

MONTSALVAT LTD

**22
23**

ANNUAL REPORT



Montsalvat acknowledges the Wurundjeri Woi-Wurrung People of the South-Eastern Kulin Nation as the traditional custodians of the lands and waters on which it is located. We extend our respect to their Ancestors and Elders past and present and to all First Nation Peoples.

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VISION

Montsalvat is renowned and respected as an inspiring and living accessible home for arts, culture and ideas which values its heritage, is engaged with its community and where artistic pursuits are created, learnt, exhibited, performed, promoted and held in trust for the people of Victoria.

OUR PURPOSE (MISSION)

Montsalvat is built on an understanding of the culture and legacy of the founding families that continues to develop as a living, thriving artistic community that educates and promotes local, national and international arts and cultural practice. We work to conserve and enhance our magnificent natural site, unique buildings and collections so that present and future generations can draw inspiration from Montsalvat's beauty and creative heritage. We will engage with and attract past, present and new audiences and provide people with diverse creative experiences.

VALUES

RESPECT for our visitors, our artists, for each other and for our colleagues in the wider community

EXCELLENCE in all we do – in the arts and in maintaining our heritage buildings and grounds

INTEGRITY through acting in a fair, honest, and non-discriminatory manner whilst promoting an inclusive, caring environment

INNOVATION by encouraging new ways of thinking and working in all that we do and supporting our people to take measured risks to this end

ACCOUNTABILITY through our own our actions and behaviours and take responsibility for them

INCLUSIVITY we will provide an environment and service culture that is engaging, open and accessible to all

CHAIR'S REPORT

Overview

As Australia's oldest continuously active artists' community, Montsalvat has seen many developments, challenges and accomplished numerous artistic endeavours. Once a private semi-rural retreat for artists, it has evolved into a public hub of creative opportunity in our great country that prides itself on a commitment to heritage, arts and culture. Montsalvat has long been a contributor to that history and commitment. Its perfect environment for creativity, education and exploration articulates why artists, students and visitors gravitate to these Melbourne hills for inspiration.

Montsalvat is also a place of welcome to all – the young and not so young, committed and curious. Everyone is invited to find peace and pleasure in Montsalvat's lovingly tended gardens, enjoy Montsalvat's exhibitions, concerts and festivals, its restaurant and hospitality and marvel at its complex of buildings that evoke a European past, whilst exemplifying a very Australian trait of recycling and architectural inventiveness.

During this financial year we experienced the ongoing challenges and aftermath of the global pandemic, which began in early 2020. The impact of Covid-19 continued with human, environmental and economic impacts on a global scale. Montsalvat did not escape from these impacts, with a community that was still often hesitant to move too far from home. Like many other arts organisations, Montsalvat has been severely impacted financially and it will take some time to recover from this challenging situation. We have, however, made great progress during this twelve-month period to transition to a sustainable position.

My sincere thanks go to the many supporters of Montsalvat which includes Creative Victoria, Nillumbik Shire Council, our local members, donors, Friends, volunteers, artists and visitors. Our patrons, Barbara van Ernst AM, Morag Fraser AM, Dr Barry Jones AC and Phillip Adams AO have provided great support during these twelve months.

The Board and Governance

Montsalvat Ltd, with its executive and staff, is responsible for sustaining Montsalvat's ongoing commitment to the creation, performance and teaching of art in its many forms. The tradition began in the 1930s, with the Jørgensen and Skipper families and the artists and friends who supported them. The Montsalvat Ltd Board, as Trustee since the Board's formal establishment in 2007, continues the commitment to provide for artists and foster education programs that spark innovation, engagement and encourage the highest standards from all who participate in them.

In addition to the ongoing challenges during this year, the Board's task was to continue to ensure the structural and financial integrity of this well-loved heritage institution. Montsalvat is unique in Australia for its French-provincial-derived architectural style and its locally devised building methods. The care and ongoing maintenance of the buildings and gardens are part of Montsalvat's commitment to providing artists and the public with an inspiring gathering place. Montsalvat's arts activities are financially underpinned through a diversity of events and celebrations, for which Montsalvat is an ideal site.

