Perth. The Swan Bells Foundation Inc. is highly sensitive to the environmental issues. All aspects of the design, construction and operation of the building and its surroundings conform or exceed the appropriate standards. Practical examples can be clearly seen in the way the building itself is integrated into its surroundings. The Belltower project was responsible for the restoration of the area's landscaping as well as the development of the water features to tie the precinct to the river.
- The building is surrounded by beautiful water features. These features use recirculated water which is disinfected with safe, low impact, ultra-violet (UV) light. This minimises the use of chemicals that could possibly find their way into the nearby Swan River.

2. Effective contributions to global efforts to reduce Greenhouse emissions

- The energy required for lighting, heating and cooling is minimised as far as practical. The amount of glass panels in the building could easily lead to rapid heat gain and loss in the building, especially a concern in summer with air conditioning use. The windows are tinted to keep the occupants cool, and the orientation of the building also helps the efficiency of heating and cooling. The metal sails shield the glass and building from hot summer sun in the east and west, while the northern side is more open so it can utilise winter sun. Solar sunscreens on each level that stop summer sun and allow winter sun in reinforce this passive solar design. High efficiency lighting is used whenever possible. All lighting is controlled by a sophisticated computerised management system to optimise energy consumption and bulb life.

Goal 4: The Regions

To ensure that regional Western Australia is strong and vibrant

Outcomes:

Swan Bells operates from its location in Barrack Square Perth. It does however support the regions by:

- The building is completely surrounded by ornamental ponds with nine fountains providing the delightful sounds and atmosphere of moving water. Ten Mosaic illustrations, each approximately three metre by two metres in size, are featured in the ponds. These depictions promote the regions of Western Australia and were commissioned after a state-wide competition. The 'State Images' were chosen from more than 400 entries from artists and community groups and translated into mosaic tiles. The regions illustrated are the Gascoyne, Goldfields, Great Southern, Kimberley, Metropolitan, Mid-West, Peel, Pilbara, South-West, and Wheatbelt.
- The Website is a valuable source of information on bells and bells ringing that can be accessed regardless of the users location.
- Swan Bells provides bellringing practice and training facilities for a number of regional groups. Currently ringers from Rockingham, Mandurah, and York use Swan Bells for that purpose.

Goal 5: Governance

To govern for all Western Australians in an open, effective and efficient manner that also ensures a sustainable future

Outcomes:

1. Coordinated, integrated, high quality service delivery to the community
 - The Swan Bells is dedicated to the principles of high quality service provision. Our staff offer added value to our guest's visit by providing not just friendly and attentive service but also a depth of knowledge of the bells and the building. This combined with the skill and commitment of our volunteer bellringers, provides a distinctive experience to clients of this unique facility, whether they are part of a school group, visitors come to see the bells or hiring the building for a function.
2. Whole-of-government approaches to planning decision-making and resource allocation
 - The Swan Bells has built strong cooperative relationships and strategic alliances with a number of government agencies in order to develop its business and market exposure, and make use of available synergies that exist with similar bodies. Reciprocal arrangements exist with the WA Maritime Museum and the Perth Zoo as well as relationships with Scitech and a number of other attractions in the Perth metropolitan area. Advertising is handled through the government appointed advertising agency providing greater leverage for our advertising dollar.
 - The Swan Bells have strong ties with the tourism industry with a number of industry representatives on the Board of the Swan Bells Foundation Inc., as well as daily interaction with tourism operators. Tourist groups are provided with discount entry and on request groups can receive a value added experience with prearranged demonstrations of the bells.
3. Effective partnerships with Federal and Local Governments, the private sector and the wider community
 - The Swan Bells is now an integral part of the Barrack Square Traders group and participates in joint promotional opportunities and development discussions, notably the Variety Club Australia Day Fair.
 - The Swan Bells also has a strong and long-standing relationship with the City of Perth, and has participated in the school holiday program, City Playground Pass, as well as hosting the Council's iCity volunteers
 - The Swan Bells has also developed very useful relationships within the private sector with membership in the Association of Perth Attractions. This provides not only a

means of sharing information and an additional industry voice, but also a means of leveraging more effective spending in areas such as advertising in tourism publications.

