

EIGHTEENTH ANNUAL REPORT

of

THE CARRICK HILL TRUST

2002 - 2003



CARRICK HILL
46 CARRICK HILL DRIVE
SPRINGFIELD
SOUTH AUSTRALIA 5062

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SEPTEMBER, 2003

The Hon. John Hill
Minister assisting the Premier in the Arts

Dear Minister,

The Carrick Hill Trust has pleasure in presenting its Eighteenth Annual Report for the year ended 30 June, 2003.

Yours faithfully,

FIONA ADLER
Chairman

ALAN SMITH
Director

Role, structure, legislation

The Carrick Hill Trust was established under the Carrick Hill Act of 1985. The Trust is answerable to the Minister for the Arts, and consists of a Chairman and six other members all appointed by the Governor. Carrick Hill forms a division of the Department for the Arts and Cultural Development.

The heritage building, internationally significant collections and extensive land comprising Carrick Hill were a bequest to the people of South Australia from Sir Edward and Lady [Ursula] Hayward. The South Australian government accepted the bequest in 1983 and Carrick Hill was opened to the public in 1986.

As set out in the Act the Trust administers, develops and maintains Carrick Hill as

- a gallery of works of art,
- a museum, and
- a botanic garden

The Trust promotes and encourages the interest of the public in Carrick Hill as a historic house and garden with major art collections and in its other services and amenities.

VISION

To create an exciting, interesting and sustainable cultural tourist attraction at Carrick Hill, providing year long cultural appeal to Australian and international visitors.

MISSION

To enhance progressively Carrick Hill's mansion, gardens and surrounding bushlands to improve the estate's sustainability and (gain a substantial measure of) financial independence.

ENABLING STRATEGIES

- To deliver profitably the Carrick Hill product
- To develop an innovative calendar of events
- To develop and implement a range of interpretation programs for all
- To further enhance the services available to visitors
- To encourage and enhance the use of Carrick Hill as an event venue
- To consider the development of a Visitor Centre
- To preserve and maintain the house
- To develop and implement a preservation program for the collection

- To develop and enhance the garden so it always delights
- To preserve and enhance the natural conservation value of the surrounding bushlands
- To establish and maintain special relationships with interest groups: the Friends, residents of adjacent suburbs, the Mitcham Council, and the Foundation
- To develop and monitor the budget.

MEMBERS OF THE CARRICK HILL TRUST

Fiona Adler - Chairman

Robert Hill-Ling, AO - Chairman, Hills Industries

Lowen Partridge – Consultant

Ivan Brooks – Mitcham Council Nominee

George van Holst – Hotel Consultant

Deborah Kingsbury – Wine Consultant

Susan O'Connor – Stipendiary Magistrate

Garden and Grounds Advisory Sub-Committee

Michael Keelan - Chairman

David Deer - Head Gardener, Mitcham City Council

Dianne Hall - Director, Newman's Nursery

Darrell Kraehenbuehl - Conservationist and Environmentalist

Trevor Nottle - Gardening Author and Lecturer

Sophie Thomson - Manager, David Thomson Nursery

Frank Ugody - Tree Consultant

Christopher Legoe – President of the Friends of Carrick Hill (up to Oct '02) and thereafter in his own right.

Andrew Cheesman – Bushland conservationist

Margaret Denton - President of the Friends of Carrick Hill (from Oct '02)

Ex-officio - Alan Smith, Director
Liz Trabilsie, Garden Manager

2002-2003 Achievements and Initiatives

To enormous relief all round, this was a year that saw the successful resolution of several long-term issues that seriously impacted on the future viability of Carrick Hill. Most importantly, in negotiations at the door of the Liquor Licensing Commission Court on 21 August 2002, an agreement was reached between the Carrick Hill Trust and the Springfield Estate Resident's Association concerning activities at Carrick Hill. The installation of a new state-of-the-art sound system designed to minimize sound leakage from the estate has alleviated most of the concerns that were expressed by some of the Springfield residents. This new spirit of conciliation was further enhanced when nearly 100 of Carrick Hill's immediate neighbours attended a carnival morning tea on 16 February 2003 to hear plans of the year's events and exhibitions. This function where the Board hosted our neighbours proved to be so worthwhile in building lines of communication and understanding that it has now been decided to make it an annual event.

The other great issue was the uncertainty about the future status of the marquee. Until this was resolved, we were unable to confirm any bookings beyond 15 July 2003. Since many functions at Carrick Hill are booked 12–18 months in advance, this had a dramatic impact on our income this year and will continue to do so next financial year. On 1 April 2003, planning approval for the marquee was extended until 15 July 2013. This will give us a decade of certainty and will greatly improve our ability to generate earned income.

As an outcome of this decision we were able to sign a new five-year lease with a five-year option with our existing excellent caterers, Rob Kolencik Catering. As we generally raise one third of our income from functions and venue hire, another third from major events and the last third from museum visitation, all of which are dependant to some degree on the quality of the catering, this is of profound importance for our success.

These fundamentals of infrastructure and customer service underpin the vibrant, artistic, cultural and community events that are such a growing feature of Carrick Hill. For the first time ever, a substantial part of the collection was exhibited in regional South Australia. During our July closure for preventative conservation works, the Australian paintings and works on paper were exhibited at the Riddoch Gallery at Mount Gambier.

