



Swan Bells Foundation Inc.

Annual Report
2011-2012

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STATEMENT OF COMPLIANCE.

Minister Planning; Culture and the Arts

Dear Minister

In accordance with Section 63 of the Financial Management Act 2006 we hereby submit for your information and presentation to Parliament the Report of the Swan Bells Foundation Incorporated for the period 2011-2012 ending 30 June 2012.

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

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



Dr Ian MacLeod
Chair
21 August 2012



Mr Paul Grootveld
CEO
21 August 2012

OVERVIEW

EXECUTIVE SUMMARY

In its 12th year of operation the Board, Management and staff of the Swan Bells Foundation Inc. continue to strive to build upon the status of The Bell Tower and to ensure the best possible outcomes for the State of Western Australia.

Meeting the challenges of a difficult trading environment and the impact of the initial works phase of the Elizabeth Quay development, The Bell Tower's management, through a wide range of innovative marketing and sales initiatives, has successfully grown revenue by 6 per cent and cut operational expenditure by 4 per cent. This has altered the level of self-funding to 57 per cent, an improvement of 6 per cent compared to the previous financial year.

Further, due to an ongoing commitment to stringent fiscal management in the face of escalating expenses, the level of the State Government's funding has not increased for the past three years. These extremely pleasing results do not come without considerable commitment from the management and Board who have worked as a team to maximise the tourism and cultural potential of the Tower.

Special thanks must go to the Board members who contribute their experience, time and individual expertise.

Thanks must also go to Dr Alan Collings who has added to our growing collection with a wonderful donation of a portable ring of eight bells and the St Martin's Society of Change Ringers who donated the purpose built trailer required for transport. This mobile belfry has been named the Cygnet ring and has been used to promote ringing and The Bell Tower.

Acknowledgment must be made of the outstanding contribution to the success of The Bell Tower by our volunteer ringers. As members of the St Martins Society they provide the ringing within the Tower on every day of the year.

In addition to regular daily ringing sessions there are weekly quarter peals every Thursday and Friday, special practices in advanced change ringing at the weekends and a multitude of other events for which the bells are rung.

A highlight was the ceremonial ringing requested by the Commonwealth Heads of Government Meeting (CHOGM) Taskforce for the official opening of CHOGM. This was followed by a request from the State Government for the bells to be rung to announce the Queen's transit to the Big Aussie Barbeque on The Esplanade as part of the celebrations.

I wish to also thank the Minister for Culture and the Arts, The Hon. John Day MLA and the State Government for their continued support of The Bell Tower.

The Board and management of the Swan Bells Foundation Inc. look forward to continuing the challenge of maximising the potential of this world-class facility. We

are dedicated to ensuring that future generations will have the opportunity to enjoy the sound of the bells and experience the special ambience of The Bell Tower.

Dr Ian MacLeod

Chair

Swan Bells Foundation Inc

OPERATIONAL STRUCTURE

In May 1999, Cabinet approved the implementation of Stage One of the Barrack Square Redevelopment Project, which included the construction of The Bell Tower to house the culturally significant bells of the St Martin-in-the-Fields. The bells of St-Martin-in-the-Fields were given 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 which, with five other bells cast in 1988-89, 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 Inc. 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 bellringing, music and the performing arts in Western Australia. In addition, one of the Foundation's primary functions is to manage The Bell Tower in a commercially and functionally successful manner.

All staff are employed by The Swan Bells Foundation Inc., under the appropriate industrial awards.

The Department of Culture and the Arts (DCA) provides accounting support for The Swan Bells Foundation Inc. The Minister for Culture and the Arts is responsible for appointing four Board Members including a nominee for the Chair.

The Swan Bells Foundation Inc. trades under the name *The Bell Tower, Home of the Swan Bells*. In the performance of its functions, The Swan Bells Foundation Inc. complies with all relevant written laws pertaining to the State of Western Australia and the Commonwealth of Australia.

BOARD MEMBERS

The Swan Bells Foundation Inc. is administered by its Board which consists of eleven members. There were no changes to the Board membership during the 2011-2012 financial year. Six Board meetings were held in 2011-12 and no fees or allowances were paid to any Board Members of the Swan Bells Foundation Inc.

