



HOME OF THE SWAN BELLS, PERTH

Swan Bells Foundation Inc.

Annual Report
2007-2008

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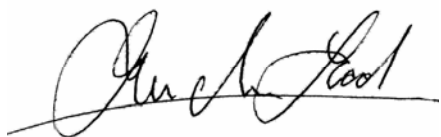
STATEMENT OF COMPLIANCE

Minister responsible for the Department of Culture and the Arts

Dear Minister

In accordance with Section 61 of the *Financial Management Act 2006* I hereby submit for your information and presentation to Parliament the Report of the Swan Bells Foundation Incorporated for the period 2007-2008 ending 30 June 2008.

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

A handwritten signature in black ink, appearing to read 'Ian MacLeod', written over a horizontal line.

Dr Ian MacLeod

Chair

16 September 2008

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

Mr Paul Grootveld

CEO

16 September 2008

OVERVIEW

Executive Summary

It has been another positive year of expansion and new initiatives for The Bell Tower.

Re-branding of the Swan Bells as The Bell Tower, Home of the Swan Bells, Perth was the catalyst to further invigorate the organisation and its commitment to future development and growth as a major tourist attraction.

This commitment to growth was highlighted by a range of exciting new marketing initiatives that were undertaken this year, including The Bell Tower's participation in a range of national and international tradeshow opportunities:

- WA on Show – showcasing The Bell Tower to the local market;
- West Australian Tourism Exchange (WATE) – delegates met with tourism operators from all over Australia; and
- Australian Tourism Exchange (ATE) – the largest tourism trade show in the Southern Hemisphere – delegates met with operators from all over the world.

The Bell Tower has achieved a strong fiscal outcome with increased revenue from a combination of visitor attendance, souvenir sales and venue function hire.

The number of bookings for private functions has increased by 68% per cent on last year. This is a fantastic outcome and a testament to the quality of the venue and the high quality of service provided by The Bell Tower team. This excellence has led to exceptional word of mouth referrals, especially in the weddings market segment. In addition The Bell Tower's Educational Program, designed for middle and upper primary students, has resulted in an increase in visitation from the sector.

The Bell Tower's commitment to being an active member of the Western Australian community saw its involvement in a wide range of significant events during the year. Notable amongst these was:

- Family Day in Barrack Square on Australia Day;
- Participation in Earth Hour 2008;

- Collaboration with the West Australian Symphony Orchestra in “The Symphony in the City”, on The Esplanade Landing stage;
- Hosting the Australian New Zealand Association of Bellringers (ANZAB) 2008 International Bell Ringing Festival; and
- The Starlight Foundation Appeal Launch.

The exciting initiatives listed above, together with significant upgrades to the spire lighting, have contributed to the growth of the landmark status of this unique building.

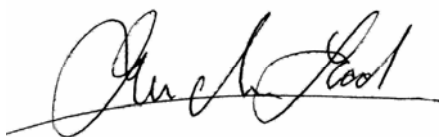
One of the undoubted highlights of the year was the achievement of a Gold Medal accolade in this year’s Western Australian Tourism Awards in the category of ‘Major Tourism Attraction’ and a Silver Medal in the ‘Heritage and Cultural Tourism’ category. The Bell Tower team and its CEO, Paul Grootveld, deserve congratulations for these nationally recognised measures of success.

Through the generosity of The Bell Tower’s Patron, Mr Laith Reynolds, and his encouragement of others, support has been secured to continue work on a range of enhancement projects. Soon the locally constructed Carillon, utilising many of the Canberra Carillon bells, will be commissioned for the Observation Deck. The control system for the Carillon is another one of many of Mr Reynolds’ numerous and generous donations. His tireless commitment to The Bell Tower has and will continue to be a vital element of the evolving nature of this project.

I would like to thank outgoing Board Chair Alastair Bryant for his outstanding contribution to the Swan Bells Foundation. I would also like to thank retiring Board Member Mr Max Kay for all his hard work and I welcome his replacement, Councillor Chris Hardy as the City of Perth’s representative. I also welcome returning Board Member Mr Laurie O’Meara as the representative for the Tourism Council of WA, and Department of Culture and the Arts Director General, Ms Allanah Lucas, as the Minister’s representative. The Board Members are to be congratulated for their commitment to The Bell Tower moving forward with appropriate and innovative marketing and management strategies, to ensure that the operational viability is maintained with improved market penetration.

I acknowledge the colossal input of the Bell ringers who volunteer their time and expertise to entertain and educate The Bell Tower's visitors and give this unique instrument its voice. They continue to strive for excellence, performing with international bell ringing bands who visit specifically to ring The Swan Bells.

I wish to thank the Minister for Culture and the Arts, the Hon Sheila McHale and the Western Australian State Government for their continued support of The Bell Tower.

A handwritten signature in black ink, appearing to read 'Ian MacLeod', written over a horizontal line.

Dr Ian MacLeod

Chair

Swan Bells Foundation Inc.

16 September 2008

Operational Structure

In May 1999 Cabinet approved the implementation of Stage One of the *Barrack Square Redevelopment Project*, which included the construction of The Swan Bells Belltower to house the culturally significant bells of the Church of St Martin-in-the-Fields. The bells of St-Martin-in-the-Fields were gifted to Western Australia in commemoration of Australia's Bicentennial in 1988. The ring of 12 bells was cast in 1725-26 and are the only Royal Bells known to have left England. The State Government commissioned the casting of the *Millennium Bell* and five other bells in 1988-89 to complete the ring of 18 bells.

In accordance with the Western Australian Government's *Perth - A City for People: October 1994 Policy*, the Swan Bells Foundation Incorporated was established with Cabinet approval on October 16, 2000 under the *Associations Incorporation Act 1987*. The aforementioned policy aimed to link the city to the Swan River by providing cultural, recreational and other facilities to encourage maximum use of the river and foreshore.

The Swan Bells Foundation Inc. was established to achieve the goals stated in its Constitution, which include the promotion and development of bell ringing, music and the performing arts in Western Australia. The Foundation's primary function is to manage The Bell Tower in a commercially and functionally successful manner.

Full and part-time employees are employed by The Bell Tower, under standard employment contracts. Casual employees are employed under the *WA Minimum Conditions of Employment Act 1993*.

The Department of Culture and the Arts provides administrative and operational support for The Bell Tower. The Minister for Culture and the Arts is responsible for appointing four Board Members, including her nominee, Dr Ian MacLeod, the Chair of the Swan Bells Foundation Inc. Board.

The Bell Tower has a statutory requirement to produce a separate Annual Report from the Department of Culture and the Arts. No legislation is administered by The Bell Tower or by the Minister for Culture and the Arts with the assistance of The Bell Tower.

In the performance of its functions, The Bell Tower complies with all relevant written law.

Board Members

The Bell Tower is administered by its Board which consists of 11 members. Dr Ian MacLeod took over from Mr Alastair Bryant as Chair of the Board and the Minister's nominee.