In August, we re-opened with a delightful exhibition from the Art Gallery of South Australia, *'The Prints of Lionel Lindsay'*, curated by Alisa Bunbury. This was the first in what will be an annual series of exhibitions that showcase seldom seen works from the Art Gallery's extensive holdings. This collaboration with our sister institution is proving very popular with our visitors.

On 1 October 2002, we demonstrated our commitment to the government's policy of social inclusion in a very practical way by opening Carrick Hill free of charge to senior citizens as part of the Seniors' Week celebrations. Events held throughout the year by the Kidney Foundation, The Crippled Children's Association and St John's Youth Services amongst others were wonderful examples of the ways in which Carrick Hill may be used to benefit sections of our community that are in need.

The annual Orchid Display in the house returned on 12–13 October, 2002. This was followed on 23 October by the *'Relax and Unwind'* exhibition from the New England Regional Art Museum which encapsulated the summer holiday spirit, subsequently attracting large numbers of visitors.

November got off to a magical start with an entrancing twilight Al Fresco concert by the Adelaide Symphony Orchestra. The audience of nearly 3000 was the largest we have ever had to a single concert at Carrick Hill. The combination of exquisite music, superbly played, the beautiful orchard setting and a happy crowd who thoroughly enjoyed themselves showed what a unique cultural asset this is for the people of South Australia.

This was further emphasized on the following weekend when the French Festival was presented at Carrick Hill by the Alliance Française for the third time on 2-3 November. This celebration of food, wine, music and theatre focused on the Rhône-Alpe region centered around Lyon.

Carrick Hill's collaboration with other cultural organisations continued apace when we lent our precious Gaugin – the only one in Australia – for the premiere of a film on Gaugin's life as part of the inaugural Adelaide International Film Festival on 3 March, 2003.

On 7 March, 2003 we opened the third in the series of our retrospective exhibitions, *'Portraits in Context: the Early Works of William Dobell'*. Curated by the highly respected art historian, Jane Hylton, who also wrote the accompanying book, the exhibition attracted national media attention. Of particular interest was that the most significant portrait in the history of Australian art, Dobell's portrait of Joshua Smith, was returned to the house for the first time since it had been severely damaged in the fire here of 1958. Over the next 30 years this series of retrospective exhibitions and books will place the artists represented in the Hayward Bequest into detailed context. The end result will be one of the most comprehensively evaluated and documented collections in the country.

The last major event of the year was *Gardens Alive*, presented by the Nursery and Garden Industry of South Australia on 25–27 April, 2003. The lack of a major garden event has long been a gap in our programming. Many years of negotiations have resulted in the States largest annual gardening event finding a new home at Carrick Hill. It is fitting that this magnificent garden can be used to showcase the latest developments and trends in horticulture. We hope that we can continue to welcome garden enthusiasts to *Gardens Alive* for many years to come.

None of this could have been achieved without the hard work and dedication of the Board, staff, volunteers, Friends, Foundation, sponsors and other generous supporters.

ALAN SMITH
DIRECTOR

Carrick Hill Trust

Administrative Services Officers															
Trainees			0	1		1			0			0	1	0	1
ASO1			0			0			0			0	0	0	0
ASO2			0			0			0			0	0	0	0
ASO3			0			0			0			0	0	0	0
ASO4			0			0			0			0	0	0	0
ASO5		1	1			0			0			0	0	1	1
ASO6			0			0			0			0	0	0	0
ASO7			0			0			0			0	0	0	0
ASO8	1		1			0			0			0	1	0	1
Managers Administrative Services															
MAS1			0			0			0			0	0	0	0
MAS2			0			0			0			0	0	0	0
MAS3			0			0			0			0	0	0	0
Total Administrative Services	1	1	2	1	0	1	0	0	0	0	0	0	2	1	3
OPERATIONAL SERVICES															
Trainees			0			0			0			0	0	0	0
OPS1		1	1			0			0	1	6	7	1	7	8
OPS2	3	1	4			0			0			0	3	1	4
OPS3		1	1			0			0			0	0	1	1
OPS4	1		1			0			0			0	0	0	0
OPS5			0			0			0			0	0	0	0
OPS6			0			0			0			0	0	0	0
OPS7			0			0			0			0	0	0	0
Total Operational Services	4	3	7	0	0	0	0	0	0	1	6	7	5	9	14
TOTAL OF ALL STREAMS	5	4	9	1	0	1	0	0	0	1	6	7	7	10	17

In addition, one re-deployee from the Department for Administrative and Information Service, continued working in the garden and grounds of Carrick Hill.