Dr Ian MacLeod, Chair

Appointed Nominee by the Minister for Culture and the Arts

Mr Richard Offen, Deputy Chair

St Martin's Society of Change-ringers representative

Ms Stephanie Buckland

Appointed by the Minister for Tourism

Mr Max Kay AM CIT. WA

Appointed by the Minister for Culture and the Arts

Mr Alan Ferris

Appointed by the Minister for Culture and the Arts

Ms Annette Black

Appointed by The University of Western Australia

Mr Tony Baker

Perth Port at Barrack Square Inc. representative

Ms Lisa Scaffidi

City of Perth Representative

Mr Evan Hall

Tourism Council of WA

Mr Laith Reynolds, Patron

Appointed by the Minister for Culture and the Arts

SENIOR OFFICERS

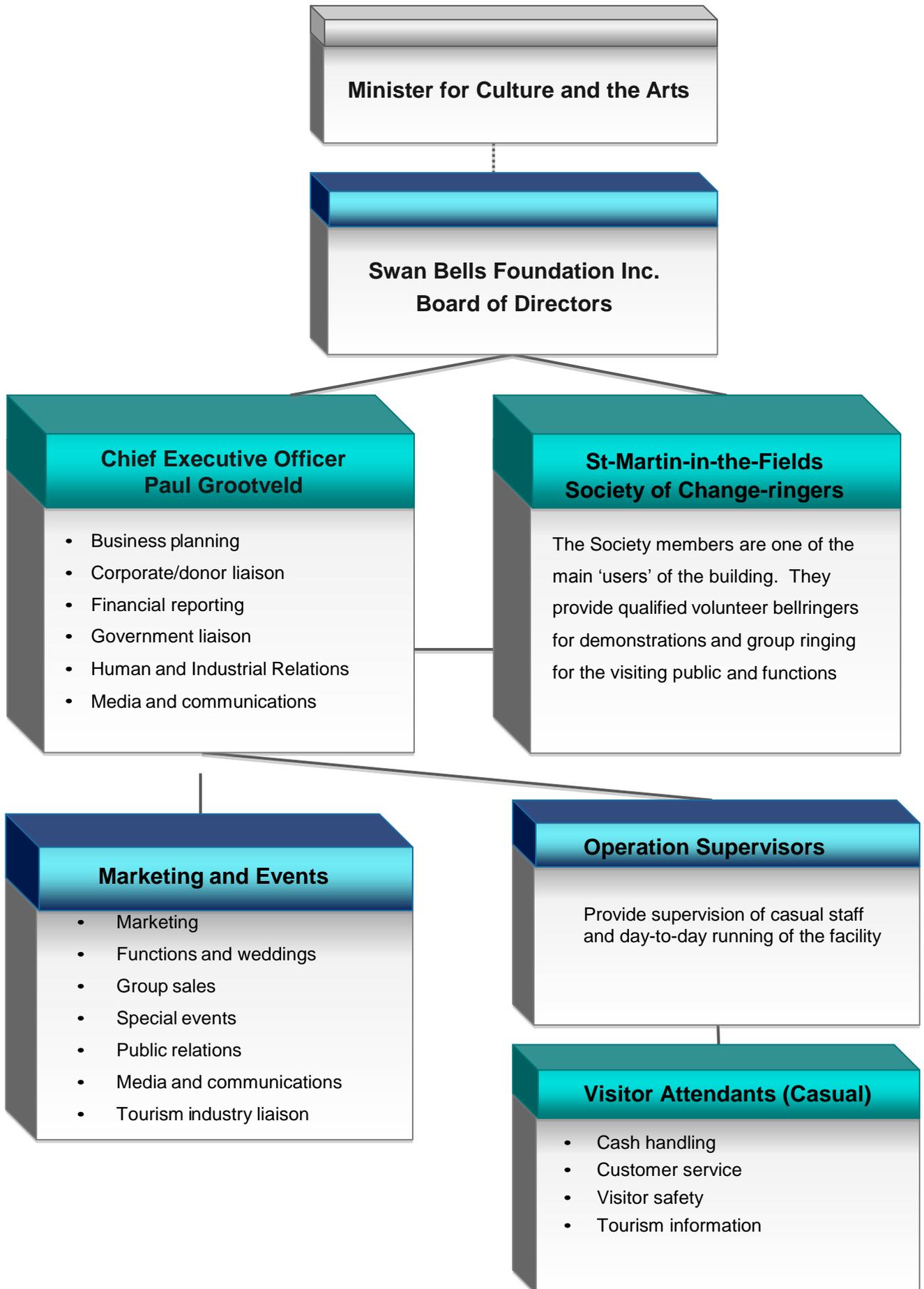
The Bell Tower's Chief Executive Officer is responsible for all aspects of the operations and administration including: media and communications, business planning, financial reporting, Government liaison, corporate donor liaison and human and industrial relations.

Mr Paul Grootveld**Chief Executive Officer**

Mr Paul Grootveld has a Masters Degree in Business Administration and over 26 years of senior management experience in the tourism and recreation industries. 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 including being the immediate past Chair of the Association of Perth Attractions, member of the Australian Tourism Export Council (ATEC) WA branch, and member of the Chamber of Commerce's Tourism committee.

SWANBELLS FOUNDATION INC ORGANISATIONAL STRUCTURE



PERFORMANCE MANAGEMENT FRAMEWORK

OUTCOME BASED MANAGEMENT FRAMEWORK

The Swan Bells Foundation Inc. contributes to the Government's goals outlined in the State Government'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.

AGENCY PERFORMANCE

ACHIEVEMENT HIGHLIGHTS

Commonwealth Heads of Government Meeting

A specially produced audio and video recording of the bells was used as a key part of the official CHOGM opening ceremony at the Perth Convention and Exhibition Centre. In addition the bells were rung to announce the Queen's arrival during her appearance at the Big Aussie Barbeque event held on The Esplanade in Perth. Both of these events attracted positive, widespread international media exposure for Perth and The Bell Tower.

Western Australia Day

To celebrate Western Australia Day (previously known as Foundation Day), The Bell Tower allowed free entry on the 4 June, 2012 public holiday. Over 2,600 people visited The Bell Tower and the event generated significant local media coverage.

Love Locks

The Bell Tower introduced a new product for Valentine's Day 14 February 2012. Love Locks are a custom produced padlock on which The Bell Tower can engrave the customer's personal message. This is then locked onto a chain at the Towers entry point with a souvenir photograph provided to the purchaser. This concept has proved hugely popular with both locals and tourists.

Australian Tourism Exchange 2012

The Australian Tourism Exchange (ATE) held in Perth in June 2012, is Australia's premier tourism trade event and the largest international travel trade show of its kind in the southern hemisphere. The business-to-business event provides a forum for Australian tourism businesses to showcase their products, meet overseas contacts and negotiate business deals.

The Swan Bells Foundation Inc. participated in both the eastern and western modules of the ATE. This was the fifth time The Bell Tower attended ATE and sales meetings were held with approximately 95 key buyers from both Eastern and Western modules.

Participation in this event is essential for attracting tourists, both individuals and groups, through the established, but rapidly changing, tourist product distribution chain.

West Australian Symphony Orchestra (WASO) Symphony in the City

In December 2011, as a gift to the people of Perth, WASO and the City of Perth once again presented a free classical concert on The Esplanade called Symphony in the City. The concert had a dramatic ending with the ever-popular *Tchaikovsky's 1812 Overture* featuring a live performance of the Swan Bells and the guns of the 7th Field Battery.