Montsalvat Ltd is a not-for profit company, with its Board Directors volunteering their services. The Board met on six occasions. Their professional experience covered the arts, music, land use planning, law, journalism, interior and building design, finance, business, philanthropy, governance and marketing.

The Board undertakes regular succession planning in accordance with Montsalvat's constitutionally mandated criteria for selection, and its own assessment of the capabilities required to meet Montsalvat's objectives.

In November 2022, Ron Brown was appointed as a co-opted member until the 2023 AGM. At the December 2022 Annual General Meeting John Howie AM, Peter Sexton and Barbara van Ernst AM were appointed to the Board for a three-year period. Elizabeth Hill-Cooper was elected as a co-opted member for three years.

The Montsalvat Board and senior staff reviewed its Strategic Plan at a workshop in December 2022. It was formally adopted at the Board meeting in February 2023. Our vision is: 'Montsalvat is renowned and respected as an inspiring and living accessible home for arts, culture and ideas which values its heritage, is engaged with its community and where artistic pursuits are created, learnt, exhibited, performed, promoted and held in trust for the people of Victoria'.

In 2024, Montsalvat will celebrate its 90th Birthday and our overarching objective is that Montsalvat will continue to be a living, thriving artistic community that is welcoming to all.

Montsalvat Ltd.'s foundational governance documents – Constitution, Governance Plan, Delegation of Authority Policy and Committees' Terms of Reference – are regularly reviewed and updated to comply with government regulations and to reflect best practice.

I would like to acknowledge all Board member's role in progressing our vision, mission and values. Unlike many organisations, all Directors play an active role, and this outstanding dedication is appreciated and acknowledged. Board members bring a wealth of professional experience and skills and this knowledge is intrinsic to our success, now and in the future.



COMMITTEES

The Montsalvat Foundation Incorporated Committee is the body authorised to receive tax-deductible donations to Montsalvat. The Foundation is hugely grateful to all donors, volunteers and supporters who gave time and financial resources. The Foundation met on five occasions and is chaired by John Howie AM. Its AGM was held in December 2022.

Montsalvat Ltd.'s committees oversee the governance, financial sustainability and risk management, facilities management, and fundraising initiatives to progress Montsalvat's mission. They operate within their terms of reference and provide ongoing, strategic advice to the Board. In 2022-23 the following committees met regularly:

- Finance, Audit and Risk Management Committee, chaired by Peter Sexton
- Governance Committee, chaired by John Howie AM
- Fundraising Committee, chaired by John Howie AM
- Buildings and Facilities Committee chaired by Lisa Riddle

OUR ORGANIZATION

In February 2023, based on our strategic direction, the Board initiated a review of our structure which resulted in a revised management framework. The review resulted in the creation of a CEO position and other movements to job roles and responsibilities. Following extensive advertising and interest from a wide group of talented applicants, the Board was delighted to appoint Mr Matt Jones as Montsalvat's CEO. Matt commenced in May 2023.

A skilled leader in cultural and community precincts, Matt's professional background included public precinct strategic planning, creative venue management, event/program productions, business development and operational delivery in both the UK and Australia. Matt's career has included roles as CEO for Place Leaders Asia Pacific and senior positions at Federation Square including General Manager Programs and Events, Program Manager and Manager Creative Projects. Matt had also undertaken numerous high-profile, public-sector projects through his consultancy business, Matt Jones Creative Projects and managed the output of several creative artists.

Matt's academic qualifications included Bachelor of Arts with majors in English (Cultural Studies) and Anthropology (Melbourne University), Master of Arts, Media and Communications (University of London) and Committee for Melbourne Future Focus Group (Accelerated Business Leadership Program).

Matt brings an outstanding set of relevant artistic and business skills and expertise. In the short time that Matt has been with us, he has brought a particular focus on team leadership, stakeholder management and the delivery of multi-faceted projects. He has an innovative and dynamic leadership style and has provided a focus for our committed and dedicated team, and great support for the Board.

We are confident that Matt will very competently lead the organisation's next phase of strategic growth and we look optimistically towards the future, while continuing to nurture and manage Montsalvat's significant legacy and history.