Management development

DEVELOPMENT PLAN AND QUALIFICATIONS (PUBLIC SECTOR MANAGEMENT ACT EMPLOYEES)										
	% of employees with a documented individual development plan which was either implemented or revised during the last 12 months					Number of employees enrolled or completed a qualification (or a unit from a qualification) from an accredited training package				
	00/01	01/02	Target 02/03	Outcome 02/03	Target 03/04	00/01	01/02	Target 02/03	Outcome 02/03	Target 03/04
Executives	n/a	n/a	n/a	n/a	n/a		n/a	n/a	n/a	n/a
Senior Managers*	n/a	100	90	100	90		n/a	0	0	0
Middle Managers*	n/a	n/a	90	0	90		n/a	0	0	0
First Line Supervisors*	n/a	0	90	0	90		n/a	0	0	0
Others	n/a	0	90	0	90		2	1	2	1
TOTAL	n/a	5	90	5	90		2	1	2	1

Training

TRAINING EXPENDITURE (PUBLIC SECTOR MANAGEMENT ACT EMPLOYEES)										
	% of training expenditure relative to total remuneration costs					% of training expenditure spent on leadership and management training relative to total remuneration costs (Benchmark of 2% determined by Senior Management Council)				
	00/01	01/02	Target 02/03	Outcome 02/03	Target 03/04	00/01	01/02	Target 02/03	Outcome 02/03	Target 03/04
Executives	n/a	n/a	n/a	n/a	n/a			n/a	n/a	n/a
Senior Managers*	n/a	0	2	0.68	3			2	0	2
Middle Managers*	n/a	n/a	2	0.16	3			2	0	2
First Line Supervisors*	n/a	1.47	2	3.73	3			2	0	2
Others	n/a	0	2	0.35	3					
TOTAL	n/a	0.14	2	1.23	3	n/a	0	2	0	2

Leave management

	1999-2000	2000-2001	2001-02	2002-03
Average number of sick leave hours taken per FTE	Not available	24.68	46.88	35.18
Average number of family carer leave hours taken per FTE	Not available	0	0	0
Average number of special leave with pay hours for individual needs & responsibilities taken per FTE	Not available	Not available	Not available	1.05

Please note: the figure for 2000-01 included casuals, information for subsequent years does not include casuals

Workforce diversity

Indigenous employees - Nil
Disabled employees - Nil

Cultural and linguistic diversity

	Total Employees	Country of Birth				Main Language spoken at home			
		Australia (No of employees)		Other (No of employees)		English (No of employees)		Other (No of employees)	
		Male	Female	Male	Female	Male	Female	Male	Female
Executives	0	0	0	0	0	0	0	0	0
Senior Managers*	1	1	0	0	0	1	0	0	0
Middle Managers*	1	0	0	0	1	0	1	0	0
First line supervisors*	2	0	2	0	0	0	2	0	0
Others	13	6	7	0	0	6	7	0	0
TOTAL	17	7	9	0	1	7	10	0	0

Voluntary flexible working arrangements

Type of Arrangement	Total Employees	Number of employees using a Voluntary Flexible Working Arrangement			
		Executive		Non-Executive	
		Male	Female	Male	Female
Purchased Leave	17	0	0	0	0
Flexitime	17	0	0	5	4
Compressed Weeks	17	0	0	0	0
Part-time and Job Share	17	0	0	2	9
Working from Home	17	0	0	0	0
TOTAL	17	0	0	7	13

Age profile

Age Group (years)	Number of Employees (Persons)			% of all agency employees	% of South Australian Workforce*
	Male	Female	Total		
15-19	0	0	0	0	7.3
20-24	2	2	4	23.5%	10.3
25-29	0	0	0	0	10.7
30-34	0	0	0	0	11.5
35-39	1	0	1	5.9%	11.4
40-44	2	5	7	41.2%	13.1
45-49	1	2	3	17.6%	12.1
50-54	0	0	0	0	10.8
55-59	1	1	2	11.8%	7.6
60-64	0	0	0	0	3.7
65+	0	0	0	0	1.5

* *South Australian Workforce information [as at February 2003] sourced from ABS Supertable C2* <http://abs.sagrn.sa.gov.au/abs/abs@.nsf/abshome>

Volunteers

Carrick Hill greatly benefits from the invaluable work of 118 volunteers whose dedication significantly enhances the visitor experience to the estate.

In addition, the marvellous work by '*The Friends of Carrick Hill*' in organising fund-raising activities and contributions to the collection, play a vital role in ensuring continued benefit for future generations.

Equal employment opportunity programs

Carrick Hill participated in the SA Government Youth Training Scheme. At the commencement of 2002-03, two (1-year) traineeships were under way, one in horticulture, which concluded in Jan'03 and the other clerical, which concluded in Feb'03. In April 2003 a new candidate was selected to commence an horticulture traineeship.

Fraud

There were no instances of fraud detected. The Carrick Hill Trust maintains a comprehensive system of checks and balances to control and prevent fraud under the advice of the Auditor-General's Department.

Financial Performance

- **Audited Financial Statements**
(see Appendix A)
- **Other Financial Information**

Attendances (including functions)

(2002 – 2003)	44,329
(2001 – 2002)	50,698
(2000 – 2001)	58,818
(1999 – 2000)	47,076
(1998 - 1999)	55,711
(1997 - 1998)	45,488

Exhibitions

Carrick Hill Trust

- Hosted 2 Exhibitions

Occupational health, safety and injury management (OHS&IM)

OHS&IM summary

During 2002-2003, Occupational Health, Safety and Injury Management continued to be a major focus throughout Arts SA. The organisation is committed to providing a safe work environment for our employees through achieving and maintaining compliance to the WorkCover Performance Standards for Self Insurers. Agencies within Arts SA are committed to sharing information and resources to ensure the effective management and continuous improvement of our OHS&W and IM Management System.