Ms Allanah Lucas joined the Board as the Minister's representative. Mr Max Kay retired from the Board and was replaced by Councillor Chris Hardy as the City of Perth's representative. The seat available to a representative from the Tourism Council of WA remained unfilled during the 2006-07 year but has recently been filled by Mr Laurie O'Meara. Likewise the seat available for a representative from the Western Australian Academy of Performing Arts has remained vacant during the reporting period.

Six Board meetings were held in 2007-08 and no fees or allowances were paid to any Board Members of the Swan Bells Foundation Inc. Below are detailed profiles of each Board Member.

❖ Dr Ian MacLeod, Chair

Appointed Nominee by the Minister for Culture and the Arts

Dr Ian MacLeod has been a bellringer for more than 40 years, having learnt the ancient art in Ballarat as a student. During his post-doctoral sojourn in Scotland he rang at all the Scottish towers. He has been a member of the St George's Cathedral band since 1976 when he arrived in Perth. He is a foundation member of the St Martin's Society at The Bell Tower.

Ian began working at the WA Museum in 1978 and has extensive experience in the corrosion and conservation of metal objects and has conserved many bells from historic shipwrecks. His expertise in conservation is sought after by international bodies. He is currently Executive Director of Collection Management and Conservation at the WA Museum. He holds the position of Fellow for the International Institute for Conservation; the Australian Academy of Technological Sciences and Engineering; and the Royal Australian Chemical Institute, and is a regular ringer at The Bell Tower.

❖ **Mr Richard Muirhead**

Appointed by the Minister for Tourism

Mr Richard Muirhead is the Chief Executive Officer of the Western Australian Tourism Commission. Richard joined the Western Australian Public Sector in 1987, bringing with him some 14 years of private sector experience in market research and marketing.

He originally joined the Western Australian Technology and Industry Development Authority (TIDA) as the Director of the Marketing Division. Apart from two years in London (1990-91) as Director of Trade and Investment of the Western Australian European Office, he remained with 'TIDA' 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 and 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.

❖ **Ms Helen Carroll-Fairhall**

Appointed by the Minister for Culture and the Arts

Ms Helen Carroll-Fairhall is Curator of the Wesfarmers Art Collection and Manager of Wesfarmers Arts, the company's extensive arts sponsorship program. Before joining Wesfarmers in 1999, Helen was Public Programs Coordinator and Curator of Australian Art at Lawrence Wilson Art Gallery at the University of Western Australia. Prior to that Helen managed the City of Perth Cultural Sponsorship portfolio. She is currently Chair of 'Art on the Move Western Australia'. She has been with Wesfarmers for five years and is curator of the exhibition *Sublime: 25 years of the Wesfarmers Collection*, the first nationally touring exhibition undertaken by the company.

❖ Mr Darryl Poulsen

University of Western Australia Representative

Mr Darryl Poulsen is Principal Horn with the Australian Brandenburg Orchestra in Sydney. He is also Professor of Music and Director of Brass Studies at the School of Music at The University of Western Australia (UWA).

Darryl graduated with distinction from the Conservatoria of Luxembourg, and Liège, Belgium in the horn classes of Professor Francis Orval. He holds the degrees of Doctor of Music and Master of Music from UWA.

Darryl has commissioned numerous new works for horn, had works written especially for him, and given numerous première performances. He is also committed to historically informed early music performance, playing both baroque and classical natural horns. As a player of historical natural horns, Darryl has performed and recorded as Principal Horn and Soloist with The Joshua Rifkin New York Bach Ensemble, Australian Brandenburg Orchestra, Anthony Halstead, Geoffrey Lancaster, Bart Van Oort, *Cantus Cölln* and the Syrius Ensemble Sydney.

Darryl's research into classical hand-horn playing has resulted in the publication of the first English translation of the *Méthode de premier et de second cor* by Heinrich Domnich, the most important primary source on the history of classical hand-horn playing.

As a teacher, Darryl has given masterclasses throughout Australia, USA, Sweden and Asia. He has attracted horn students to his class at UWA from every major Australian city and from Switzerland, Moldova and the USA. A number of his students can now be found in Australian and European professional symphony, opera and ballet orchestras.

❖ Mr Tony Baker

Perth Port at Barrack Square Inc. Representative

Mr 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 Western Australia.

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 12-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 successfully tendered for the South Perth Ferry Service and operates a further two vessels moving 400,000 people per year between Barrack Square and South Perth.

❖ **Mr Richard Offen**

St Martin's Society of Change Ringers Representative

Mr Richard Offen, who is Executive Director of Heritage Perth, has been a passionate bellringer for over 45 years and is well-known in ringing circles around the world. Over the years he has held various tower and ringing society offices, was Bells Advisor for the Diocese of Canterbury for 13 years and is currently Honorary Public Relations Consultant to the Central Council of Church Bell Ringers.

Richard is very proud of his long association with ringing at Canterbury Cathedral. Master of the Canterbury Cathedral Company of Change ringers for five years, he also spearheaded a major project to restore and augment the Cathedral bells in 1981 – one of the largest bell restoration projects undertaken in the United Kingdom during the second half of the twentieth century. As a result of this he was elected, and remains, a Vice-President of the Cathedral Company.

A popular lecturer, not only on bell ringing but many other subjects, Richard has been a regular broadcaster on both radio and television and is a frequent contributor to the bell ringer's weekly journal, The Ringing World.

Before moving to Western Australia, Richard was on the staff of the UK National Trust where he was responsible for the Trust's famous Neptune Coastline Campaign. Under his direction this campaign raised over £28million, enabling nearly one hundred miles of the spectacular British coastline to be purchased and protected by the Trust.

❖ **Cr Chris Hardy**

City of Perth Representative

Cr Chris Hardy is a Registered Architect in Western Australia and has worked in the profession for 44 years, the last 39 spent here in Perth. Chris is a keen racing yachtsman and has been a member of Royal Perth Yacht Club since 1974, where he has had the honour of serving on the Club's General Committee for 16 years and as the Club's Commodore from 1997 to 1999. He has lived and worked in West Perth for the majority of the last 36 years but currently resides in one of Perth's old gems, Lawson Apartments where he can readily listen to the "Bells". He is still gainfully employed in the profession by what he considers is Perth's and Australia's leading multidisciplinary practice, as a senior architect with HASSELL Limited, where he suggests that he is there because of his "grey hair". Chris's current work consists of city projects that include inner city residential and office-retail buildings.

He has been known to relate that life as an Elected Member in Local Government is a viable life at the twilight of a long architectural career, where his skills in planning, design, construction and general sense of business activities in Perth support his role in Local Government. Chris is fervent about his support for the City and its growth. By walking to and from work on a daily basis he has a down to earth, educated and realistic perception of the future of the dynamic growth opportunities in our great city.

❖ **Mr Laurie O' Meara AM**

Tourism Council of WA

Laurie O'Meara is a past President of Tourism Council Western Australia and champion of the Tourism Accreditation program. Mr O'Meara is a driving force in this area and was the inaugural President of the Australian Tourism Accreditation Association. He is also the Chairman of the Rottnest Island Authority Board and member of the Perth International Arts Festival Board. Mr O'Meara's extensive experience includes operation of the Emerald Hotel in Perth and Emerald Colonial Lodge in Margaret River. In 2007, Mr O'Meara was made a Member of the Order of Australia for his services to tourism accreditation, heritage and the arts.