I would like to acknowledge our small team of talented, dedicated and professional staff for their ongoing commitment and enthusiasm for the work that they undertake. Thanks also to Lyndel Wischer who undertook the role of General Manager until February 2023.

THE ARTS

Montsalvat's arts activities included exhibitions, classes, concerts, school excursions, film shoots, and the Montsalvat Arts Festival, all directed and developed by Montsalvat's Arts team. The progression of our partnerships with organisations such as Victorian Opera continued to develop.

This artistic program also included Montsalvat's ceramics centre, Clay Talk which has continued to expand in popularity due to our talented and inspiring tutors. Additional details on arts events are listed below.

EVENTS, COMMUNITY AND HOSPITALITY

Montsalvat's events, hospitality and promotional programs help keep Montsalvat viable as a centre for art. They also serve to welcome into Montsalvat a broad spectrum of Australian and international visitors, to enjoy the art, architecture, the gardens, and to celebrate significant milestones in their own lives. Again, credit goes to the Montsalvat team for managing this vital part of our business and ensuring that our clients have a meaningful experience. There are many complex issues to manage, and we are fortunate to have staff who are experienced, thoughtful and professional in their work. Additional details on events are listed below.

GROUNDS AND MAINTENANCE

Montsalvat has for years benefitted from the expertise and enthusiasm of our head gardener and her handy, energetic team of artisans and volunteers. Together they care for Montsalvat's gardens and unique buildings with exceptional sensitivity and regard for the unique nature of the place.

VOLUNTEERS, PARTNERS, PATRONS AND SUPPORTERS

Montsalvat is assisted in every aspect of its operations and preservation of our heritage assets by the generosity of people who assist us by giving their time, expertise and financial support.

Our partners provide us with opportunities, ideas and the resources to fund and curate exhibitions, concerts and festivals for our enthusiastic artistic and engaged community. The amazing contribution and donations from our generous patrons and supporters enable us to achieve many projects and purchase equipment that otherwise could not be possible. Our volunteers work in the gardens, in the galleries, at festivals; they operate the car parks, help out with front of house; they volunteer their expertise and labour with a friendly smile.

The Section on Governance provides details about the wonderful people and organisations who assist us to maintain and further pursue our cultural and educational objectives. Montsalvat thanks them all – we could not do without them.

CONCLUSION

This year has been a time of exceptional challenges and collectively we have managed to retain our vision and sense of purpose. My sincere thanks go to the Board, Creative Victoria, Nillumbik Shire Council, our staff, artists, volunteers, donors and patrons for your outstanding and continued contribution and commitment. This collective energy is the essence of what makes Montsalvat such a vibrant and exceptional, creative place to be. We look to the future, while acknowledging our past.

Catherine Dale (Dr)
Chair Montsalvat Ltd

CEO REPORT

I am thrilled to have the privilege of leading the next chapter of Montsalvat's evolution. Montsalvat is a true one-of-a-kind – a place of creation, celebration and commemoration.

It is a historically significant, complex and multi-stakeholder organization which provides a vibrant cultural framework, supported by a diversity of stakeholders including government, exhibiting artists, studio artists, community, patrons, donors, volunteers and visitors. Montsalvat's pioneering community has been cherished by so many generations of artists and visitors, and I intend for its legacy to thrive for generations to come.

In my initial four weeks at Montsalvat I have focused on reviewing our operational needs and determining our immediate priorities. Montsalvat is a complex site with many competing challenges and opportunities. Our heritage architecture provides an ongoing focus as we strive to maintain and enhance our essential infrastructure. As CEO I am committed to ensuring that our limited resources are used to achieve the best outcomes for Montsalvat, now and for the future.

Our dedicated and multitalented staff undertake their roles with enthusiasm and professionalism, and I have appreciated their welcoming support.

2023-2024 promises to be an exciting year as we celebrate our 90th Birthday. We will continue our efforts to present inviting and diverse programs and to look outward as an arts organization, seeking to work with cultural peers, local businesses and local artists. Through this approach, a wider net of supporters, Montsalvat's unique history, unparalleled across Australia, can be shared with confidence and with a voice that embraces the past and accepts new thought to augment programs for a generation for whom Montsalvat is seen as a new place to experience creativity and inclusivity of all makers.