Australia Day

In collaboration with events promotion company Neat Ideas, the City of Perth and Barrack Square traders, The Bell Tower continues to be instrumental in organising the Australia Day celebrations (26 January, 2012) in Barrack Square and The Swan Bells were once again heard at the end of the Skyworks display.

Photographic Competition

In March 2012 in conjunction with Canon and The West Australian, The Bell Tower ran a photographic competition inviting entries that would highlight the unique perspective of the building. For the first time a specific category was introduced for both primary and secondary school students. The quality and range of entries was spectacular. The competition was embraced with over 200 entries and over 4,500 people voting online. The winners were: Judges Selection: Wei Xian Toh, People's Choice: Richard Eden, Secondary School: Sam Coten and Primary School: Jamie Dale.

The Swan Bells Foundation Inc. is proud to support a range of community groups.

- **WA Seniors Week**

The Bell Tower hosted a successful Seniors Morning Tea event in conjunction with the WA Seniors Card Centre in November 2011. For the duration of Seniors Week The Bell Tower allowed gold coin entry for all senior citizens.

- **Lighting**

The Bell Tower supported a range of charitable and community organisations by changing the colour of the lighting in the spire. This provided assistance to the fund raising efforts and public recognition for the following groups:

- Alliance for the Prevention of Elder Abuse
- Ovarian Cancer
- Heart Foundation
- National Breast Cancer Foundation
- World Diabetes Day
- Earth Hour for the World Wildlife Fund
- Light it up Blue
- World Autism Awareness Day
- National Homeless Persons Week
- Volunteer Week
- Red Nose Day
- International Women's Day
- National Aborigines and Islanders Day
- Observance Committee Week (NAIDOC)

- **Community Fund Raising**

Providing prizes, in the form of entry tickets and special offers throughout the financial year, The Bell Tower has been able to help numerous schools and community groups raise valuable funds. These include:

- Volunteering WA
- Rotary
- over 15 community sporting clubs

- several parents and teachers organisations
- numerous public and private schools

- **State Emergency Services Volunteers Week**

In conjunction with the SES in November 2012 a number of local media personalities and sportspeople, abseiled down the northern face of The Bell Tower. The promotion was supported by a large banner placed on the Tower for the duration of SES Volunteer's Week.

- **Portable bell ring – Cygnet Ring**

Dr Alan Collings donated a portable ring of eight Bells which has been housed in a trailer mounted unit donated by the St Martin Society of Change Ringers Inc. The Cygnet ring was used to promote bell ringing at several community fairs and events.

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 2011-12 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 Management Act 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 bellringing.

- The bells have been 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, was commissioned and constructed for the Observation Deck.
- Kul Kul Bells Exhibit – Kul Kul bells are traditional Balinese bells. This style of bells has great significance in Balinese cultural and spiritual ceremonies, and hang in the bell towers of temples and public buildings.
- Collings Handbell Collection – Gathered during the lifetime of Alan Collings, the entire collection of over 200 bells, was donated to the Swan Bells Foundation Inc. in 2008. Much of this collection is rotated through displays on level two of The Bell Tower
- The portable mini ring of eight bells also donated by Dr Collings and has been used at several community events to help promote ringing and The Bell Tower.
- Oldest Bell in Australia - Cast over 450 years ago in approximately 1550, this bell was one of four that rang out from the tower of the parish church at Upton Grey in Hampshire, England. The old timber headstock bears the carved date of 1763. This is the oldest bell in Australia and is on display on level 1 of The Bell Tower.

- 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 are rung 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.**
 - The Swan Bells have become well-known throughout the bellringing 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 bellringing organisation in the world), as a Ringing Centre, the only such designated tower outside the UK.
- 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. Additional information is supplied personally to visitors.
 - The very presence of The Bell Tower set in its prominent location at Barrack Square 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.**
 - A specially produced audio and video recording of the bells was used as a key part of the official CHOGM opening ceremony at the Perth Convention and Exhibition Centre.
 - 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.**
 - The State Government requested the bells to be rung during CHOGM to announce the Queens arrival at the Big Aussie Barbeque held on The Esplanade in Perth.
- 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 promote Perth and Western Australia.
 - The Bell Tower maintains an excellent relationship with Tourism WA and the tourism industry in general. It has hosted many travel industry and media familiarisation visits throughout the year.
 - Australian Tourism Exchange – The Bell Tower delegates met and were able to present the product to tourism buyers from all over the world.

As part of the Australian Tourism Exchange, The Bell Tower hosted twenty familiarisation tours organised by Tourism WA for key international buyers.

- The Bell Tower management are active within a range of tourism associations.

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

- The Bell Tower continues to maintain 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.
- The Bell Tower is active in the reformed Barrack Square Traders Association.
- The Bell Tower has provided input and remains committed to ensuring the best possible outcome from the Elizabeth Quay Project for Barrack Square.

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 and every effort has been made to maximise income and minimise the requirement for additional funding.
- More than one million patrons have visited the Tower since it opened in December 2000.
- The Bell Tower has sought to maximise its exposure, whilst maintaining low expenditure. It has done so by leveraging support from organisations such as the Association of Perth Attractions, Experience Perth and the Perth Convention Bureau. It has also conducted a successful program providing information and updates to the media.