❖ **Ms Allanah Lucas**

Appointed by the Minister for Culture and the Arts

Ms Allanah Lucas has worked in the arts for over 25 years, both in Australia and in the United Kingdom. As a professional arts administrator, a performing arts producer, presenter and practitioner, researcher, consultant and tutor, she embodies a diversity of business, management, creative, industrial and academic skills and knowledge.

In the 1990s, Allanah undertook her MA studies and then a variety of roles in the UK, including the Executive Director of the Salisbury Playhouse and company as well as an assessor and consultant working with the Arts Council of England, the UK National Lottery, Local Government authorities and arts organisations, such as the Chichester Festival Theatre.

After returning to Perth to be the General Manager of Perth Theatre Company, Allanah was appointed the Director of ArtsWA in 2000. In 2004 Allanah spent the year as the Acting Chief Executive Officer of the WA Museum, overseeing the development of the new Collections and Research Centre that now houses over 3.4million items of the State's invaluable scientific and cultural collections. In 2005 Allanah was appointed as the Executive Director, Culture and Arts Development at the Department of Culture and the Arts and in 2008 was successful in being appointed Director General of the Department of Culture and the Arts.

❖ **Mr Laith Reynolds**

Appointed by the Minister for Culture and the Arts

During his youth, Mr Laith Reynolds was very active in the life of St George's Cathedral in Perth, as head server and a leader of the youth group. This is where Laith developed his passionate life-long interest in English change-ringing and in 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 to WA after a 30-year lapse.

While living in London in the mid 1980s, and hearing that the historic 12 bells of St. Martin-in-the-Fields were to be melted down and re-cast, Laith developed the idea of giving Australian metal to St. Martin's for their new bells and bringing the old bells (plus five new ones) to Perth. This project was originally planned for the Australian Bicentennial and the University of WA's 75th anniversary and was to be implemented

by the WA State Government with the help of its then Agent General in London, Mr. Ron Davies. The project stalled but eventually – with the vision of the then-Premier Richard Court and the architectural firm of Hames Sharley – became the magnificent Swan Bells in 2000.

In recognition of his worldwide work on change ringing bells, Laith 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 and Honolulu as well as throughout Australia. While Laith was President of the Australian and New Zealand Association of Bellringers (ANZAB) he was instrumental in organising, encouraging, refurbishing and obtaining bells for many towers to mark Australia's Bicentennial. Since then he has played a major part in sourcing and donating bells for all five other towers in Western Australia: York, Claremont, Mandurah, Rockingham, and Mosman Park.

Laith is continuing to collect bells, clocks, books and artefacts from around the world to augment the collection and exhibits at The Bell Tower.

❖ **Senior Officers**

The Bell Tower's Chief Executive Officer is responsible for the following work areas: marketing, media and communications, business planning, Government liaison, corporate/donor liaison and human and industrial relations.

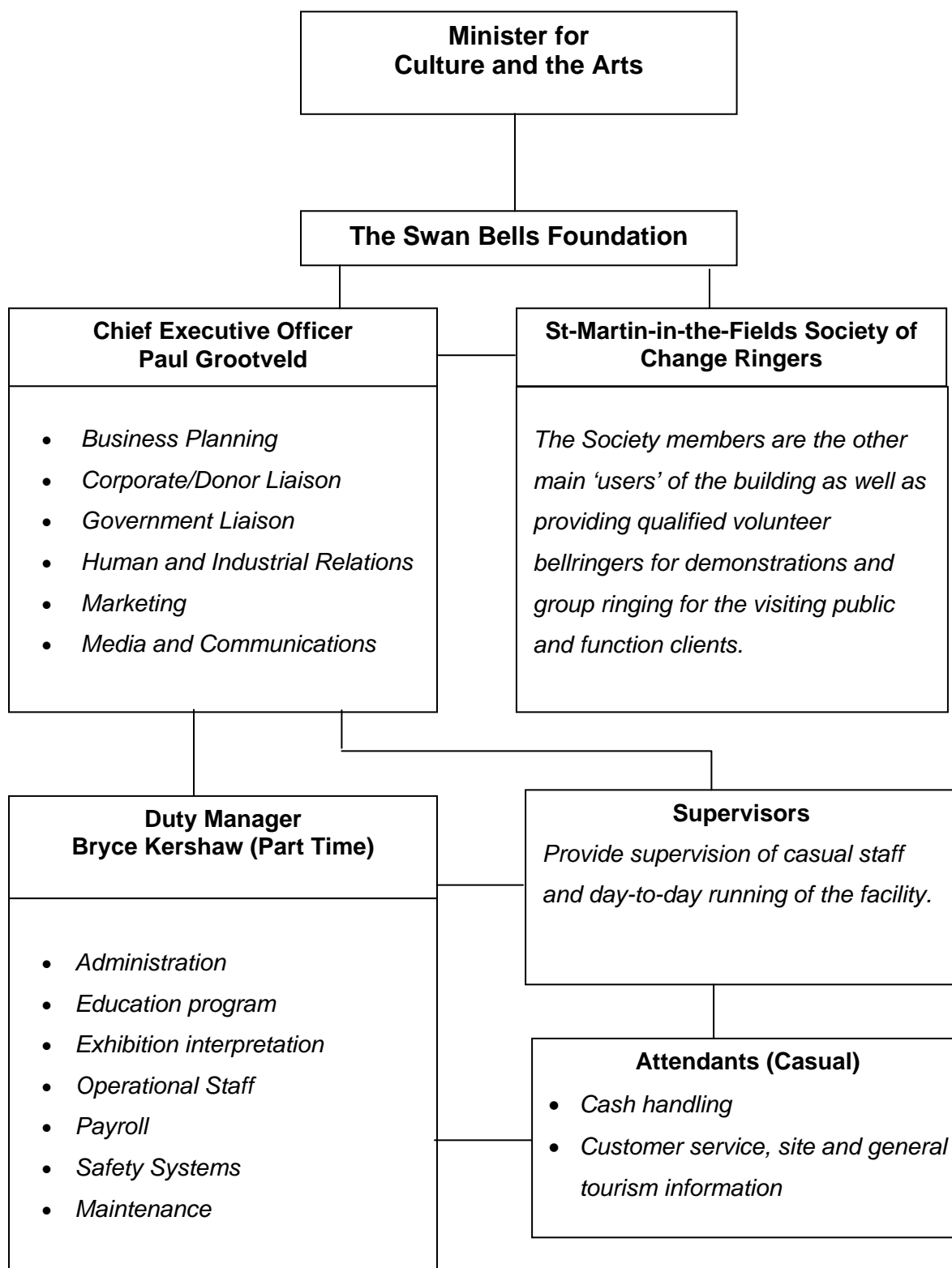
❖ **Mr Paul Grootveld**

Chief Executive Officer

Mr Paul Grootveld has a Masters Degree in Business Administration and has over 20 years of senior management experience within the tourism and recreation fields. He managed the Hotham Valley Tourist Railway and was part owner and Managing Director of Adventure World Pty Ltd. Paul is an active member of the tourism industry, involved in the following activities:

- Chair of the Association of Perth Attractions;
- Member of the Chamber of Commerce's Tourism committee; and
- Representative for the attractions industry to the Tourism Council Western Australia.