- In terms of the wider community, the success of the Swan Bells is dependant on and very much thanks to the strong relationship with the volunteer ringers that give the bells their voice. This is a unique affiliation that is strongly fostered and maintained. The building attracts ringers from all over Australia and the world, and provides a centre for the teaching of this ancient art form.
4. Increased use of Information Communications and Technology to provide better services to the community.
- An increasingly accessed facility for members of the public is the Swan Bells website. This contains information about opening and ringing times, the history of the bells and bellringing, the building itself and upcoming events. The site is regularly updated and provides an excellent preface to the Swan Bells prior to a visit.
 - The establishment of the Friends of the Bells programme last year has been followed up with the introduction of a monthly Friends electronic newsletter which provides even more up to date information relating to events and also additional members incentives. With the Friends programme now passing 1000 participants, most with email addresses, this newsletter facility provides tremendous potential to generate return business.
5. An efficient Government sector that provides value for money service delivery
- The Swan Bells has operated with an entry fee since April 2001 and has not had a price increase in that time in order primarily to maintain its affordability to the local market. In that time costs have come down significantly as the operation has been streamlined to its current highly efficient form.
6. Appropriate and competitive pricing regimes for public goods and services
- The current pricing structure is highly competitive when compared to similar attractions aimed at the local market. It is particularly good value when benchmarked to interstate and overseas attractions.

Visitor Numbers

The Swan Bells is open every day of the year except Good Friday and Christmas Day. Admission charges from 1 July 2003 to 30 June 2004 were:

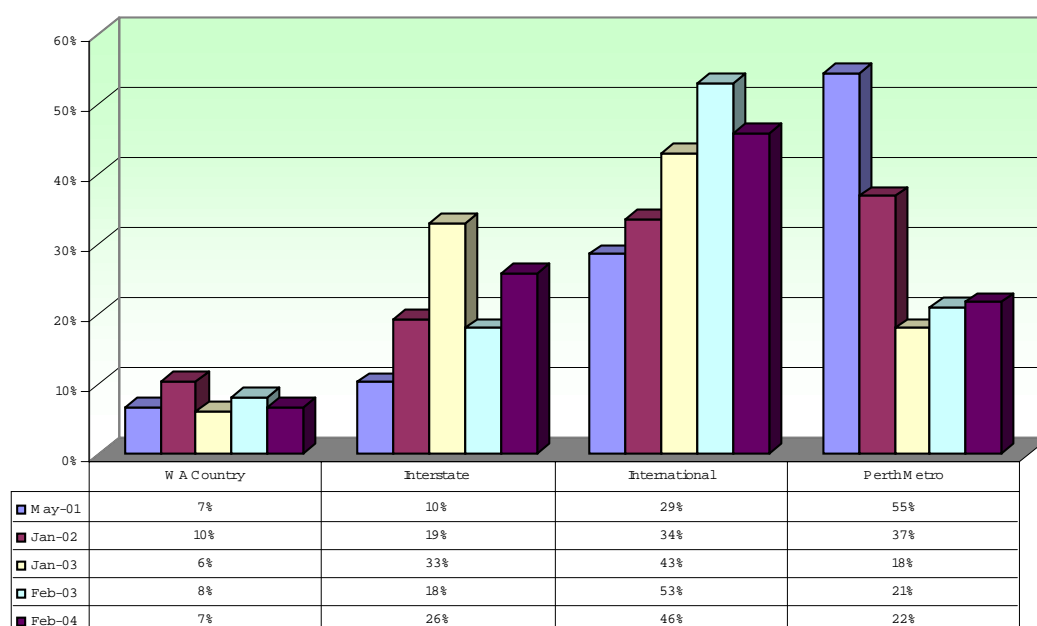
Entry	\$6.00
Concession Entry	\$4.00

The average income per person was \$4.47.

During the reporting year 77,340 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 graph shows that whilst international and interstate visitors are continuing to play an important part in driving attendance, there has been some growth in the Perth metro segment.





AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SWAN BELLS FOUNDATION INCORPORATED PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Swan Bells Foundation Incorporated are relevant and appropriate to help users assess the Foundation's performance and fairly represent the indicated performance for the year ended June 30, 2004.

Scope

The Board's Role

The Board is responsible for developing and maintaining proper records and systems for preparing performance indicators.