Matt Jones
CEO

CULTURE AND PUBLIC PROGRAMS

Montsalvat aims to provide a diversity of artistic and educational program for all ages. This year we had just under 17,000 people visit us to attend a concert, an exhibition, participate in a class at Clay Talk, join family and friends at a celebration, or to just stroll through our wonderful gardens and enchanting buildings. Listed below is a summary of those events.

MUSIC

CLANCY MCLEOD

1 JULY 2022

TRIO ANIMA MUNDI SERIES

23 JULY 2022

15 OCTOBER 2022

FLINDERS QUARTET SERIES

7 AUGUST 2022

13 NOVEMBER 2022

28 MAY 2023

JOE CHINDAMO & ZOE BLACK SERIES

16 OCTOBER 2022

4 DECEMBER 2022

RODNEY WATERMAN

5 NOVEMBER 2022

MUSICA ETERNA

5 NOVEMBER 2022

MATTHEW RIGBY & YIYUN GU

27 NOVEMBER 2022

SHARON & SLAVA GRIGORYAN

3 DECEMBER 2022

AMY RITA

24 MARCH 2023

BONNIE BROWN, MICHELLE WOOD & CAMERON HILL

5 MAY 2023

THE BROWN & BREEN PIANO DUO & JOE CHINDAMO

12 MAY 2023

CHARM OF FINCHES

19 MAY 2023

ANJA & ZLATNA

18 JUNE 2023

MONTSALVAT JAZZ SERIES

JOHN MCCALL & DEBRA BYRNE
11 DECEMBER 2022

MARGIE LOU DYER
29 JANUARY 2023

**EUGENE BALL, BEN HANLON &
ANTHONY SCHULZ**
26 February 2023

JOE CHINDAMO TRIO
26 MARCH 2023

JACKIE BORNSTEIN QUARTET
30 APRIL 2023

REBECCA BARNARD & FRIENDS
28 MAY 2023

BOB SEDERGREEN
25 JUNE 2023



SPECIAL EVENTS & ARTS ACTIVITIES

WINTER YOUTH CHORUS SERIES

VICTORIAN OPERA X MONTSALVAT

4 - 9 JULY 2022

A cast of aspiring singers aged 15-25 years populated the Barn Gallery during the mid-year school holidays and were mentored by Victorian Opera's Artistic Director Richard Mills AM, CEO and Director Elizabeth Hill-Cooper, and Head of Music Phoebe Briggs. Studying repertoire from the opera and musical theatre they then performed alongside two of Victorian Opera's professional singers.

THE BIG FUNNY GIANT

17 SEPTEMBER 2022

MONTSALVAT ARTS FESTIVAL

1 OCTOBER 2022

Montsalvat had a brilliant Spring day for the annual Arts Festival attracting over 1400 visitors and commencing with Wurundjeri Woi-wurrung Elder Uncle Bill Nicholson, who provided a Welcome to Country and Smoking Ceremony on the central lawn. Hundreds of people engaged with the day's events which included over 19 open artist studios spotlighting painters, ceramists, printmakers, goldsmiths and more, artist demonstrations by Montsalvat studio artist Shinobu Kobayashi and exhibiting artist Lisa May as well as live music performed by Pirritu, Alwan Middle-Eastern Music Ensemble and Maddie Jackway. The day also featured roaming puppets by Sanctum Studio Productions bringing smiles to the faces of many. In addition, an array of workshops, artist talks and kids activities at Clay Talk Ceramic Centre inspired enthusiastic makers to try their hand at ceramics. The festival was a wonderful way to encourage creativity and welcome the Spring season at our unique creative precinct.