Swan Bells Foundation Incorporated Organisational Structure



Performance Management Framework

Outcome Based Management Framework

The Swan Bells Foundation contributes to the Government's goals contained within the State's Strategic Management Framework, *Better Planning: Better Futures*. Its primary contribution is to *Government Goal 1*:

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

The Foundation directly contributes to the attainment of the *Better Planning: Better Futures Strategic Outcome 1.4: A strong and vibrant community*, which states:

"All members of society should have the opportunity to participate in cultural and artistic activities and voluntary work, which enrich people's lives and improve their connections with the wider community. Communities will be supported to develop welcoming and inclusive neighbourhoods with their unique histories and identities and the differing needs and abilities of people recognised and addressed" [italicised to reflect the Swan Bells contribution].

AGENCY PERFORMANCE

Achievement Highlights

- The Bell Tower was a Gold Medallist in the 2007 Western Australian Tourism Awards in the category of Major Tourism Attraction and a Silver Medallist in the Heritage and Cultural Tourism category.
- This year has seen notable growth of The Bell Tower's after-hours venue hire business, particularly in the weddings' market. This considerable increase is due in no small part to the quality and uniqueness of the venue and the exceptional service levels provided by The Bell Tower staff, which has led to clients and their guests providing excellent word-of-mouth referrals. This result bodes well for the sustained growth of this key sector of The Bell Tower's business.
- The Bell Tower secured a trade booth at the Western Australian Tourism Exchange (WATE) – to brief sales representatives from more than 60 Australian and New Zealand Inbound Tourism Operators and Wholesalers on the services available from The Bell Tower.
- WA on Show - The utilisation of a themed booth showcased The Bell Tower and enabled the distribution of several thousand promotional vouchers. This assisted in the goal of increasing brand awareness and encouraging increased visitation from the Western Australian consumer market.
- The 2008 Australian Tourism Exchange (ATE) was identified as a key opportunity for The Bell Tower to be promoted to all levels of the tourism industry distribution chain. ATE is the largest and most important tourism trade show in the southern hemisphere. To take advantage of this, The Bell Tower participated for the first time in both the western and eastern modules of ATE 2008. To recognise the importance of environmental issues at a trade show of this magnitude, all collateral material was distributed electronically.
- As part of The Bell Tower's on-going commitment to involve key stakeholders, a marketing workshop was held in February 2008. A core action agreed to was to rebrand The Swan Bells to – *The Bell Tower, Home of The Swan Bells, Perth*.

This clarifies the brand and provides the mechanism to revitalise the marketing direction.

- The Bell Tower continues to be instrumental in organising the Australia Day celebrations in Barrack Square, in collaboration with events promotion company Neat Ideas and the City of Perth and Barrack Square traders. This year proceeds went to support the Paraplegic Benefit Fund.
- In December 2007, the Home Building Society, WA Symphony Orchestra (WASO) and the City of Perth presented a free classical concert on The Esplanade as a gift to the people of Perth – ‘Symphony in the City’. The concert had a dramatic ending with the ever-popular *Tchaikovsky’s 1812 Overture* featuring a live performance of the bells of The Bell Tower and the guns of the 7 Field Battery.
- The Bell Tower hosted much of the Australian and New Zealand Association of Bellringers (ANZAB) annual conference in Perth, over the ANZAC Day long weekend. During this time more than 125 ringers from the United States of America, the United Kingdom, New Zealand and interstate, joined the State based members in a magnificent outpouring of bell music. The oldest visiting ringer was Fred Smeaton aged 98 and the youngest participant was aged 10.

Objectives and Outcomes

The Bell Tower aims to achieve the goals and objectives stated in its Constitution by conducting its recurrent operations, as well as special projects and initiatives. Below are the outcomes achieved in 2007-08 that specifically relate to the goals and objectives stated in the Constitution.

1. To take a lease of The Bell Tower from the Minister for Lands (amended to Minister for Culture and the Arts).

The Swan Bells Foundation Inc. manages the operation of The Bell Tower to comply with the Financial Administration and Audit Act (FAAA) and to meet the expectations of the Western Australian Government.

2. To preserve, display and interpret the bells, and other objects of interest relating to bells and bell ringing.

- The bells have been continually kept in good ringing order with much of the work undertaken by the volunteer St. Martin's Society of Change Ringers.
- Ascot Clock – This historic timepiece, dating back to 1896, struck its bells to keep time from the Grandstand at the Royal Ascot Racecourse in the United Kingdom and is on display in The Bell Tower foyer.
- Carillon bells – This locally constructed Carillon, utilising many of the Canberra Carillon bells, will be commissioned for the Observation Deck.
- Kul Kul Bells Exhibit – Kul Kul bells are traditional bells from Bali that have pride of place in Balinese cultural and spiritual ceremonies, and hang in the bell towers of temples and public buildings. They are displayed in The Tower's ground foyer area.

3. To use the change ringing bells as the central element of an ensemble of bells that together form a significant musical instrument.

- The Swan Bells were rung every day and as an ensemble at least five times every week.

4. 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 bell ringing world as an exceptional instrument. Its status as a centre of the promotion of ringing excellence has been recognised by the Central Council of Church Bell Ringers in the United Kingdom (the chief English bell ringing organisation in the world), as a Ringing Centre, the only such designated tower outside the UK.
- Many well-known ringing bands have come to Perth from the UK specifically to ring the Swan Bells.

5. To educate and entertain people using the ensemble of bells.

- Educational display material is provided throughout the building and on The Bell Tower website, as well as information supplied personally by the staff and bellringers to visitors.
- The very presence of the high-profile Bell Tower in such a prominent location has significantly increased people's knowledge and awareness of the bells.

6. To encourage the performance of ceremonial bellringing and to promote the use of the bells as a musical instrument on ceremonial and other occasions in a manner that adds significant cultural heritage value to the City of Perth and Western Australia.

- The Swan Bells were rung for a number of ceremonial and special days throughout the year. Commemorative peals and quarter peals were also rung to observe special events such as for the seventh Birthday of The Bell Tower, and in memory of the victims of September 11. 2001. The bells were also rung on public holiday commemoration days, including Australia Day and ANZAC Day.
- The Swan Bells are recognised as the most rung set of bells in the world.

7. To perform ceremonial bellringing at times specified by the State Government.

- No specific requests for the bells to be rung were received during 2007-08.

8. To promote The Bell Tower as a key tourist icon in Western Australia.

- The Bell Tower image continues to appear in an increasing range of publications as one of the key icons for Western Australia. Numerous international publications and international travel supplements, as well as commercially produced calendars, have all made use of The Bell Tower image to brand Perth and Western Australia.
- The Bell Tower maintains an excellent relationship with Tourism WA and has hosted many travel industry and media familiarisations throughout the year.
- Advertising at the Perth Airport highlights the iconic nature of The Bell Tower.
- WATE – Bell Tower delegates met with tourism operators from all over Australia.
- ATE – Bell Tower delegates met with tourism operators from all over the world.
- Rebranding exercise completed: *The Bell Tower, Home of the Swan Bells, Perth*.