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 Inc. ensures that bellringers have access to the bells at reasonable times to facilitate practice and training for bellringing. The Foundation works closely with the St Martin's Society of Change-Ringers to provide access to The Bell Tower for visiting and local bellringers.
- During the past year the ringers have undertaken the following ringing and activities at The Bell Tower:
 - Some form of ringing has been performed when The Bell Tower has been open to the public. This ringing has included four peals and 118 quarter peals, involving over 85 different ringers, making the bells at The Bell Tower the most rung set of bells in the world.
 - The bells have been rung for the following special occasions:
 - To celebrate the opening of CHOGM.
 - To announce the Queens arrival at the Big Aussie Barbeque on the Esplanade.
 - New Year, Australia Day, Labour Day, ANZAC Day and Western Australia Day.
 - 128 interactive demonstration sessions were provided to the general public, augmented by additional informal sessions.
 - A highlight of the year for the ringers was participating in the performance of *Tchaikovsky's 1812 Overture* during the WASO Symphony in the City concert in December.

13. To encourage liaison and cooperation between the Foundation and educational institutions, and in particular The University of Western Australia, the Western Australian Academy of Performing Arts and other schools of music and performing arts.

- The University of Western Australia is represented on the Foundation Board.

BUSINESS SUPPORT

The Department of Culture and the Arts continues to provide some administrative services to The Bell Tower, including accounting services, compliance advice and liaison with the Minister’s office and Office of Shared Services.

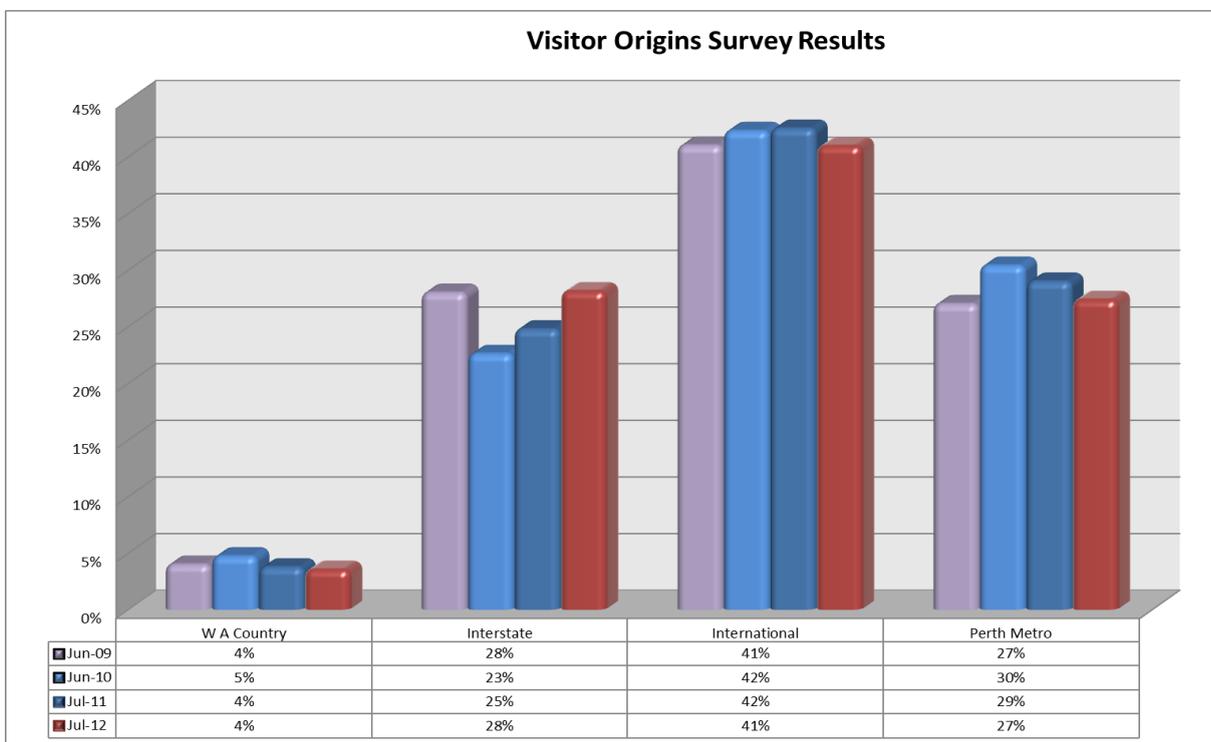
SIGNIFICANT ISSUES AND TRENDS

VISITOR NUMBERS AND TRENDS

The Bell Tower is open every day of the year except Good Friday and Christmas Day.

During the reporting year 60,156 people visited The Bell Tower. Surveys were conducted to determine visitor origins to see if patterns were changing.

This graph below shows very little change in visitor profile from previous years with 69 per cent of visitors coming from the international and interstate market segments.



The Board recognises the changing trading environment with the development of the Elizabeth Quay precinct and has accordingly set priorities for the coming financial year that will fall into three strategic areas:

1. Build income earning potential.
2. Working towards a long term sustainable operation, and
3. Ensuring that The Bell Tower and Barrack Square are an integral and vital part of the Elizabeth Quay precinct.

OTHER FINANCIAL DISCLOSURES

Pricing Policies of Services Provided

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

Employment and Industrial Relations***Employee Demographics***

Employee demographics for the year 2011-2012 have not changed and are contained in the table below.

Staff	2010-11	2011-12
Full-time (FTE)	5.5	5.5
Casual	10	10

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.

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 Inc.

Insurance premiums paid to indemnify members of the Board

There is an Association Liability insurance policy in place to indemnify the Directors and Officers (including where the company can reimburse the Directors) for any claim alleging a Wrongful Act (negligence, breach of duty, misrepresentations) by a Director or Officer.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

SWAN BELLS FOUNDATION INCORPORATED

Report on the Financial Statements

I have audited the accounts and financial statements of the Swan Bells Foundation Incorporated.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Swan Bells Foundation Incorporated at 30 June 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Swan Bells Foundation Incorporated during the year ended 30 June 2012.

Controls exercised by the Swan Bells Foundation Incorporated are those policies and procedures established by the Board to ensure 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.