HALLOWSCREAM

31 OCTOBER 2022

MONTSALVAT ARTISAN CHRISTMAS MARKET

12 DECEMBER 2022

ROBIN HOOD**PLAYHOUSE PANTOMIMES**

5 – 8 JANUARY & 12 – 15 JANUARY
2023

VOLUNTEERING IN THE GREEN**WEDGE SHIRE**

22 JANUARY 2023

THE LOST CITY OF MELBOURNE

VALENTINE'S DAY – DIRTY DANCING
OUTDOOR CINEMA

14 FEBRUARY 2023

OUTDOOR CINEMA

1 APRIL 2023

MAD HATTER'S TEA PARTY**EASTER SUNDAY**

9 APRIL 2023

MOTHER'S DAY

14 MAY 2023

BIGGEST MORNING TEA

25 MAY 2023

EXHIBITIONS BARN GALLERY**RICK AMOR SELF-PORTRAIT PRIZE
2022**

30 JUNE – 21 AUGUST 2022

ARALUEN HOME

25 AUGUST – 18 SEPTEMBER 2022

**DIAMOND VALLEY PHOTOGRAPHIC
SOCIETY****LENS LIFE VISION**

22 SEPTEMBER – 16 OCTOBER 2022

THOU ART MUM**NATURE'S STORY**

20 OCTOBER – 13 NOVEMBER 2022

**JO CARROLL & BEV PLOWMAN
REFLECTIVE JOURNEYS**

17 NOVEMBER - 8 JANUARY 2023

LOCAL/ REMIX**NILLUMBIK SHIRE COUNCIL**

7 APRIL – 29 MAY 2022

SUSAN REDDROP SUBLIMINAL

12 JANUARY – 5 FEBRUARY 2023

IAN HIGGS & MALCOLM STEWART**FURNITURE AS SCULPTURE**

9 FEBRUARY – 5 MARCH 2023

PAT CRONIN FOUNDATION**BE WISE**

9 MARCH – 22 APRIL 2023

JUSTUS JORGENSEN UNCONSECRATED

6 - 16 APRIL 2023

**NILLUMBIK PRIZE FOR CONTEMPORARY
ART 2023**

21 APRIL - 11 JUNE 2023

JAMES VOLLER**LAYERED PERSPECTIVES**

16 JUNE – 9 JULY 2023

LONG GALLERY

9 LIVES

REBECCA ARMSTRONG | DEBRA
BILLSON | ROSE CHONG
KIRSTEN DUNKLEY | RAKSMEI
KEO | DEBORAH LADD
KATE LAMBE | MELINDA STORY |
WENDY TSE
14 JULY–31 JULY 2022

ROMA MCLAUGHLIN & KATHY
FAHEY
THE NATURAL SHAPE OF THINGS:
SEA-LAND-SKY
4 AUGUST – 28 AUGUST 2022

JULIE BRADLEY
ESSENCE - WORKS ON PAPER
1 SEPTEMBER – 25 SEPTEMBER 2022

CLAY TALK CERAMIC CENTRE 2022
EXHIBITION
29 SEPTEMBER – 23 OCTOBER 2022

SUSIE RAZ
FOR THE ONE WHOSE VOICE WAS
SILENCED
27TH OCTOBER - 20TH NOVEMBER

SPARROW HEALTH
SHOWCASE 22
25 NOVEMBER – 18 DECEMBER

EVANGELINE CACHINERO

I AM
22 DECEMBER 2022 – 29 JANUARY 2023

W. HOWARD BRANDENBURG
DISPROLIBRIUM
2 FEBRUARY – 12 MARCH 2023

CAMERON CAINE & JOANNE
MCFADYEN
ECOLOGY - GO GREEN
16 MARCH – 9 APRIL 2023

DAMIEN SKIPPER
TONALITIES & MODULATIONS
13 APRIL - 8 MAY 2023

JOHN DERRICK
REQUIEM FOR A LOST WORLD
11 MAY – 4 JUNE 2023

HAYLEY MIRO
BLACKBIRD
8 JUNE – 9 JULY 2023



RESIDENTS GALLERY

FLORENCE WANG

HOME AFAR

14 JULY – 14 AUGUST 2022

LESLEY SINCLAIR

**LANDSCAPE AND STILL LIFE FROM
THE MONTSALVAT COLLECTION**

18 - 4 SEPTEMBER 2022

LISA MAY

BIRDS OF A FEATHER

8 SEPTEMBER - 2 OCTOBER 2022

EDDIE MOSES

THE FIRST SOLO EXHIBITION

6 OCTOBER – 30 OCTOBER 2022

ROCHELLE VAN DER MERWE

LONGING & BELONGING

3 NOVEMBER – 28 NOVEMBER 2022

CARMEN TUKE

**EN PLEIN AIR - OF MONTSALVAT
AND TRAVELS**

1 DECEMBER – 24 DECEMBER 2022

FSERGEI SHATROV & KEVIN WHITE

FLUX!