9. To contribute to the Barrack Square public space in a positive and proactive manner.

- The Bell Tower maintained the water features, the boardwalks and many of the external architectural lights in Barrack Square.
- The Bell Tower CEO is an active member of the Association of Perth Attractions and liaises closely with the City of Perth over the use and promotion of the Barrack Square precinct. He is also on the City of Perth Tourism Committee.

10. To manage The Bell Tower in a commercially and functionally successful manner.

- The Foundation structure has allowed The Bell Tower to operate on a commercial basis. Costs have been rigorously controlled whilst every effort has been made to maximise income and minimise the requirement for additional funding.
- In line with current tourism trends the business strategy for 2007-08 has been to increase yield per visitor.
- The Bell Tower has sought to maximise its advertising exposure, whilst maintaining low expenditure. It has done so by leveraging with organisations, such as the Association of Perth Attractions and the Perth Convention Bureau.

11. 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.

12. 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 bell ringing. The Foundation works closely with ANZAB to provide access to The Bell Tower for visiting bellringers.
- During the past year the ringers have undertaken the following ringing and activities at The Bell Tower:
 - 104 quarter peals have been rung, involving 97 different ringers, making the bells at The Bell Tower the most rung set of bells in the world.
 - The Bell Tower hosted the Australian and New Zealand Association of Bellringers (ANZAB) annual conference in Perth over the ANZAC Day long weekend. During this time more than 125 ringers from the United States of America, the United Kingdom, New Zealand and interstate joined the State based members in a magnificent outpouring of bell music.

13. To encourage liaison and cooperation 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 art.

- 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.

Business Support

The Department of Culture and the Arts continues to provide some administrative services to The Bell Tower, including accounting services and compliance advice.

Planned Developments

There are several priority initiatives set for the 2008-09 year, which are discussed in further detail below:

- 1. To produce a Vision Document supported by, and with the input of key stakeholders, such as the City of Perth, the West Australian Government, Department of Culture and the Arts and the Barrack Square Traders.**
 - The Vision Document will provide the blueprint for future developments and to clarify the future goals of the Foundation.
- 2. To continue to improve the product on offer at The Bell Tower, to further enhance the visitor experience and encourage repeat visitation.**
- 3. Continue to work with the bellringing community to help create opportunities for The Bell Tower to achieve the objectives of the Foundation.**
 - The bellringers are essential in ensuring that The Bell Tower is a living musical instrument that contributes positively to the arts in Western Australia. The bellringing community is committed to continuing its role of refining and implementing the objectives of the Foundation.

4. To build upon the landmark status of The Bell Tower, both within the Western Australian community and to the interstate and international tourist markets.

- The Bell Tower is committed to continue working closely with Tourism Australia, Tourism WA, the Perth Convention Bureau and other key industry bodies.
- Familiarisations by visiting journalists and travel agents hosted by Tourism Australia and Tourism WA are an important part of The Bell Tower's marketing strategy.
- Attending trade shows like WATE and ATE and utilising selected organisations like Experience Perth who go to trade shows overseas and distribute The Bell Tower marketing material.
- Further encourage visitation of schools by marketing and updating the education package and developing strategic promotions.

SIGNIFICANT ISSUES AND TRENDS

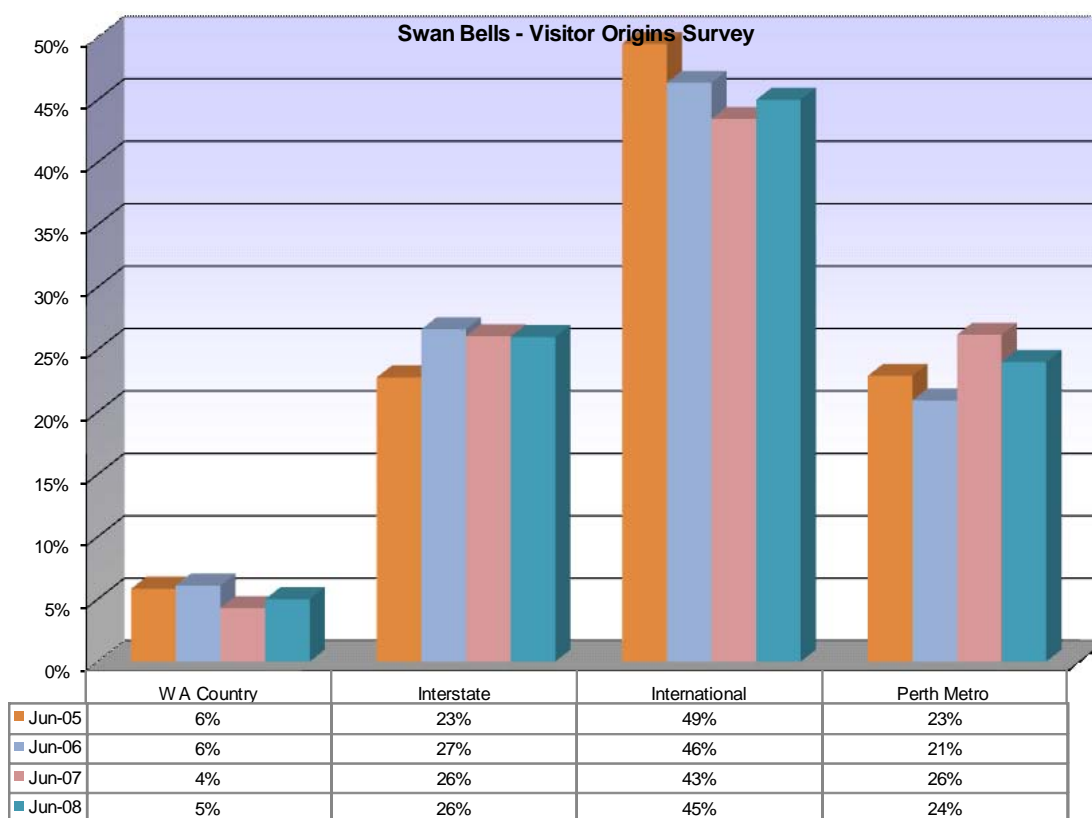
Visitor Numbers and Trends

The Bell Tower is open every day of the year except Good Friday and Christmas Day. Admission charges from July 1, 2007 to June 30, 2008 were unchanged from the previous year.

Entry	\$10.00
Concession Entry	\$7.00
Family Pass (2 adults and their children)	\$25.00

During the reporting year 69,540 people visited The Bell Tower. Surveys were conducted to determine visitor origins and see if the patterns were changing.

This graph below shows little change from previous years with some growth in the international and country segments.



The Bell Tower's strategy of focusing on yield per visitor has seen growth in income with lower visitor numbers than 2006-07.