Board's Responsibility for Controls

The Board is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Swan Bells Foundation Incorporated based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Foundation complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the controls exercised by the Swan Bells Foundation Incorporated are sufficiently adequate to 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 during the year ended 30 June 2012.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Swan Bells Foundation Incorporated for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Board's Responsibility for the Key Performance Indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Board determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Board's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the key performance indicators of the Swan Bells Foundation Incorporated are relevant and appropriate to assist users to assess the Foundation's performance and fairly represent indicated performance for the year ended 30 June 2012.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Swan Bells Foundation Incorporated for the year ended 30 June 2012 included on the Foundation's website. The Foundation's management is responsible for the integrity of the Foundation's website. I have not been engaged to report on the integrity of the Foundation's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL ASSURANCE SERVICES
Delegate of the Auditor General for Western Australia
Perth, Western Australia
22 August 2012

Key Performance Indicators

Certification of Performance Indicators

The Swan Bells Foundation Incorporated for the year ended June 30, 2012.

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, 2012.



Dr Ian MacLeod PhD

Chair

21 August 2012



Alan Ferris CPA

Board Member

21 August 2012

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 to the bells, their history and bellringing 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 Bell Tower (visitor numbers).

Rationale:

Visitors to The Bell Tower are provided with information and background of the bells. The Foundation is responsible for maintaining and promoting the use of the bells as a musical instrument 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.

Year	2008-09	2009-10	2010-11	2011-12 Target	2011-12 Actual
Visitor numbers	70,426	62,310	63,732	64,200	60,156

Visitor numbers are calculated from the daily record of receipts.

Visitor numbers are lower than budgeted and reflect the difficult trading environment, the strong Australian dollar and the significant growth of outbound tourism and the impact of rigorous cost controls that reduced the marketing budget, further impacting visitor potential.

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 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:

Year	2008-09	2009-10	2010-11	2011-12 Target	2011-12 Actual
Number of functions	71	66	70	74	65
Number of groups	55	69	54	57	68

Function numbers are recorded by The Bell Tower CEO.

A continued focus on the inbound tourism sector has seen a significant increase in group bookings. Function numbers eased but this was offset by the increase in groups. In addition school group bookings are up to 92 from the previous year's figure of 81.

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 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 of the Foundation's activities that are funded from its own operations:

Year	2008-09	2009-10	2010-11	2011-12 Target	2011-12 Actual
% of self funding	60	58	51	50	57

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 level of self-funding was 57 per cent significantly better than budget.

Efficiency Indicators:

The Swan Bells Foundation Inc. 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	2008-09	2009-10	2010-11	2011-12 Target	2011-12 Actual
Cost of information services per visitor	\$13.43	\$14.38	\$15.34	\$15.60	\$15.64

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

The cost of providing services was in line with target.

SWAN BELLS FOUNDATION INCORPORATED

Certification of Financial Statements

For the year ended 30 June 2012

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 2012 and the financial position as at 30 June 2012.

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 Loiacono CPA
Chief Finance Officer

Date: 21 August 2012



Alan Ferris CPA
Member of the Swan Bells Foundation

Date: 21 August 2012



Ian MacLeod PhD
Chairman of the Swan Bells Foundation

Date: 21 August 2012

STATEMENT OF COMPREHENSIVE INCOME

As at 30 June 2012

	Note	2012 \$000	2011 \$000
INCOME			
Revenue			
Sales	4	95	74
Provision of services	5	390	370
Interest revenue	6	2	2
Other revenue	7	47	57
TOTAL INCOME		534	503
EXPENSES			
Cost of sales	4	51	45
Employee benefits expense	8	564	567
Supplies and services	9	203	236
Depreciation expense	10	18	33
Accommodation expenses	11	95	89
Other expenses	12	10	9
TOTAL EXPENSES		941	979
Loss before grants and subsidies from State Government		(407)	(476)
Grants and subsidies from State Government	13	400	390
PROFIT/(LOSS) FOR THE PERIOD		(7)	(86)
OTHER COMPREHENSIVE INCOME			
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(7)	(86)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

	Note	2012 \$000	2011 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	22	10	(1)
Restricted cash and cash equivalents	22	1	1
Inventories	14	36	42
Receivables	15	12	6
Total Current Assets		59	48
Non-Current Assets			
Property, plant and equipment	16	110	122
Works of art	16	82	45
Total Non-Current Assets		192	167
TOTAL ASSETS		251	215
LIABILITIES			
Current Liabilities			
Payables	18	45	35
Provisions	19	171	158
Other current liabilities	20	27	9
Total Current Liabilities		243	202
Non-Current Liabilities			
Provisions	19	3	1
Total Non-Current Liabilities		3	1
TOTAL LIABILITIES		246	203
NET ASSETS		5	12
EQUITY			
Retained earnings	21	5	12
TOTAL EQUITY		5	12

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

STATEMENT OF CHANGES IN EQUITY

As at 30 June 2012

	Note	Retained Earnings \$000	Total Equity \$000
Balance at 1 July 2010		98	98
Total comprehensive income for the year		(86)	(86)
Distributions to owners		-	-
Balance at 30 June 2011	21	12	12
Balance at 1 July 2011		12	12
Total comprehensive income for the year		(7)	(7)
Total		(7)	(7)
Balance at 30 June 2012	21	5	5