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

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON
AUDITOR GENERAL
October 22, 2004

THE SWAN BELLS FOUNDATION INCORPORATED
Certification of Performance Indicators
FOR THE YEAR ENDED 30 JUNE 2004

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess The Swan Bells Foundation Incorporated's performance, and fairly represent the performance of the Foundation for the financial year ending 30 June 2004.



David Knewstub

Board Member

30 August 2004



Alastair Bryant

Chairman

30 August 2004

Performance Indicators

Outcome

“A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences”.

Output

The Foundation contributes to this outcome by providing visitor and function access to the Bells, their history and bell ringing performances.

Effectiveness Indicators 2003-2004

Performance indicators are required under the Financial Administration and Audit Act 1985 and must be relevant, verifiable, free from bias and quantifiable.

The following performance indicators address the effectiveness with which the Foundation undertakes work associated in achieving the above outcome.

Key effectiveness indicator (1): The extent to which the Foundation has been effective in attracting visitors to experience the history and culture provided by the Bells and the Bell Tower (Visitor Numbers).

Rationale

Visitors to the Swan Bells are personally provided with information and background by staff and bellringers. Educational material is also on display throughout the building. The Foundation is responsible for maintaining and promoting the use of the bells as a musical instrument on ceremonial and other occasions in a manner, which adds significant cultural heritage value. The Swan Bells is open from 10:00am every day of the year except

Christmas day and Good Friday. The Bells ring as a minimum at 11:30am to 12:30pm Monday to Friday and from 12:30pm to 2:30pm Saturday and Sunday.

The success of the Swan Bells in providing a cultural experience is evidenced by its capacity to draw visitors:

	2003-2004	2002-2003	2001-2002
Visitor Numbers	77,340	74,482	87,325

Visitor numbers are calculated from the daily record of receipts.

Visitor numbers have increased by 4% in 2003-2004.

Key effectiveness indicator (2): The extent to which the Foundation has been effective in attracting functions to experience the history and culture provided by the Bells and the Bell Tower (Function numbers).

Rationale

Functions play an important role in bringing visitors to Swan Bells who may not otherwise be exposed to the facility and its features.

The following table reflects the number of functions held during the year:

	2003-2004	2002-2003	2001-2002
Number of functions	27	16	19

Function numbers are recorded by the Swan Bells Manager.

Key effectiveness indicator (3): The extent to which the Foundation is able to operate and provide visitors with the history and culture provided by the Bells and the Bell Tower through income generated from its services (level of self-funding).

Rationale

Swan Bells derives much of its income from paid attendance. The capacity of Swan Bells to be a self-funded organisation will ensure its long-term viability in terms of achieving the Foundation's general objective:

- promoting,
- encouraging,
- sponsoring,
- educating
- advancing
- music and performing arts in Western Australia.

The following table reflects the percentage to which the Foundation's activities are funded from its own operations:

	2003-2004	2002-2003	2001-2002
% of self funding	61	62	61

This percentage figure is derived by dividing the income received from operations by total cost of services as per the Statement of Financial Performance.

Swan Bells was able to maintain its level of self-funding to 61%, very much in line with previous years, whilst at the same time providing free entry on the first Tuesday of each month.

Efficiency Indicators

The Swan Bells Foundation Inc applies the following measure to assess its efficiency in delivering the outcome:

“A community that is informed of, and has access to, a diverse range of innovative ideas, knowledge and cultural experiences”.

The table below reflects the cost to the Foundation of providing its services as measured on a per visitor basis:

	2003-2004	2002-2003	2001-2002
Cost of information services per visitor	\$7.46	\$7.33	\$6.63

This figure is derived by dividing the total cost of service by the total number of visitors.

The cost per visitor only increased by 1.8% during this financial year despite offering considerably more services and a free of charge entry option on the first Tuesday of each month.

Future Directions

There are several priorities for the 2004-2005 year. They are:

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

The Government has committed to underwrite the losses of Swan Bells for the 2004-2005 financial year. The business plan continues to focus on strategies to increase attendance to minimise the need for on-going funding.

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

New displays and two additional sets of bells have been added during the reporting period. Other items are being sourced to further enhance the product on offer.