DISCLOSURES AND LEGAL COMPLIANCE

Other Financial Disclosures

Pricing Policies of Services Provided

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

Employment and Industrial Relations

- **Employee Demographics**

Employee demographics for the year 2007-2008 remain unchanged compared to the previous reporting year and are contained in the table below.

	2006-07	2007-08
Full-time (FTE)	4	4
Part-time (PTE)	1	1
Casual	12	12

- **Staff Development**

The Bell Tower has a strong commitment to the development of its employees. In line with identified needs, specific training has been made available to all staff.

- **Workers Compensation**

No claims for workers compensation were recorded during the 2007-08 recording period.

Governance Disclosures

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.

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*.

Other Legal Requirements

Advertising

In accordance with Section 175ZE of the *Electoral Act 1907*, The Bell Tower incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

7. Total expenditure for 2007-08 was \$28,935.51
8. Expenditure was incurred in the following areas:

Expenditure with Advertising Agencies	Nil
Expenditure with Market Research Organisations	Nil
Expenditure with Polling Organisations	Nil
Expenditure with Direct Mail Organisations	Nil
Expenditure with Media Advertising Organisations	\$28,935.51
Marketforce Ltd	\$11,475.39
Eyezon Pty Ltd	\$4,545.46
Media Decisions	\$11,323.84
Neat Ideas	\$681.82
Sensis Pty Ltd	\$909.00
TOTAL EXPENDITURE	\$28,935.51

CERTIFICATION OF PERFORMANCE INDICATORS

Key Performance Indicators

Certification of Performance Indicators

The Swan Bells Foundation Incorporated for the year ended June 30, 2008.

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 June 30, 2008.



Richard Offen

Board Member

28 August 2008



Dr. Ian MacLeod

Chair

28 August 2008



Key Performance Indicators

Government Goal

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

Desired Outcome

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

The Foundation contributes to this outcome by providing access for visitors and functions to the bells, their history and bell ringing performances.

Effectiveness Indicators

Performance indicators are required under the *Financial Management Act 2006* 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 Performance 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 Bell Tower are personally provided with information and the background of the Bells 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 Bell Tower 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 12:00pm to 1pm Saturday and Sunday.

Key Performance Indicator (1):

Year	2004-05	2005-06	2006-07	2007-2008 Target	2007-08
Visitor Numbers	79,952	84,103	84,883	80,000	69,540

Visitor numbers are calculated from the daily record of receipts.

Visitor numbers have decreased in 2007-08. Attendance were forecast to decrease in the 2007-08 year as the option of free entry on the first Tuesday of each month was discontinued from February 1, 2007.

Key Performance 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 the Bell Tower who may not otherwise be exposed to the facility and its features. The following table reflects the number of functions held during the year:

Key Performance Indicator (2):

Year	2004-05	2005-06	2006-07	2007-08 Target	2007-08
Number of functions	34	35	32	35	54
Number of Groups (not previuosly recorded seperately)		26	37	41	41

Function numbers are recorded by the Bell Tower CEO.

The strong business economy and strong demand for wedding venues, sirectly influneced the larger than targeted number of functions.

Key Performance 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:

The Bell Tower derives much of its income from paid attendance. The capacity of The Bell Tower 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 or
- 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:

Year	2004-05	2005-06	2006-07	2007-08 Target	2007-08
% of self funding	60	67	69	65	64

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

The Bell Tower level of self-funding was 64 percent was inline with expectations. The 2007-08 year was the first full year of operation without the free entry component.

Efficiency Indicators:

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

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

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

Year	2004-05	2005-06	2006-07	2007-08 Target	2007-08
Cost of information services per visitor	\$7.54	\$7.75	\$8.20	\$9.50	\$11.27

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

The cost of providing services was influenced by higher operational cost and lower than budgeted total attendance numbers.

OPINION OF THE AUDITOR GENERAL



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SWAN BELLS FOUNDATION INCORPORATED FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Swan Bells Foundation Incorporated.

The financial statements comprise the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes

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

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

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

Summary of my Role

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

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

Swan Bells Foundation Incorporated

Financial Statements and Key Performance Indicators for the year ended 30 June 2008

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Swan Bells Foundation Incorporated at 30 June 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Foundation provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the Foundation are relevant and appropriate to help users assess the Foundation's performance and fairly represent the indicated performance for the year ended 30 June 2008.



COLIN MURPHY
AUDITOR GENERAL
3 September 2008

CERTIFICATION OF FINANCIAL STATEMENTS

SWAN BELLS FOUNDATION INCORPORATED

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

The accompanying financial statements of Swan Bells Foundation Incorporated have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2008 and the financial position as at 30 June 2008.

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.



Tony Loliacono
Chief Finance Officer

28 August 2008



Allanah Lucas
Member of the Swan Bells Foundation

28 August 2008



Ian MacLeod
Chairman of the Swan Bells Foundation

28 August 2008



FINANCIAL STATEMENTS

SWAN BELLS FOUNDATION INCORPORATED

Income Statement

for the year ended 30 June 2008

	Note	2008 \$000	2007 \$000
Income			
Revenue			
Sales	4	75	70
Provision of services	5	417	381
Interest revenue	6	5	6
Other revenue	7	9	24
Total Revenue		506	481
Expenses			
Expenses			
Cost of sales	4	54	37
Employee benefits expense	8	405	342
Supplies and services ^(a)	9	198	128
Depreciation and amortisation expense	10	22	9
Accommodation expenses	11	87	163
Other expenses	12	17	15
Total expenses		783	694
Loss before grants and subsidies from State Government		(277)	(213)
INCOME FROM STATE GOVERNMENT	13		
Grants and subsidies from State Government		300	260
Total income from State Government		300	260
PROFIT FOR THE PERIOD		23	47

(a) Includes administrative expenses.

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

SWAN BELLS FOUNDATION INCORPORATED

Balance Sheet

as at 30 June 2008

	Note	2008 \$000	2007 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	22	24	31
Restricted cash and cash equivalents	22	4	7
Inventories	14	36	32
Receivables	15	3	0
Total Current Assets		67	70
Non-Current Assets			
Property, plant and equipment	16	150	118
Works of art		0	0
Total Non-Current Assets		150	118
TOTAL ASSETS		217	188
LIABILITIES			
Current Liabilities			
Payables	18	29	40
Provisions	19	43	35
Other current liabilities	20	14	7
Total Current Liabilities		86	82
Non-Current Liabilities			
Provisions	19	22	20
Total Non-Current Liabilities		22	20
Total Liabilities		108	102
NET ASSETS		109	86
Equity			
Retained Earnings	21	109	86
TOTAL EQUITY		109	86

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

SWAN BELLS FOUNDATION INCORPORATED

Statement of Changes in Equity

for the year ended 30 June 2008

	Note	2008 \$000	2007 \$000
Balance of equity at start of period		86	48
RETAINED EARNINGS			
Balance at start of period	21	86	48
Change in accounting policy or correction of prior period errors		-	(9)
Restated balance at start of the period		86	39
Profit for the period		23	47
Balance of equity at end of period		109	86
Total income and expense for the period (a)		23	47

(a) The aggregate net amount attributable to each category of equity is: surplus \$23,000 (2007: surplus \$47,000).