A WorkCover audit of Arts SA in March/April 2003 concluded that Arts SA “is moving positively to being able to demonstrate its ability to meet the standards” but that “further time is required to enable the organisation to demonstrate full compliance”.

A key achievement for this year was the development and implementation of a comprehensive OHS&W and IM Management System. This system comprises policies and procedures that address the hazards and risks associated with the wide range of activities undertaken throughout Arts SA.

Further information regarding Arts SA’s activity in regard to the WorkCover Performance Standards is provided below.

Policy and Commitment

A common OHS&W “Statement of Commitment” has been endorsed by the Responsible Officers for each area of Arts SA. The development, planning and monitoring of OHS&W is undertaken by the Arts Central Consultative Committee, a group comprising management and employee representatives from all areas of Arts SA. This committee met fortnightly throughout 2002-2003 and took the primary role in driving the development of the OHS&W and IM Management System.

In this financial year significant funds were allocated to OHS&W and IM. This included investment in human resources, training and improvements to facilities and equipment.

Planning

OHS&W considerations are incorporated into Arts SA strategic and business plans. In addition, the Arts SA OHS&W Action Plan 2002-2005 prescribes the planned activity in relation to health and safety. This includes comprehensive activity in relation to Arts SA’s major workplace hazards of plant and equipment, hazardous substances and manual handling. To date, 70% of the actions outlined in the plan have been undertaken.

Implementation

The Arts Central Consultative Committee and a network of eight agency/worksite committees throughout the organisation drive implementation of the OHS&W Action Plan. Support is also provided by our fourteen fully trained Health and Safety Representatives. Regular communication and consultation with employees regarding health and safety issues is facilitated through managers, committees and health and safety representatives.

Key activity during 2002-2003 included:

- Completion of the OHS&W Management System, which included development and implementation of 40 policies and procedures;
- Conducting an “individual skills audit” for all employees to confirm their skill level against the requirements of their current job and identify training needs;
- Implementation of an OHS&W training program for executives, managers and employees with approximately 3500 hours of training conducted this year;
- Completion of hazardous substances inventories for all work sites and achievement of reductions in the types and volumes of chemicals stored;
- Identification of all high risk plant, activities and chemicals and completion of associated risk assessments and safe operating procedures;
- Consultation / involvement of employees in all agencies in the development of the management system, undertaking of risk assessments and implementation of safe operating procedures;
- Development and implementation of an accident/incident reporting and investigation procedure;
- Development of an Arts SA Injury Management Manual which included development of policies and documenting current procedures;
- Increased use of rehabilitation / return to work plans.

Measurement and Evaluation

The Arts SA OHS&W Monitoring and Reporting Framework defines the role that responsible officers, managers and committees take in monitoring and evaluating Arts SA’s OHS&W and IM performance. Measurement and evaluation of the system occurs through internal audits, regular reporting and achievement against key performance indicators (KPI). Currently Arts SA is averaging 70 – 90% achievement against its KPI’s.

A major focus for 2003-2004 will be the training of internal audit teams and full implementation of a program of internal audits.

Review and Improvement

Review and improvement of Arts SA’s OHS&W Management System is continuous. To date the majority of improvement activity has been a result of employee or committee consultation, incident investigations, system tests and hazard reports.

With the full implementation of internal audits in the next year, it is expected that this activity will become the primary driver for ongoing review and improvement. In addition, during 2003-2004 the focus of the Arts Central Consultative Committee will shift from system development and implementation to system improvement and review.

Note: For further information on OHS&W refer to Appendix B.

Consultants

Below \$10,000 - 1 Consultancy \$2232

Above \$10,000 - Nil

OTHER MATTERS

Overseas Travel

Nil

Contractual arrangements

Nil

Account Payment Performance

Annual payment statistics for the 2002/03 Financial Year

	No. of Ac's Paid	% of Total Ac's Paid	\$ Value of Ac's Paid	% \$ of Total Ac's Paid
Paid by the due date	524	88%	288,913	97%
Paid late and paid 30 days or less from due date	52	9%	5,060	2%
Paid late and paid more than 30 days from due date	19	3%	2,298	1%
Total Accounts Paid	595	100%	296,271	100%

Disability Action Plans

Carrick Hill is understanding of the needs of people with disabilities and we ensure that appropriate assistance is provided wherever possible. We have procedures in place where the elderly and disabled have use of the 'service entrance', which enables them to conveniently alight adjacent to the house. Every effort is made to ensure that all paths provide safe access for people walking around the estate, whether aided or unaided, and also for wheelchair use.

Energy Efficiency Action Plan Reports

Over the past 12 months Carrick Hill has developed procedures, which have helped reduce our power bills by almost 20%. These procedures have included not turning on any lights in the house until the first visitors arrive and turning off the lights again on those occasions when the house is vacant of visitors. Time clocks have been installed on fountain pumps in the gardens so that they only operate during public hours. The staff use the energy saving power management systems on their computers and turn them off when they leave their desks for an extended period and again at the end of the day. All air conditioners are serviced as part of a regular maintenance program, which keeps the filters clean, and temperature levels are set to ensure maximum efficiency.