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

The new Perth Convention and Exhibition 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 there has been significant interest from prospective clients for Swan Bells to provide a venue for small functions for convention 'breakaway' groups. These developments will continue to be monitored to allow the Swan Bells to act upon any 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

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SWAN BELLS FOUNDATION INCORPORATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2004

Audit Opinion

In my opinion,

- (i) the controls exercised by the Swan Bells Foundation Incorporated provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Foundation at June 30, 2004 and its financial performance and cash flows for the year ended on that date.

Scope

The Board's Role

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

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

D D R PEARSON
AUDITOR GENERAL
October 22, 2004

THE SWAN BELLS FOUNDATION INCORPORATED
Certification of Financial Statements
FOR THE YEAR ENDED 30 JUNE 2004

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 2004 and the financial position as at 30 June 2004.

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.



Alan Ferris

Principal Accounting Officer

30 August 2004



David Knewstub

Board Member

30 August 2004



Alastair Bryant

Chairman

30 August 2004

THE SWAN BELLS FOUNDATION INCORPORATED
Statement of Financial Performance
for the year ended 30 June 2004

	Note	2004 \$000	2003 \$000
REVENUE			
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
User charges and fees	2	328	318
Trading profit	3	21	19
Donations and sponsorship		4	4
<i>Revenue from non-operating activities</i>			
Interest revenue		1	1
Other revenues from ordinary activities		0	20
Total revenues from ordinary activities		354	362
EXPENSES			
Expenses from ordinary activities			
Employee expenses	4	313	306
Supplies and services	5	120	100
Depreciation expense	6	7	5
Administration expenses	7	22	26
Accommodation expenses	8	115	109
Total expenses from ordinary activities		577	546
Loss from ordinary activities before grants and subsidies from State Government		(223)	(184)
Resources received free of charge		0	5
Subsidies and appropriation from State Government	9	255	140
Assets transferred in	9	0	4
NET PROFIT / (LOSS)		32	(35)
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS			
		32	(35)

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

THE SWAN BELLS FOUNDATION INCORPORATED
Statement of Financial Position
as at 30 June 2004

	Note	2004 \$000	2003 \$000
Current Assets			
Cash assets	17(a)	10	6
Restricted cash assets	17(a)	5	4
Inventories		11	4
Receivables	10	4	0
Other assets	11	3	3
Total Current Assets		33	17
Non-Current Assets			
Plant and equipment	12	60	21
Total Non-Current Assets		60	21
TOTAL ASSETS		93	38
Current Liabilities			
Provisions	13	38	20
Payables	14	50	55
Other liabilities	15	11	3
Total Current Liabilities		99	78
Non-Current Liabilities			
Provisions	13	6	4
Total Non-Current Liabilities		6	4
Total Liabilities		105	82
NET ASSETS		(12)	(44)
Equity			
Accumulated losses		(12)	(44)
TOTAL EQUITY	16	(12)	(44)

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

THE SWAN BELLS FOUNDATION INCORPORATED
Statement of Cash Flows
for the year ended 30 June 2004

	Note	2004 \$000	2003 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts</i>			
User charges and fees		328	317
Sale of goods and services		31	29
Interest received		1	1
Donation/sponsorship		1	4
GST receipts on sales		36	35
		<u>397</u>	<u>386</u>
<i>Payments</i>			
Employee costs		(286)	(283)
Supplies and services		(138)	(96)
Administration		(32)	(15)
Accommodation		(106)	(96)
GST payments on purchases		(30)	(19)
GST payments to taxation authority		(12)	(11)
		<u>(604)</u>	<u>(520)</u>
<i>Net cash used in operating activities</i>	17	<u>(207)</u>	<u>(134)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		<u>(43)</u>	<u>0</u>
<i>Net cash used in investing activities</i>		<u>(43)</u>	<u>0</u>
CASH FLOWS FROM STATE GOVERNMENT			
Subsidies and appropriation from State Government		<u>255</u>	<u>140</u>
<i>Net cash provided by State Government</i>		<u>255</u>	<u>140</u>
<i>Net increase in cash held</i>		5	6
Cash assets at the beginning of the financial year		<u>10</u>	<u>4</u>
<i>Cash assets at the end of the financial year</i>	17	<u>15</u>	<u>10</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2004

1. Significant accounting policies

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated these policies are consistent with those adopted in the previous year.