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

SWAN BELLS FOUNDATION INCORPORATED

Cash Flow Statement

for the year ended 30 June 2008

	Note	2008	2007
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services		75	70
Provision of services		415	382
Interest received		5	6
Donations and sponsorship		7	14
GST receipts on sales		88	45
GST receipts from taxation authority		0	(10)
Other receipts		2	10
Payments			
Employee benefits		(388)	(335)
Supplies and services		(268)	(127)
Accommodation		(87)	(79)
GST payments on purchases		(88)	(37)
GST payments to taxation authority		0	0
Other payments		(17)	(126)
Net cash used in operating activities	22	(256)	(187)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(54)	(92)
Net cash used in investing activities		(54)	(92)
CASH FLOWS FROM STATE GOVERNMENT			
Service grant		300	260
Net cash provided by State Government		300	260
Net increase / (decrease) in cash and cash equivalents		(10)	(19)
Cash and cash equivalents at the beginning of period		38	57
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	22	28	38
<i>The Cash Flow Statement should be read in conjunction with the accompanying notes.</i>			
Cash test			
Balance as per Statement of Cash Flows		28	
Balance as per Statement of Financial Position			28
Difference			

Notes to the Financial Statements

SWAN BELLS FOUNDATION INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1 Australian equivalents to International Financial Reporting Standards

General

Swan Bells Foundation's financial statements for the year ended 30 June 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

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

Early adoption of standards

Swan Bells Foundation cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by Swan Bells Foundation for the annual reporting period ended 30 June 2008.

2 Summary of significant accounting policies

(a) General Statement

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

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

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

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

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

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

The judgments that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included at Note 3 'Judgements made by management in applying accounting policies'.

(c) Reporting Entity

The reporting entity comprises Swan Bells Foundation Incorporated. The Foundation has no related bodies.

(d) Income

Revenue recognition

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

Sale of goods

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

Rendering of services

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

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

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

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

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

Gains

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

(e) Property, plant and equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

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

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

Subsequent measurement

After recognition as an asset, the Foundation uses the cost model for the measurement of property, plant and equipment. Items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

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

Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Plant and equipment	4 to 10 years
Computer hardware	4 years

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

(f) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred of less than \$5,000 are expensed directly to the Income Statement.

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

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

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

Licences	Up to 10 years
----------	----------------

Licences

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

(g) Impairment of assets

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

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

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

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

See note 17 'Impairment of assets' for the outcome of impairment reviews and testing.

'See note 2(k) 'Receivables' and note 15 'Receivables' for impairment of receivables.

(h) Financial Instruments

The Foundation has two categories of financial instrument:

- * Receivables; and
- * Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial assets

- * Cash and cash equivalents
- * Restricted cash and cash equivalents
- * Receivables

Financial liabilities

- * Payables

Initial recognition and measurement is at fair value. The transaction cost or the face value is equivalent to the fair value. Subsequent measurement is at amortised cost using the effective interest method.

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

(i) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents includes restricted cash and cash equivalents. These include cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(j) Inventories

Inventories are measured at the lower of cost 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.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

See note 14 'Inventories'.

(k) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Foundation will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

See note 2(h) 'Financial Instruments' and note 15 'Receivables'.

(l) Payables

Payables are recognised when the Foundation becomes obliged to make future payments as a result of a purchase of assets or services at amounts payable. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

See note 2(h) 'Financial Instruments' and note 18 'Payables'.

(m) Provisions

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

See note 19 'Provisions'.

(i) Provisions - Employee Benefits**Annual Leave and Long Service Leave**

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted to present value using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Foundation does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Superannuation

The superannuation expense represents payments to private superannuation funds.

See also note 2(n) 'Superannuation Expense'.

Future impact of Australian Accounting Standards not yet operative

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

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of financial Statements' (September 2007). This standard has been revised and will change the structure of the financial statements. The changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Department does not expect any financial impact when the Standard is first applied.	1 January 2009
AASB 1004 'Contributions' (December 2007)	1 July 2008
AASB 1050 'Administered Items' (December 2007)	1 July 2008
AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AAS's 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 1127 and AASB 137] (December 2007)	1 July 2008
Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (December 2007)	1 July 2008

	2008 \$'000	2007 \$'000
4 Trading Profit		
Sales	75	70
Cost of Sales:		
Opening Inventory	(32)	(30)
Purchases	(58)	(39)
	(90)	(69)
Closing inventory	36	32
Cost of Goods Sold	(54)	(37)
Trading Profit	21	33

See note 2(j) 'Inventories' and note '14'.

5 Provision of services		
Admission fees	367	347
Conferences	44	33
Commissions	6	1
	417	381

6 Interest Revenue		
Interest Revenue from bank account	5	6
	5	6

7 Other revenue		
Donations and sponsorship	7	14
Recoup of prior year expenditure	0	10
Other Revenue	2	0
	9	24

8 Employee benefits expense		
Wages and salaries (a)	277	236
Superannuation	40	36
Annual leave (b)	8	5
Long service leave (b)	2	4
Other related expenses	78	61
	405	342

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

(b) Includes a superannuation contribution component.

Employment on-costs such as worker's compensation insurance are included at note 12 'Other expenses'. The employment on-costs liability is included at note 19 'Provisions'.

9 Supplies and services		
Communications	9	7
Advertising	108	60
Lease - equipment and vehicles	5	3
Entertainment	0	6
Consumables	26	11
Insurance	0	31
Membership subscriptions	6	3
Other	44	7
	198	128

	2008 \$'000	2007 \$'000
10 Depreciation and amortisation expense		
Depreciation		
Computer hardware	2	5
Furniture, Fixtures and Fittings	4	4
Office Equipment	14	0
Plant and Equipment	2	0
Total Depreciation	<u>22</u>	<u>9</u>
11 Accommodation expenses		
Repairs and maintenance	26	85
Electricity and gas	41	47
Security	4	8
Gas & Heating	8	7
Cleaning and rubbish removal	4	11
Parking	4	5
	<u>87</u>	<u>163</u>
12 Other expenses		
Audit fees	6	5
Other expenses (a)	11	10
	<u>17</u>	<u>15</u>
(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with recognition of annual and long service leave liability is included at note 19 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		
13 Grants and subsidies from State Government		
Revenue received during the year:		
Recurrent	300	260
	<u>300</u>	<u>260</u>
14 Inventories		
Current		
Inventories held for resale:		
- Finished goods		
at cost	36	32
	<u>36</u>	<u>32</u>
See note 2(j) 'Inventories' and note 4 'Trading Profit'.		
15 Receivables		
Current		
Receivables	2	0
Prepayments	1	0
	<u>3</u>	<u>0</u>
16 Property, plant and equipment		
Computer equipment		
At cost	10	111
Accumulated depreciation	(7)	(19)
Accumulated impairment losses	0	0
	<u>3</u>	<u>92</u>
Office Equipment		
At cost	64	0
Accumulated depreciation	(17)	0
Accumulated impairment losses	0	0
	<u>47</u>	<u>0</u>