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

STATEMENT OF CASH FLOWS

As at 30 June 2012

	Note	2012	2011
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services		95	74
Provision of services		387	367
Interest received		2	2
Donations and sponsorship		47	57
GST receipts on sales		48	47
GST receipts from taxation authority		31	30
Payments			
Employee benefits		(531)	(502)
Supplies and services		(241)	(273)
Accommodation		(95)	(89)
GST payments on purchases		(30)	(37)
GST payments to taxation authority		(49)	(41)
Other payments		(10)	(9)
NET CASH (USED IN) OPERATING ACTIVITIES	22	(346)	(374)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(42)	(40)
NET CASH (USED IN) OPERATING ACTIVITIES		(42)	(40)
CASH FLOWS FROM STATE GOVERNMENT			
Grant Received in advance		-	-
Service grant		400	390
NET CASH PROVIDED BY STATE GOVERNMENT		400	390
Net increase / (decrease) in cash and cash equivalents		12	(24)
Cash and cash equivalents at the beginning of period		-	24
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	22	12	-

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

For the year ending 30 June 2012

Note 1. Australian Accounting Standards

General

Swan Bells Foundation's financial statements for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

Swan Bells Foundation has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

Swan Bells Foundation cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended (but not operative) have been early adopted by Swan Bells Foundation for the annual reporting period ended 30 June 2012

Note 2. Summary of significant accounting policies

(a) General Statement

Swan Bells Foundation is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

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

Where modification is required and has had 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).

(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 transfer to the purchaser and can be measured reliably.

Provision of services

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

Interest

Revenue is recognised as the interest accrues.

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.

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.

(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 immediately expensed direct to the Statement of Comprehensive Income (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.

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

Subsequent measurement

Subsequent to initial recognition as an asset, the Foundation uses the cost model for all property, plant and equipment. All items of property, plant and equipment are stated 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
Vehicles	5 years.

Works of art controlled by the Foundation are classified as property, plant and equipment. These 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 consequently 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 below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

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

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the 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 the end of each reporting period. 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 the end of each reporting period 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 reporting period.

(h) Financial Instruments

In addition to cash, the Foundation has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

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

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

(i) Cash and Cash Equivalents

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

(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 measured at cost unless they are no longer required, in which case they are measured at net realisable value.

(k) Receivables

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

(l) Payables

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

(m) Provisions

Provisions are liabilities of uncertain timing or 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 resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - Employee Benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave and long service leave

The liability for annual leave and long service leave expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave and long service leave not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Foundation does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period

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 end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Foundation has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Provisions -other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Foundation's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(n) Superannuation Expense

The superannuation expense represents payments to private superannuation funds.

(o) Resources Received Free of Charge or For Nominal Cost

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

(p) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year.

(q) Comparative Figures

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

Note 3. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

Swan Bells Foundation has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2011 that impacted on the Foundation:

AASB 1054	<i>Australian Additional Disclosures</i> This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact. This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.
AASB 2009-12	<i>Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Int 2, 4, 16, 1039 & 1052]</i> This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.
AASB 2010-04	<i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Int 13]</i> The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of The amendments to AASB 101 clarify the presentation of the statement of changes in equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity can be represented in either the Statement of Changes in Equity or the Notes. There is no financial impact.
AASB 2010-05	<i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Int 112, 115, 127, 132 & 1042]</i> This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.
AASB 2011-1	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Int 2, 112 & 113]</i> This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

Voluntary Changes in Accounting Policy

The Foundation did not make any voluntary changes in its accounting policy in 2011/12.

Future impact of Australian Accounting Standards not yet operative.

Swan Bells Foundation cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Foundation has not applied early any following Australian Accounting Standards that have been issued that may impact the Foundation. Where applicable, the Foundation plans to apply these Australian Accounting Standards from their application date.

Operative for reporting periods beginning on/after

AASB 119	Employee Benefits	1 Jan 2013
	This Standard supersedes AASB 119 (October 2010). As the Authority does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long-term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.	

AASB 2010-2	Amendments to Australian Accounting Standards arising from Reduced Disclosure This Standard makes amendments to Australian Accounting Standards and	1 Jul 2013
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127] This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Foundation has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2011-2	Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054] This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.	1 Jul 2013
AASB 2011-6	Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131] This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.	1 Jul 2013
AASB 2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Foundation has not yet determined the application or the potential impact of the Standard.	1 Jul 2012
AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14] This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is limited financial impact.	1 Jan 2013
AASB 2011-11	Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements. This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	1 Jan 2013
AASB 2012-1	Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141] This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	1 Jul 2013

Note 4. Trading Profit

	2012	2011
	\$'000	\$'000
Sales	95	74
Cost of Sales:		
Opening Inventory	(45)	(46)
Purchases	(42)	(41)
	<u>(87)</u>	<u>(87)</u>
Closing inventory	36	42
Cost of Goods Sold	<u>(51)</u>	<u>(45)</u>
Trading Profit	<u>44</u>	<u>29</u>

Note 5. Provision of services

	2012	2011
	\$'000	\$'000
Admission fees	312	304
Conferences and functions.	70	56
Commissions	8	10
	<u>390</u>	<u>370</u>

Note 6. Interest Revenue

	2012	2011
	\$'000	\$'000
Interest Revenue from bank account	2	2
	<u>2</u>	<u>2</u>

Note 7. Other revenue

	2012	2011
	\$'000	\$'000
Donations and sponsorship	45	56
Other Revenue	2	1
	<u>47</u>	<u>57</u>

Note 8. Employee benefits expense

	2012	2011
	\$'000	\$'000
Wages and salaries ^(a)	467	430
Superannuation	75	71
Annual and Long service leave expense ^(b)	15	63
Other related expenses	7	3
	<u>564</u>	<u>567</u>

^(a) Includes the value of the fringe benefit to the employee plus the fringe benefits 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'.