30 DECEMBER 2022 – 29 JANUARY
2023

EMMA ROSE

3097

2 FEBRUARY – 26 FEBRUARY 2023

GÖRKEM ACAROĞLU

IMMUNO-BORDERCOLOGY

2 MARCH – 26 MARCH 2023

RICHARD PHETHEAN & JOHN

HIGGINS

BOLD, BAKED AND BRITISH

30 MARCH - 23 APRIL 2023

JOOYUN LIM

THE ROAD NOT TAKEN

27 APRIL - 21 MAY 2023

AN EXHIBITION OF PAINTINGS BY

HELEN SKIPPER (1914-2000)

SKY BLUE

25 MAY – 27 AUGUST 2023



EVENTS & FUNCTIONS

2022-23 ACTIVITY COUNTS

Wedding Ceremony	14
Wedding Ceremony and Dining	28
Wedding Photography	17
Memorials	39
Celebrations and Corporate	9



Memorials and Celebration of Life packages continues to grow in demand at Montsalvat. In response to this, an enhanced product offering was developed which includes a new and exciting menu selection suited to both morning and afternoon memorials. À la carte augments this offering to our clients, giving more choice than ever before. The new booking and planning process enabled a streamlined and simplified process for clients. Strong positive feedback has been received for this easy and simple process.

Our wedding packages have also been expanded to enhance our daytime wedding offerings.

Stunning contemporary menus include grazing stations, and a decadent high tea offering. A

refreshed wine list was curated with premium Australian wines continues to position Montsalvat as a destination of choice for weddings, memorials, and celebrations.



FILM AND PHOTOGRAPHY

2022-23 ACTIVITY COUNTS

FILM

Commercial Film Shoots

Non-Commercial Film Shoots

Student Film Shoots

PHOTOGRAPHY

Commercial Photography Shoots

Non-Commercial Photography Shoots

Student Photography Shoots

Unit Bases (utilizing car parks)

CLAY TALK

Clay Talk, led by master potter Sergei Shatrov, has become Montsalvat's leading arts education centre, providing a diverse range of ceramics classes and packages. These packages include children's birthday parties, school groups seeking a creative experience and special funded programs for disengaged youth.

The centre's adaptive capacity, increased visitation numbers to its site, exceptional resilience and high standards have ensured continued participation and contributed to an enhanced arts experience for Montsalvat visitors. Operating actively six days a week, Clay Talk stands as a model for success in arts education, demonstrating the transformative power of inclusivity and community engagement, including partnerships with local schools for work experience. Clay Talk's presence has become synonymous with the vibrant arts scene such as the Warrandyte Expo and the Eltham Rotary Festival, attracting a diverse audience interested in ceramics and broader artistic endeavours.

Despite a range of national financial constraints, the centre has demonstrated remarkable resilience. Overcoming economic challenges and the prohibitive cost of materials for pottery classes, Clay Talk has maintained solid participation rates in its term classes. This resilience is credited to Clay Talk's innovative approach, aligning its offerings with the evolving needs of the community, and delivering a valuable and sought-after artistic experience. The centre's ability to maintain these standards has solidified its position, underscoring the strength of its loyal followers and supporters, its unwavering commitment to superior customer service and high-quality teaching.

CLAY TALK EVENTS & HIGHLIGHTS

Number of participants in Clay Talk programs	1616 students
Number of term classes for 2022-2023	256 term classes
Number of workshops	28 workshops
Number of kids programs outside term classes	30
Number of birthday parties/private events	15 - avg 10 participants per event
Average capacity for all classes	75% filled capacity
Number of staff:	10; 6 snr tutors and 4 tutor assistants or substation teachers
Number of Clay Talk Volunteers	3
Kiln Technician support	1 person
Admin support person	1 person

Clay Talk volunteers assisted in over 180 hours in total for 2022/2023 programs and events

OTHER HIGHLIGHTS

July 2022 Winterfest ceramic program of more than 250 visitors & participants on the night. Rob Matheson Animal Sculpture Masterclasses.