Carrick Hill Trust

Aboriginal Reconciliation Statement

The Department of the Premier and Cabinet (DPC) has produced an overarching reconciliation statement and reconciliation action plan. Carrick Hill will follow the guidelines as set by DPC.

Freedom of Information

Any *Freedom of Information* requests can be forwarded to:

The Director, Carrick Hill
46 Carrick Hill Drive
Springfield SA 5062

There is no fee charged for copies of the annual report however formal requests under the *Freedom of Information Act 1991* will attract the set application fee of \$20.00. The Annual Report is also available free from our website at www.carrickhill.sa.gov.au

APPENDIX B - OCCUPATIONAL HEALTH AND SAFETY INFORMATION

		2002/03	2001/02
1	OHS legislative requirements		
	Number of notifiable occurrences pursuant to OHS&W Regulations Division 6.6	Nil	Nil
	Number of notifiable injuries pursuant to OHS&W Regulations Division 6.6	Nil	Nil
	Number of notices served pursuant to OHS&W Act s35, s39 and s40	Nil	Nil
2	Injury Management legislative requirements		
	Total number of employees who participated in the rehabilitation program	Nil	Nil
	Total number of employees rehabilitated and reassigned to alternative duties	Nil	Nil
	Total number of employees rehabilitated back to their original work	Nil	Nil
3	WorkCover Action Limits		
	Number of open claims as at 30 June	Nil	Nil
	Percentage of workers compensation expenditure over gross annual remuneration	Nil	Nil
4	Number of injuries		
	Number of new workers compensation claims in the financial year	Nil	Nil
	Number of fatalities, lost time injuries, medical treatment only	(F) Nil (MTO) Nil (LTI) Nil	Nil Nil Nil
	Total number of whole working days lost	Nil	Nil
5	Cost of workers compensation		
	Cost of new claims for financial year	Nil	Nil
	Cost of all claims excluding lump sum payments	Nil	Nil
	Amount paid for lump sum payments	s42 Nil s43 Nil s44 Nil	Nil Nil Nil
	(s42, s43, s44)		
	Total amount recovered from external sources (s54)	Nil	Nil
	Budget allocation for workers compensation	2,000	3,000
6	Trends		
	Injury frequency rate for new lost-time injury/disease for each million hours worked	Nil	Nil
	Most frequent cause (mechanism) of injury	28	Nil
	Most expensive cause (mechanism) of injury	N/a	Nil
7	Meeting the organisation's strategic targets		
	<i>Refer to OHS&IM section</i>		

Mechanism 28 = Being hit by moving objects

CARRICK HILL TRUST
Statement of Financial Performance for the year ended 30 June 2003

	Note	2003 \$'000	2002 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Grant from State Government – operations		646	600
Sale of goods		32	41
Admissions		71	91
Fees for services		52	59
Interest		10	4
Other revenues		51	49
Total Revenues		862	844
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	3	466	465
Accommodation and service costs		43	46
Depreciation	3	92	75
Other expenses	3	243	331
Total Expenses		844	917
SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES			
		18	(73)
NON-OWNER TRANSACTION CHANGES IN EQUITY:			
Net credit to asset revaluation reserve on revaluation of non-current assets	9	3,498	686
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH THE STATE GOVERNMENT AS OWNER			
		3,516	613

Statement of Financial Position as at 30 June 2003

	Note	2003 \$'000	2002 \$'000
CURRENT ASSETS			
Cash assets		126	97
Inventories		26	25
Prepayments		15	6
Total Current Assets		167	128
NON-CURRENT ASSETS			
Property, plant and equipment	4	3,694	3,761
Heritage collections	5	11,467	7,960
Total Non-Current Assets		15,161	11,721
TOTAL ASSETS		15,328	11,849
CURRENT LIABILITIES			
Payables	6	7	20
Revenue received in advance		31	34
Provision for employee entitlements	7	32	39
Total Current Liabilities		70	93
NON-CURRENT LIABILITIES			
Payables	6	5	6
Provision for employee entitlements	7	57	70
Total Non-Current Liabilities		62	76
TOTAL LIABILITIES		132	169
NET ASSETS		15,196	11,680
EQUITY			
Asset Revaluation Reserve	8	7,758	4,260
Accumulated surplus	9	7,438	7,420
TOTAL EQUITY		15,196	11,680
COMMITMENTS	10		
CONTINGENT LIABILITIES	11		

Statement of Cash Flows for the year ended 30 June 2003

	Note	2003 \$'000	2002 \$'000
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts</i>			
Sale of goods		32	41
Fees for services and admissions		120	148
Interest		10	4
Other revenue		43	49
<i>Payments</i>			
Employee costs		(486)	(468)
Accommodation and service costs		(43)	(46)
Other expenses		(275)	(321)
 Cashflows From Government			
Grants from State Government		646	600
NET CASH PROVIDED BY OPERATING ACTIVITIES	12	47	7
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Payments for:</i>			
Property, plant and equipment		(18)	-
NET CASH USED IN INVESTING ACTIVITIES		(18)	-
NET INCREASE IN CASH HELD		29	7
CASH AT 1 JULY		97	90
CASH AT 30 JUNE		126	97

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Objectives

The Carrick Hill Trust (The Trust) is committed to preserving and improving the real and personal property forming the original Hayward Bequest and to encourage the use of the property as a widely based cultural, botanical and recreational resource.