Note 9. Supplies and services

	2012	2011
	\$'000	\$'000
Communications	13	16
Advertising	62	71
Catering	1	5
Consumables	56	51
Insurance	13	12
Membership subscriptions	6	8
Travel	1	6
Marketing	12	-
Other	39	67
	<u>203</u>	<u>236</u>

Note 10. Depreciation expense

	2012	2011
	\$'000	\$'000
<u>Depreciation</u>		
Computer hardware	-	1
Furniture, Fixtures and Fittings	5	5
Office Equipment	-	15
Plant and Equipment	2	4
Other Equipment	11	8
Total Depreciation	<u>18</u>	<u>33</u>

Note 11. Accommodation expenses

	2012	2011
	\$'000	\$'000
Repairs and maintenance	3	-
Electricity and gas	61	58
Security	1	4
Gas & Heating	23	18
Parking	5	7
Other	2	2
	<u>95</u>	<u>89</u>

Note 12. Other expenses

	2012	2011
	\$'000	\$'000
Audit fees	6	6
Employment on-costs ^(a)	4	3
	<u>10</u>	<u>9</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.

Note 13. Grants and subsidies from State Government

	2012	2011
	\$'000	\$'000
Revenue received during the year:		
Recurrent	400	390
	<u>400</u>	<u>390</u>

Note 14. Inventories

	2012	2011
	\$'000	\$'000
Current		
Inventories held for resale:		
- Finished goods		
at cost	36	42
Total Current	<u>36</u>	<u>42</u>

Note 15. Receivables

	2012	2011
	\$'000	\$'000
Current		
Receivables	11	5
Prepayments	1	1
	<u>12</u>	<u>6</u>

Note 16. Property, plant and equipment

	2012	2011
	\$'000	\$'000
Computer Equipment		
At cost	10	10
Accumulated depreciation	(10)	(10)
Accumulated impairment losses	-	-
	<u>-</u>	<u>-</u>
Office Equipment		
At cost	64	64
Accumulated depreciation	(64)	(64)
Accumulated impairment losses	-	-
	<u>-</u>	<u>-</u>
Furniture and Fittings		
At cost	45	45
Accumulated depreciation	(36)	(32)
Accumulated impairment losses	-	-
	<u>9</u>	<u>13</u>
Plant, Equipment and Vehicles		
At cost	154	148
Works in Progress	-	0
Accumulated depreciation	(53)	(39)
Accumulated impairment losses	-	-
	<u>101</u>	<u>109</u>
Total Property, Plant, Equipment and Vehicle.	<u>110</u>	<u>122</u>
Works of Art		
At cost	82	45
Accumulated depreciation	-	-
Accumulated impairment losses	-	-
Total Works of Art	<u>82</u>	<u>45</u>
Total Non current assets	<u>192</u>	<u>167</u>

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

	Computer equipment	Office equipment	Furniture and fittings	Plant, Machinery & Vehicle	Works of art	Total
2012	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at start of year	-	-	13	109	45	167
Additions	-	-	-	6	37	43
Other disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Depreciation	-	-	(4)	(14)	-	(18)
Carrying amount at end of year	-	-	9	101	82	192

	Computer equipment	Office equipment	Furniture and fittings	Plant, Machinery & Vehicle	Works of art	Total
2011	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at start of year	1	15	18	81	45	160
Additions	-	-	-	40	-	40
Other disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Depreciation	(1)	(15)	(5)	(12)	-	(33)
Carrying amount at end of year	-	-	13	109	45	167

Note 17. Impairment of assets

There were no indications of impairment to property, plant and equipment as at 30 June 2012.

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

All surplus assets at 30 June 2012 have been classified as assets held for sale or written-off.

Note 18. Payables

	2012	2011
	\$'000	\$'000
<u>Current</u>		
Trade payables	1	3
Other Payables	1	1
Accrued Expenses	43	31
Total current	45	35

Note 19. Provisions

	2012	2011
	\$'000	\$'000
<u>Current</u>		
Employee benefits provision		
Annual leave ^(a)	61	61
Long service leave ^(b)	83	70
Other provisions		
Employment on-costs ^(c)	27	27
	171	158
<u>Non-current</u>		
Employee benefits provision		
Long service leave ^(b)	3	1
Other provisions		
Employment on-costs ^(c)	-	-
	3	1

(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 reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2012	2011
	\$'000	\$'000
Within 12 months of the end of the reporting period	25	70
More than 12 months after the end of the reporting period	36	18
	61	88

(b) Long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2012	2011
	\$'000	\$'000
Within 12 months of the end of the reporting period	42	56
More than 12 months after the end of the reporting period	44	14
	86	70

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers compensation insurance. The provision is 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

	2012	2011
	\$'000	\$'000
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
<u>Employment on-costs provision</u>		
Carrying amount at start of year	27	9
Additional provisions recognised	-	18
Carrying amount at end of year	27	27

Note 20. Other liabilities

	2012	2011
	\$'000	\$'000
<u>Current</u>		
Income received in Advance	15	-
Accrued salaries	5	3
Accrued Superannuation	6	5
Other	1	1
	27	9

Note 21. Equity

Equity represents the residual interest in the net assets of the Foundation. The Government holds the equity interest in the Foundation on behalf of the community.

	2012	2011
	\$'000	\$'000
Retained earnings		
Balance at start of year	12	98
Result for the period	(7)	(86)
Balance at end of year	<u>5</u>	<u>12</u>

Note 22. Notes to the Statement of Cash Flows**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:

	2012	2011
	\$'000	\$'000
Cash and cash equivalents	10	(1)
Restricted cash and cash equivalents ^(a)	1	1
	<u>11</u>	<u>0</u>

(a) 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 profit/loss before grants and subsidies from State Government to net cash flows provided by/(used in) operating activities

	2012	2011
	\$'000	\$'000
Loss before grants and subsidies from State Government	(407)	(476)
Non-cash items:		
Depreciation and amortisation expense	18	33
(Increase)/decrease in assets:		
Inventories	6	3
Current receivables	(3)	(4)
Increase/(decrease) in liabilities:		
Current payables	7	5
Current provisions and non current	15	64
Accrued salaries	3	3
Other liabilities	15	(2)
Net cash used in operating activities	<u>(346)</u>	<u>(374)</u>

Note 23. Events occurring after the end of the reporting period

The Foundation is unaware of any event occurring after the end of the reporting period that would materially affect the financial statements.