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards 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 Accounting Standards, Statements 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.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which, as noted, are measured at fair value.

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

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when The Swan Bells Foundation Incorporated 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 Incorporated 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.

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total.)

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements for the year ended 30 June 2004

(e) Depreciation of non current assets

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

Depreciation is calculated on a straight- line basis, using the following rates which are reviewed annually.

Computer Equipment	10-25%
Furniture & fittings	10%

(f) Cash

For the purposes 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 with 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) Interest Revenue

Interest revenues are recognised as they are accrued.

(j) Payables

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

(k) Employee Benefits

Annual leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long Service Leave

Leave benefits are calculated at remuneration rates expected to be paid when the liabilities are settled. A liability for long service leave is recognised after an employee has completed seven years of service. The Swan Bells Foundation Incorporated has only three employees entitled to accrue long service leave. It is therefore determined that the liability measured using the short hand method was not materially different from the liability measured using the present value of expected future payments. This method of measurement of the liability is consistent with the requirements of Accounting Standard AASB 1028 "Employee Benefits".

Superannuation

The superannuation expense represents the payments to private superannuation funds.

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements for the year ended 30 June 2004

Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses.

(l) 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 Incorporated considers carrying amount approximates net fair value.

(m) 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.

(n) Comparative Figures

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

(o) Rounding of Amounts

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 2004

	2004 \$ 000	2003 \$ 000
2. User charges and fees		
Admission Fees	314	317
Conferences	13	0
Commissions	1	1
	<u>328</u>	<u>318</u>
3. Trading Profit		
Sales	31	29
Cost of Sales:		
Opening Inventory	(4)	(1)
Purchases	(17)	(13)
	<u>(21)</u>	<u>(14)</u>
Closing inventory	11	4
Cost of Goods Sold	<u>(10)</u>	<u>(10)</u>
Trading Profit	<u>21</u>	<u>19</u>
4. Employee expenses		
Wages and salaries	256	259
Superannuation	30	30
Workers compensation premium	1	1
Other related expenses (I)	26	16
	<u>313</u>	<u>306</u>
(I) These employee expenses include superannuation, payroll tax, workers compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 13.		
5. Supplies and services		
Advertising	68	68
Insurance premiums	10	8
Consultants and contractors	4	0
Equipment purchases < \$1000	3	1
Membership subscriptions	4	3
Printing	9	0
Other supplies and services	22	20
	<u>120</u>	<u>100</u>
6. Depreciation expense		
Depreciation		
Computer equipment and furniture and fittings	7	5
	<u>7</u>	<u>5</u>

THE SWAN BELLS FOUNDATION INCORPORATED
Notes to the Financial Statements for the year ended 30 June 2004

	2004 \$ 000	2003 \$ 000
7. Administration expenses		
Communications	7	7
Consumables	1	2
Maintenance	11	15
Stationery	2	2
Lease charges	1	0
	<u>22</u>	<u>26</u>
8. Accommodation expenses		
Repairs and maintenance	42	41
Electricity and gas	40	38
Security	12	11
Water	9	8
Cleaning and rubbish removal	7	8
Parking	4	0
Rates	1	0
Other accommodation	0	3
	<u>115</u>	<u>109</u>
9. Revenues from state government		
Subsidies and appropriation		
recurrent	205	140
capital	50	0
	<u>255</u>	<u>140</u>
Resources received free of charge (I)	0	5
The following assets have been transferred from other government agencies during the financial year:		
Total assets transferred - at fair value	0	4
	<u>0</u>	<u>4</u>
	<u>255</u>	<u>149</u>
(I) Commencing with the 2003-04 audit, the Office of the Auditor General will be charging a fee for auditing the accounts, financial statements and performance indicators. The fee for the 2003-04 audit (\$4,400) will be due and payable in the 2004-05 financial year.		
10. Receivables		
Current		
GST Receivable	4	0
	<u>4</u>	<u>0</u>

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements for the year ended 30 June 2004