2. Summary Of Significant Accounting Policies

(a) Basis of Accounting

The general purpose financial report has been prepared in accordance with the Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the Public Finance and Audit Act 1987, Statements of Accounting Concepts, applicable Australian Accounting Standards, applicable Urgent Issues Group Consensus Views and other mandatory reporting requirements. The report is prepared on the accrual basis of accounting and in accordance with conventional historical cost principles except where stated.

(b) The Reporting Entity

The Trust's principal source of funds consists of grants from the State Government. In addition, the Trust also receives monies for admissions and other receipts and uses the monies for achievement of its objectives.

(c) Change in Accounting Policies

There have been no changes in accounting policies during 2002-2003.

(d) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Government Grants are recognised as revenues in the period in which the Trust obtains control over the grants.

(e) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets acquired after 1 July 1996. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

(f) Valuation of Non-Current Assets

The Trust, in accordance with the transitional provisions of Accounting Standard AASB1041 "Revaluation of Non-Current Assets" and Accounting Policy Statement No. 3 "Valuation of Non-Current Assets", has continued to apply the deprival value methodology as the basis of valuing its non-current assets, with the exception of Heritage Assets, until 30 June 2005.

Land and Buildings

Land and buildings have been valued at replacement cost. Valuations of land and buildings were determined as at 30 June 2002 by the Australian Valuation Office. Land and buildings are independently valued every three years.

Plant and Equipment

Plant and equipment, including computer equipment has been valued at cost of acquisition.

Heritage Collections

Heritage collections have been valued at fair value in accordance with AASB 1041 "Revaluation of Non-Current Assets" as at 30 June 2003. Bruce's Auctions Pty Ltd, representatives for Christies in Adelaide, determined the valuations.

(g) Depreciation of Non-Current Assets

Depreciation is calculated on a straight-line basis to write off the net cost or revalued amount of each non-current asset over its expected useful life except for land and heritage collections, which are not depreciable. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

The expected useful lives are as follows:

Buildings and improvements	Useful life depends on individual asset
Plant and Equipment	5 years

Heritage collections are kept under special conditions so that there is no physical deterioration and they are anticipated to have very long and indeterminate useful lives. No amount for depreciation has been recognised, as their service potential has not, in any material sense, been consumed during the reporting period.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Employee Benefits

- (i) *Liabilities for Wages, Salaries and Annual Leave*
 Liabilities for wages, salaries and annual leave have been recognised as the amount unpaid at the reporting date. The liabilities have been calculated at nominal amounts based on current wage and salary rates and a salary inflation rate of 4% as determined by the Department of Treasury and Finance.
- (ii) *Long Service Leave*
 A liability for long service leave has been recognised which represents the amount which the Trust has a present obligation to pay resulting from employees' services provided up to the reporting date. The liability has been calculated at nominal amounts based on current wage and salary rates using a benchmark of 7 years of service and a salary inflation rate of 4% as determined by the Department of Treasury and Finance.
- (iii) *Superannuation*
 Contributions are made by the Trust to several superannuation schemes operated by the State Government and private sector. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the superannuation schemes.

(j) Workers Compensation

A liability has been reported to reflect unsettled workers compensation claims. The amounts recorded are based on an actuarial assessment and reflect an apportionment of the whole-of-government estimate of workers compensation liability according to the Trust's experience of claim numbers and payments over the period 1 July 1987 to 30 June 2003. A separate valuation of the liabilities of the Trust has not been undertaken and if such a valuation was performed it may result in a different assessed liability.

(k) Cash Assets

For purposes of the Statement of Cash Flows, cash assets includes cash on hand and at bank.

(l) Comparative Information

Where necessary comparative information has been adjusted to conform with changes in the presentation in 2002-2003.

(m) Accounting for the Goods and Services Tax (GST)

In accordance with the requirements of the Urgent Issues Group UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)" revenues, expenses and assets are recognised net of the amount of GST.

The amount of GST incurred by the Trust as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or part of an item of expense.

The net GST receivable/payable to the Australian Taxation Office is not recognised as a receivable/payable in the Statement of Financial Position as the Trust is a member of an approved GST group of which Arts SA, a division of the Department of the Premier and Cabinet, is responsible for the remittance and collection of GST. There are no cash flows relating to GST transactions with the Australian Taxation Office in the Statement of Cash Flows.

(n) State Government Funding

The financial reports are presented under the assumption of ongoing financial support being provided to the Trust by the State Government.