	2008 \$'000	2007 \$'000
Furniture and fittings		
At cost	45	40
Accumulated depreciation	(18)	(14)
Accumulated impairment losses	0	0
	27	26
Plant & Machinery		
At cost	41	0
Accumulated depreciation	(13)	0
Accumulated impairment losses	0	0
	28	0
Works of art		
At cost	45	0
Accumulated depreciation	0	0
Accumulated impairment losses	0	0
	45	0
Total Property Plant & Equipment	150	118

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Computer equipment	Office equipment	Furniture and fittings	Plant & Machinery	Works of art	Total
	\$000	\$000	\$000	\$000	\$000	\$000
2008						
Carrying amount at start of year	92	0	26	0	0	118
Additions	0	0	5	22	0	27
Disposals	0	0	0	0	0	0
Transfers	(87)	61	0	8	45	27
Revaluations	0	0	0	0	0	0
Depreciation	(2)	(14)	(4)	(2)	0	(22)
Carrying amount at end of year	3	47	27	28	45	150
2007						
Carrying amount at start of year	10	0	30	0	0	40
Additions	87	0	0	0	0	87
Transfers	0	0	0	0	0	0
Depreciation	(5)	0	(4)	0	0	(9)
Carrying amount at end of year	92	0	26	0	0	118

17 Impairment of assets

There were no indications of impairment of property, plant and equipment and intangible assets at 30 June 2008.

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

All surplus assets at 30 June 2008 have been classified as assets held for sale or written-off.

18 Payables

Current		
Trade payables	12	37
GST payable	0	3
Accrued Expenses	17	0
	29	40

See also note 2(l) 'Payables' and note 26 'Financial instruments'.

	2008 \$'000	2007 \$'000
19 Provisions		
Current		
Employee benefits provision		
Annual leave (a)	38	31
Other provisions		
Employment on-costs (b)	5	4
	43	35
Non-current		
Employee benefits provision		
Long service leave (b)	22	20
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	30	28
More than 12 months after balance sheet date	13	7
	43	35
(b) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers compensation premiums. The provision is measured at the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 12 'Other expenses'.		
Movements in other provisions		
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
Employment on-costs provision		
Carrying amount at start of year	4	4
Additional provisions recognised	1	0
Payments/other sacrifices of economic benefits		
Unwinding of the discount		
Carrying amount at end of year	5	4
20 Other liabilities		
Current		
Accrued salaries - 9 days (2007 - 6 days)	11	7
Accrued Superannuation	3	0
	14	7
21 Equity		
Retained Earnings		
Balance at start of year	86	48
Change in voluntary accounting policy	0	(9)
Result for the period	23	47
Balance at end of year	109	86

2008	2007
\$'000	\$'000

22 Notes to the Cash Flow Statement

Reconciliation of cash

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

Cash and cash equivalents	24	31
Restricted cash and cash equivalents (a)	4	7
	28	38

(a) Swan Bells Public Fund

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.

Reconciliation of loss before grants and subsidies from State Government to net cash flows used in operating activities

Loss before grants and subsidies from State Government	(277)	(213)
Non-cash items:		
Depreciation and amortisation expense	22	9
Resources received free of charge	0	0
Asset transferred in	0	0
Decrease/(increase) in assets:		
Inventories	(4)	(2)
Current receivables (b)	(3)	3
Increase/(decrease) in liabilities:		
Current payables (b)	11	9
Current provisions and non current	(10)	9
Accrued salaries	(4)	(3)
Other liabilities	7	0
Change in GST in receivables/payables (a)	2	1
Net cash used in operating activities	(256)	(187)

(a) This reverses out the GST in receivables and payables.

(b) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and receivable/payable in respect of sale/purchase of non-current assets are not included in these items as they are not reconciling items.

23 Events occurring after balance sheet date

The Foundation is unaware of any event occurring after balance sheet date that would materially affect the financial statements.

24 Explanatory statement

This statement provides details of any significant variations between estimates and actual results for 2008 and between the actual results for 2007 and 2008. Significant variations are considered to be those greater than 10% or \$20,000.

Significant variances between estimate and actual results for the financial year

	2008 Estimate \$'000	2008 Actual \$'000	Variation \$'000
Accommodation Expenses	150	87	63

The variance that appears is due mainly to repairs and maintenance being paid for by the Department of Culture and the Arts. Both the building and land appear on the Departments balance sheet and hence the relevant costs have been taken up by that department.

Significant variances between actual and prior year actual - revenues and expenditures

	2008 \$'000	2007 \$'000	Variance \$'000
Income	506	481	25
Grants and subsidies from State Government	300	260	40
Employee benefits expense	405	342	63
Supplies and services	198	128	70
Accommodation expenses	87	163	(76)

Income

The increase in the amount of income can be attributed mainly to an increase in the entrance fee for visitors

Grants and subsidies from State Government

The amount of funding provided to the Foundation from State Government is the amount required to fund operations and achieve a break-even position. The amount required in 2008 was in line with budget. There is a similar level expected for 2008-09, with a small carryover from 2007 to be implemented.

Employee benefits expense

A higher employee expense reflects award salary increases and increased staffing numbers.

Supplies and services

Increased expense relates mainly to increased printing and advertising costs.

Accommodation expenses

Expenses relating to building repairs and maintenance decreased in 2008, much of this was taken on by the Department of Culture & Arts which lists the buildings and land of the Swan Bells Foundation in its asset register.

26 Financial instruments

(a) Financial Risk Management Objectives and Policies

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

Credit risk

Credit risk arises when there is the possibility of the Foundation's receivables defaulting on their contractual obligations resulting in financial loss to the Foundation. The Foundation measures credit risk on a fair value basis and monitors risk on a regular basis.

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

Liquidity risk

The Foundation is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Foundation is unable to meet its financial obligations as they fall due.

The Foundation's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, loans and finance leases. The Foundation has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market Risk

The Foundation does not trade in foreign currency and is not materially exposed to other price risks.

(b) Categories of Financial Instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008 \$'000	2007 \$'000
Financial assets		
Cash and cash equivalents	24	31
Restricted cash and cash equivalents	4	7
Receivables	3	0
Financial liabilities		
Financial liabilities measured at amortised cost (a)	29	40

(a) The amount of receivables excludes GST receivable from the ATO (statutory receivable)

Fair values

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

27 Remuneration of members of the accountable authority and senior officers

Remuneration of members of the accountable authority

No remuneration was paid to members of Swan Bells Foundation during the year.

Remuneration of senior officers

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

	2008	2007
\$80,001 - \$90,000	1	1
	\$ 000	\$ 000
The total remuneration of senior officers is:	87	87

The superannuation included here represents the superannuation expense incurred by the Foundation in respect of senior officers, other than senior officers reported as members of the Foundation. No senior officers are members of the Pension Scheme.

	2008 \$'000	2007 \$'000
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28 Remuneration of auditor

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

Auditing the accounts, financial statements and performance indicators	5	5
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The expense is included at note 12 '*Other Expenses*'

29 Related and Affiliated bodies

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

30 Supplementary 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 no gifts of public property provided by the Foundation during the financial year.