	2004 \$ 000	2003 \$ 000
11. Other assets		
Prepayments	3	3
	<u>3</u>	<u>3</u>

12. Plant and equipment

Computer equipment

At cost	32	29
Accumulated depreciation	(13)	(8)
	<u>19</u>	<u>21</u>

Furniture and fittings

At cost	43	0
Accumulated depreciation	(2)	0
	<u>41</u>	<u>0</u>

Total

At cost	75	29
Accumulated depreciation	(15)	(8)
	<u>60</u>	<u>21</u>

Reconciliations

Reconciliations of the carrying amounts of Plant and Equipment and Furniture and Fittings at the beginning and end of the current financial year are set out

	Computer Plant & Equipment	Furniture and fittings	TOTAL
2004			
Carrying amount at start of year	21	0	21
Additions	3	43	46
Depreciation	-5	-2	-7
Carrying amount at end of year	<u>19</u>	<u>41</u>	<u>60</u>

13. Provisions

Current		
Annual Leave	38	20
	<u>38</u>	<u>20</u>
Non-current		
Long service leave	6	4
	<u>6</u>	<u>4</u>

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation and workers compensation premiums. The liability for such on-costs is included in the above provisions.

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Notes to the Financial Statements for the year ended 30 June 2004

	2004 \$ 000	2003 \$ 000
<u>Employee Benefit Liabilities</u>		
The aggregate employee benefit liability recognised and included in the financial statements is as follows:		
Provision for employee benefits:		
Current	38	20
Non-current	6	4
	<u>44</u>	<u>24</u>
14. Payables		
Current		
Trade payables	45	38
Other payables	5	15
GST payable	0	2
	<u>50</u>	<u>55</u>
15. Other liabilities		
Accrued salaries	11	3
	<u>11</u>	<u>3</u>
16. Equity		
Accumulated losses		
Opening Balance	(44)	(9)
Net profit / (loss)	32	(35)
Closing Balance	<u>(12)</u>	<u>(44)</u>

17. Notes to the Statement of Cash Flows

(a) Reconciliation of cash

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	10	6
Restricted cash assets (i)	5	4
	<u>15</u>	<u>10</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.

THE SWAN BELLS FOUNDATION INCORPORATED
Notes to the Financial Statements for the year ended 30 June 2004

	2004 \$ 000	2003 \$ 000
(b) Reconciliation of profit/(loss) from ordinary activities to net cash flows used in operating activities		
Profit/(loss) from ordinary activities before grants and subsidies from State Government	(223)	(184)
Non-cash items:		
Depreciation expense	7	5
Resources received free of charge	0	5
Donation - asset	(3)	0
Increase in assets		
Inventories	(7)	(2)
Receivables	(4)	0
Prepayments	0	(1)
Increase in liabilities:		
Accrued salaries	8	1
Provisions	20	15
Payables	(3)	26
Change in GST in receivables/payables (i)	(2)	1
Net cash provided by/(used in) operating activities.	<u>(207)</u>	<u>(134)</u>

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

18. Commitments for Expenditure

- (a) Operating Lease Commitments
 Commitments in relation to leases contracted for the maintenance of air conditioning and lifts at reporting date but not recognised as liabilities, are payable as follows:

Within 1 year	8	5
Later than 1 year and not later than 5 years	12	1

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements for the year ended 30 June 2004

19. Explanatory Statement

(i) Significant variations between estimates and actual results for the financial year

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% and \$10,000.

	2004 Actual \$ 000	2004 Estimate \$ 000	Variance \$ 000
<u>Trading profit</u>	21	11	10
This variance is due to higher than estimated profits from merchandise sales.			
<u>Administration expenses</u>	22	34	(12)
Plant and equipment maintenance costs were lower than estimated.			
<u>Accommodation expenses</u>	115	30	85
Building repairs and maintenance costs were \$26,000 higher than estimated. Electricity and water costs (\$49,000) are included in Accommodation Expenses but were included in Supplies and Services for the estimates.			
<u>Resources received free of charge</u>	0	21	(21)
Estimated charges for audit and accounting fees were not received during 2003/04. (Refer note 9 regarding audit fees.)			
<u>Subsidies and appropriation from State Government</u>	255	160	95
The increase is the result of \$50,000 capital funds received by the Foundation to purchase assets, together with an additional \$45,000 provided to fund operational requirements.			