3. Expenses from Ordinary Activities

	2003 \$'000	2002 \$'000
Employee costs were incurred in relation to the following:-		
Wages and salaries	407	388
Superannuation and payroll tax expenses	64	58
Annual and long service leave expenses	(6)	-
Workers compensation	(15)	-
Other employee related expenses	16	19
	<u>466</u>	<u>465</u>

Depreciation was charged in respect of:-		
Buildings and improvements	85	73
Plant and equipment	7	2
	<u>92</u>	<u>75</u>
Other expenses comprised the following categories of expenditure:-		
Cost of sales	15	21
Operating lease expenditure	19	21
Maintenance – Buildings and Grounds	50	39
Exhibitions	23	15
Insurance	33	28
Motor Vehicle expenses	18	19
Marketing	16	32
Other expenditure	69	156
	<u>243</u>	<u>331</u>

4. (a) Property, Plant and Equipment

	2003			2002		
	Gross Value	Accum. Deprec.	Written Down Value	Gross Value	Accum. Deprec.	Written Down Value
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land, buildings and improvements						
- at valuation	6,939	3,264	3,675	6,939	3,179	3,760
Plant and equipment – at cost	65	46	19	32	31	1
	<u>7,004</u>	<u>3,310</u>	<u>3,694</u>	<u>6,971</u>	<u>3,210</u>	<u>3,761</u>

(b) Reconciliation of Carrying Amounts of Property, Plant and Equipment

	Land, Buildings & Improvements	Plant & Equipment	Total
	\$'000	\$'000	\$'000
Carrying Amount at 1 July	3,760	1	3,761
Additions	-	32	32
Depreciation expense	(85)	(7)	(92)
Prior Year Adjustments (1)	-	(7)	(7)
Carrying Amount at 30 June	<u>3,675</u>	<u>19</u>	<u>3,694</u>

(1) An asset was recognised for the first time with the gross value of the asset was \$14,000 with accumulated depreciation of \$7,000

5. (a) Heritage Collections

	2003		2002	
	At Valuation	Total	At Valuation	Total
	\$'000	\$'000	\$'000	\$'000
Paintings, works on paper and sculptures	10,809	10,809	7,368	7,368
Furniture and artefacts	603	603	537	537
Books	55	55	55	55
	<u>11,467</u>	<u>11,467</u>	<u>7,960</u>	<u>7,960</u>

(b) Reconciliation of Carrying Amounts of Heritage Collections

	Paintings, works on paper and sculptures	Furniture and artefacts	Books	Total
	\$'000	\$'000	\$'000	\$'000
Carrying Amount at 1 July	7,368	537	55	7,960
Additions	-	9	-	9
Revaluations	3,441	57	-	3,498
Carrying Amount at 30 June	<u>10,809</u>	<u>603</u>	<u>55</u>	<u>11,467</u>

6. Payables

	2003	2002
	\$'000	\$'000
Current		
Creditors and accruals	3	15
Employee costs	4	5
	<u>7</u>	<u>20</u>
Non-Current		
Employee costs	5	6
	<u>5</u>	<u>6</u>

7. (a) Provision for Employee Entitlements

	2003	2002
	\$'000	\$'000
Current		
Provision for annual leave	24	28
Provision for long service leave	4	4
Provision for workers compensation	4	7
	<u>32</u>	<u>39</u>
Non-Current		
Provision for long service leave	45	46
Provision for workers compensation	12	24
	<u>57</u>	<u>70</u>

(b) Summary of Employee Benefits and Related On-Cost liabilities

	2003	2002
	\$'000	\$'000
Annual Leave		
Included in payables – current (refer note 6)	4	5
Provision for employee benefits – current (refer note 7(a))	24	28
	<u>28</u>	<u>33</u>
Long Service Leave		
Included in payables – current (refer note 6)	-	-
Provision for employee benefits – current (refer note 7(a))	4	4
Included in payables – non current (refer note 6)	5	6
Provision for employee benefits – non current (refer note 7(a))	45	46
	<u>54</u>	<u>56</u>
Workers Compensation		
Provision for employee benefits – current (refer note 7(a))	4	7
Provision for employee benefits – non current (refer note 7(a))	12	24
	<u>16</u>	<u>31</u>
Aggregate employee benefits and related on-cost liabilities	<u>98</u>	<u>120</u>

8. Asset Revaluation Reserve

	Land, Buildings & Improvements	Heritage Collections	Total
	\$'000	\$'000	\$'000
2003			
Balance at 1 July	923	3,337	4,260
Movements in reserves	-	3,498	3,498
Balance at 30 June	<u>923</u>	<u>6,835</u>	<u>7,758</u>
2002			
Balance at 1 July	237	3,337	3,574
Movements in reserves	686	-	686
Balance at 30 June	<u>923</u>	<u>3,337</u>	<u>4,260</u>

9. Accumulated Surplus

Balance at 1 July	7,420	7,493
Surplus (Deficit) from Ordinary Activities	18	(73)
Balance at 30 June	<u>7,438</u>	<u>7,420</u>

10. Commitments for Expenditure

Operating Leases

Commitments under non-cancellable operating leases at the reporting date are payable as follows:

	2003	2002
	\$'000	\$'000
Not later than one year	14	17
Later than one year and not later than five years	9	11
	<u>23</u>	<u>28</u>

The operating lease commitments, which are not recognised in the financial report as liabilities, comprise:

- non-cancellable motor vehicle leases, with rental payable monthly in arrears. No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their terms.
- A non-cancellable photocopier lease, with rental payable monthly in arrears. No contingent rental provisions exist within the lease agreement and no option exists to renew the lease at the end of its term.