Note 24. Explanatory statement

This statement provides details of any significant variations between estimates and actual results for 2012 and between the actual results for 2011 and 2012. Significant variations are considered to be those greater than 10% or \$20,000.

Significant variances between estimate and actual for the financial year

	2012 Estimate \$'000	2012 Actual \$'000	Variation \$'000
Employee benefits expense	535	564	29

Employee benefits expense

Actual wage and salary payment were above the estimate of \$535k as there was a greater than expected use of long service leave leading an increased need for casual staff. In addition the continued rollout of the award modernisation process lead to greater than budgetted increases in casual hourly rates.

Significant variances between actual results for actual and prior year actual

	2012 [†] \$'000	2011 \$'000	Variance \$'000
Sales	95	74	21
Provision of services	390	370	20

Provision of services

Sales and Provision of services have increased by 28% and 5% respectively due to the continued marketing and public relations strategies. Whilst the tourism industry in Western Australia remain depressed due to the high exchange rate of Australian dollar there appears to have been some improvement over the accounting period.

Note 25. 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 maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowances for impairment, as shown in the table at Note 25 (c) 'Financial instruments disclosures' and Note 15 'Receivables'.

The Foundation only trades 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. At the end of the reporting period there were no significant concentrations of credit risk.

Allowance for impairment of financial assets is calculated based on objective evidence such as observable data in client credit ratings. For financial assets that are either past due or impaired, refer to Note 25 (c) 'Financial instrument disclosures'.

Liquidity risk

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

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

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Foundation's income or the value of its holdings of financial instruments. 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 end of the reporting period are as follows :

	2012	2011
	\$000	\$000
<u>Financial Assets</u>		
Cash and cash equivalents	10	(1)
Restricted cash and cash equivalents	1	1
Loans and receivables ^(a)	12	6
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	45	35

^(a)The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial Instrument Disclosures

Credit Risk

The following table discloses the Foundation's maximum exposure to credit risk and the ageing analysis of financial assets. The Foundation's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing analysis of financial assets that are past due but not impaired financial assets. The table is based on information provided to management of the Foundation.

The Foundation does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

Aged analysis of financial assets (a)

Age analysis of financial assets

	Not past due		Past due but not impaired					Impaired financial assets
	Carrying Amount	and not impaired	Up to 1 month	1 to 3 months	3-12 months	1-5 years	More than 5 years	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets								
2012								
Cash and cash equivalents	10	10	-	-	-	-	-	-
Restricted cash and cash equivalents	1	1	-	-	-	-	-	-
Receivables (a)	12	12	-	-	-	-	-	-
	23	23	-	-	-	-	-	-
2011								
Cash and cash equivalents	(1)	(1)	-	-	-	-	-	-
Restricted cash and cash equivalents	1	1	-	-	-	-	-	-
Receivables (a)	6	6	-	-	-	-	-	-
	6	6	-	-	-	-	-	-

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

Liquidity Risk and interest rate exposure

The following table details the Foundation's interest rate exposure and contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	<u>Interest Rate Exposure</u>				Nominal Amount \$000	<u>Maturity dates</u>				
		Carrying Amount \$000	Fixed Interest Rate \$000	Variable interest rate \$000	Non- Interest bearing \$000		Up to 1 months \$000	1 to 3 months \$000	3-12 months \$000	1-5 Years \$000	More than 5 years \$000
2012											
<u>Financial Assets</u>											
Cash and cash equivalents	4.20%	10	-	8	2	10	-	-	-	-	-
Restricted cash and cash equivalents	4.20%	1	-	1	-	1	-	-	-	-	-
Receivables (a)		6	-	-	6	6	-	-	-	-	-
		17		11	6	17	-	-	-	-	-
<u>Financial Liabilities</u>											
Payables		45	-	-	45	45	-	-	-	-	-
		45		-	45	45	-	-	-	-	-
2011											
<u>Financial Assets</u>											
Cash and cash equivalents	4.67%	(1)	-	(3)	2	(1)	-	-	-	-	-
Restricted cash and cash equivalents	4.67%	1	-	1	-	1	-	-	-	-	-
Receivables (a)		6	-	-	6	6	-	-	-	-	-
		6		(2)	8	6	-	-	-	-	-
<u>Financial Liabilities</u>											
Payables		35	-	-	35	35	-	-	-	-	-
		35		-	35	35	-	-	-	-	-

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

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Foundation's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 100 basis point in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

2012	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
<u>Financial Assets</u>					
Cash and cash equivalents	10	-	-	-	-
Restricted cash and cash equivalents	1	-	-	-	-
Total Increase/(Decrease)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2011	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
<u>Financial Assets</u>					
Cash and cash equivalents	(1)	-	-	-	-
Restricted cash and cash equivalents	1	-	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Fair values

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

Note 26. 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 benefits and other benefits for the financial year, fall within the following band is:

	2012	2011
	\$'000	\$'000
\$160,001 - \$170,000	1	1
The total remuneration of senior officers is:	164	163

The total remuneration includes the superannuation expense incurred by the Foundation in respect of senior officers other than

Note 27. Remuneration of auditor

Remuneration payable to the Auditor General in respect of the audit for the current financial year is as follows :

	2012	2011
	\$'000	\$'000
Auditing the accounts, financial statements and performance indicators	6	6

The expense is included at Note 12 'Other expenses'

Note 28. Related and Affiliated bodies

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

Note 29. 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.

Note 30. Segment reporting

For the year ended 30 June 2012, the Foundation operated under one business segment in one geographical region.