(ii) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year.

Details and reasons for significant variations between actual result with the corresponding items of the previous year are detailed below. Significant variations are considered to be those greater than 10% and \$10,000.

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Notes to the Financial Statements for the year ended 30 June 2004

	2004 Actual \$ 000	2003 Actual \$ 000	Variance \$ 000
<u>Other revenues from ordinary activities</u>	0	20	(20)
The \$20,000 revenue received in 2003 related to amounts recouped for expenses incurred in 2002.			
<u>Supplies and services</u>	120	100	20
This is mainly due to an increase in printing costs (\$9,000) together with minor increases in insurance and consultants costs.			
<u>Subsidies and appropriation from State Government</u>	255	140	115
Refer note (i) above.			

20. Financial Instruments

(a) Interest Rate Risk Exposure

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

		Fixed Interest Rate Maturity					
	Weighted Average Effective Interest Rate %	Variable Interest Rate	Less than 1 year	1 to 5 years	More than 5 years	Non - interest bearing	Total
2004		\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets							
Cash assets	4.97%	15					15
Inventories						11	11
Receivables						4	4
Prepayments						3	3
		15	0	0	0	18	33
Financial Liabilities							
Payables						50	50
		0	0	0	0	50	50
2003							
Financial Assets	4.89%	10	0	0	0	7	17
Financial Liabilities		0	0	0	0	55	55

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Notes to the Financial Statements for the year ended 30 June 2004

(b) Credit Risk Exposure

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

21. Remuneration of Members of The Swan Bells Foundation Incorporated and Senior Officers.

Remuneration of Members

The number of Members whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

	2004	2003
\$0 - \$10,000	8	8

No remuneration was made to members of The Swan Bells Foundation Incorporated during the year.

Remuneration of Senior Officers

The number of Senior Officers whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

	2004	2003
\$80,001 - \$90,000	1	1

	2004	2003
	\$ 000	\$ 000
The total remuneration of senior officers is:	<u>88</u>	<u>84</u>

The superannuation included here represents the superannuation expense incurred by the Foundation in respect of its Senior Officer.

No Senior Officers are members of the Pension Scheme.

22. Related and Affiliated Bodies

The Swan Bells Foundation Incorporated does not have any related or affiliated bodies.

THE SWAN BELLS FOUNDATION INCORPORATED

Notes to the Financial Statements for the year ended 30 June 2004

23. Supplementary Financial Information

No public property was written off during the financial year.

There were no losses of moneys and public and other property through thefts or default during the financial year.

There were also no gifts of public property provided by The Swan Bells Foundation Incorporated during the financial year.

24. Output Information

The Swan Bells Foundation Incorporated was gazetted as a Schedule 1 agency under the Financial Administration and Audit Act 1985 in September 2002. The Foundation does not have any specific output and its whole operation is reflected in the Statement of Financial Performance.

25. International Financial Reporting Standards

The Swan Bells Foundation Incorporated is adopting international accounting standards in compliance with AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS).

AASB 1 requires an opening balance sheet as at 1 July 2004 and the restatement of the financial statements for the reporting period to 30 June 2005 on the IFRS basis. These financial statements will be presented as comparatives in the first annual financial report prepared on an IFRS basis for the period ended 30 June 2006.

AASB 1047 Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards requires financial reports for periods ending on or after 30 June 2004 to disclose:

How the transition to Australian equivalents to IFRSs is being managed

The foundation is represented on the project team which has been established by the Department of Culture and the Arts to manage the transition across the portfolio. The major focus of the project team is the preparation of an IFRS opening balance sheet in accordance with AASB 1 as at 1 July 2004 (the date of transition to IFRS).

Key differences in accounting policies and disclosure requirements

The Foundation has identified the following key differences:

- Accounting Standard AASB 136 Impairment of Assets requires an annual impairment test to be performed. The Swan Bells Foundation is designated as a not-for-profit entity and the recoverable amount test will be applied at the higher of value less selling costs and depreciated replacement cost.

This may have an effect on the carrying value of assets in the statement of Financial Position.

- Accounting Standard AASB 101 Presentation of Financial Statements requires changes to the title of the statements and changes to the treatments of extraordinary items and gains and losses on sales.