11. Contingent Liabilities

There are no known contingent liabilities as at 30 June 2003.

12. Reconciliation of Net Cash provided by Operating Activities to Surplus/Deficit from Ordinary Activities

	2003	2002
	\$'000	\$'000
Surplus (Deficit) from Ordinary Activities	18	(73)
Non cash items		
Depreciation expense	92	75
Prior year adjustments	7	-
Change in operating assets and liabilities		
(Increase) Decrease in assets	(33)	(1)
Increase (Decrease) in liabilities	(37)	6
Net cash provided by operating activities	47	7

13. Payments to Consultants

There were no payments to consultants during 2002-2003 or 2001-2002.

14. Remuneration of Trust Members

The number of Trust Members who received income from the Trust fell within the following bands:-

	Number of Trust Members 2003	Number of Trust Members 2002
\$0 - \$9 999	7	8

The total income received by these Trust Members for the year was \$11,000 (\$12,000).

15. Remuneration of Auditors

Audit fees in relation to the financial year ended 30 June 2003 are \$10,000 (\$9,000).

The auditors provided no other services to the Trust.

16. Related Party Disclosures

During the financial year the following persons held a position on the Trust Board:

Ms Fiona Adler, Chair; Mr Robert Donald Hill-Ling, Deputy Chair; Mr Ivan Brooks, Ms Lowen Partridge, Mr G Van Holst Pellekann, Ms Deborah Anne Kingsbury and Ms Susan E O'Connor.

Trust members or their related entities have transactions with the Trust that occur within a normal customer or supplier relationship on terms and conditions no more favourable than those with which it is reasonably expected the entity would have adopted if the transactions were undertaken with any other entity at arm's length in similar circumstances.

17. Targeted Voluntary Separation Package Scheme (TVSPs)

There were no TVSPs paid in either 2002-2003 or 2001-2002.

18. Remuneration of Employees

There were no employees whose annual remuneration was over \$100 000 for either 2002-2003 or 2001-2002.

19. Financial Instruments**(a) Terms and Conditions**

Financial Instrument	Note	Accounting Policies and Methods	Nature of Underlying Instrument
Financial Assets			
Cash assets		Cash at bank is recorded at its nominal amount. Interest revenue is recorded on an accrual basis although some funds held within the total cash balance are non-interest bearing.	Interest is calculated based on the average daily balances of the interest bearing funds. The interest bearing funds of the Carrick Hill Trust are the Special Deposit Account titled "Arts South Australia Operating Account" and the Deposit Account titled "Carrick Hill Trust Account". The interest rate is the Treasurer's Approved Rate of Interest on Deposit Accounts, which is currently 4.60% as at 30 June 2003.
Financial Liabilities			
Payables	6	Payables are recorded at the agreed amounts at which the liabilities are to be settled. They are recorded when invoices are received.	Terms of payment are 30 days unless otherwise agreed in the terms and conditions of individual contracts.

Carrick Hill Trust
(b) Interest Rate Risk

Financial Instrument	2003				2002			
	Interest Rate %	Interest Bearing - Floating Interest Rate \$'000	Non-Interest Bearing \$'000	Total \$'000	Interest Rate %	Interest Bearing - Floating Interest Rate \$'000	Non-Interest Bearing \$'000	Total \$'000
<i>Financial Assets</i>								
Cash assets	4.60	<u>124</u>	<u>2</u>	<u>126</u>	4.17	<u>95</u>	<u>2</u>	<u>97</u>
<i>Financial Liabilities</i>								
Payables		=	<u>3</u>	<u>3</u>	-	=	<u>15</u>	<u>15</u>

(c) Net Fair Values of Financial Assets and Liabilities

Financial Instrument	Note	2003	Net	2002	Net
		Total Carrying Amount \$'000	Fair Value \$'000	Total Carrying Amount \$'000	Fair Value \$'000
Cash assets		<u>126</u>	<u>126</u>	<u>97</u>	<u>97</u>
Payables	6	<u>3</u>	<u>3</u>	<u>15</u>	<u>15</u>

The net fair value is determined as the carrying value of all assets and liabilities.

(d) Credit Risk Exposure

The Trust's maximum exposure to credit risk at reporting date in relation to financial assets is the carrying amount of those assets as indicated on the Statement of Financial Position. The Trust has no significant exposures to any concentrations of credit risk

In our opinion, the attached Financial Statements of the Carrick Hill Trust, being the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows for the year ended 30 June 2003 and notes thereto, present fairly, in accordance with Statements of Accounting Concepts, applicable Accounting Standards, applicable Urgent Issues Group Consensus Views, the Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the Public Finance and Audit Act, 1987, the financial position of the Carrick Hill Trust as at 30 June 2003 and the results of its operations and its cash flows for the year then ended. In addition, we consider the internal controls over financial reporting have been effective throughout the reporting period.

Alan Smith
DIRECTOR, CARRICK HILL

Fiona Adler
CHAIRMAN, CARRICK HILL TRUST