August 2022 Woodfire Masterclass program at Clay Talk - 20 participants over 6 week period. Jean-Paul Zilliacus masterclasses.

September 2022 Birribi House Program as part of Montsalvat's Artist-in-own-residence grant to run free classes for marginalised adolescent youth.

October 2022 Birribi House Program as part of Montsalvat's Artist-in-own-residence grant to run free classes for marginalised adolescent youth. Jean-Paul Zilliacus masterclasses.

November 2022 Montsalvat Art Festival ceramic workshop program with 300+ visitors on the day

December 2022 Launch of 35 Summer programs for first time at Clay Talk; activating summer rather than having no events for 6 weeks as was the previous practise due to holiday season.

January 2023 "Flux" exhibition curated and developed by Kevin White & Sergei Shatrov

February 2023 Warrandyte Pottery Expo - Clay Talk offered free clay making events and gave exposure to promoting Montsalvat.

March 2023 Participant in the Eltham Rotary Festival for two days with over 700 participants and only two staff.

April 2023 Workshop with Jane Annois - local Warrandyte cult hero and very popular - a program that highlights local talent inside Montsalvat and Nillumbik Shire

May 2023 Wood firing workshop with Sergei - always popular and in demand.

June 2023 New Rodhe Kiln delivered and installed thanks to the Ceramic Circle, Barb van Ernst AM, Morag Fraser AM and Anna Maas
Work Experience for year 10 students

MONTSALVAT GALLERY SHOP

The Montsalvat Gallery Shop stocks a range of artisan gifts, predominately by artists located in Victoria and with many artists from the local Eltham area.

This year included beautiful artworks by Montsalvat studio artists The Art Doctor (Dr Joanne Griggs) and handmade puppets by Adam Griggs. In addition, a broad range of items by local artists were available at the Montsalvat Gallery Shop, including wooden sculptures and utensils by Hank Tyler, hemp macrame and watercolour artworks and cards by Catherine Hincks, a range of scented candles by Ona, colouring books and prints by Angharad Neal-Williams, contemporary jewellery by Craft Me Silly and Joyha's aromatic Chai tea. These beautiful handmade artisan gifts are a delight for visitors of any age.

STUDIO ARTISTS

Our studio spaces house a wide range of artists and artisans offering a great diversity of creative activity here at Montsalvat. Artists currently residing or working on site include painters, goldsmiths, puppeteers, ceramicists and artisans who work with textiles and glass.

Adam Frith	Painter
Adam Griggs	Puppeteer
Adele O'Shea	Custom Dress Designer & Maker
Amanda Grant	Public Art Specialist
Angela Abbott	Painter
Carmen Tuke	Mixed media, Musician & Painter
Damien Skipper	Painter
Don James	Painter
Jeanette Dyke	Gold & Silversmith
Jean-Paul Zilliacus	Sculptor
Dr Joanne Canning	Painter & Puppeteer
Keiko Matsui	Ceramicist
Kevin White	Ceramicist
Mary Caia	Painter
Molly McPhie	Illustrator [until February 2023]
Richard Nelson	Film Maker
Rochelle Van Der Merwe	Mixed media & Photographer
Ryo Yamauchi	Printmaker & Photographer
Shinobu Kobayashi	Woodworker
Simon Icarus Baigent	Goldsmith
Sue Thomas	Textiles
Susan Reddrop	Glassmaker

ORGANISATIONAL DEVELOPMENT

GRANTS AND FUNDING

This year we had great support in response to our grant applications from State and Local Government, and a number of organisations. They are as follows:

Nillumbik Shire Council: Reconciliation Grant

Nillumbik Shire Council: Community Grant

Nillumbik Shire Council: Arts (Triennial funding)

Regional Arts Victorian Access Program

National Library of Australia Community Heritage Grant

Business Victoria – Ventilation Program (matched funding)

Department Families, Fairness and Housing- Place based volunteering

PHILANTHROPY, PARTNERS AND SUPPORTERS

PARTNERS

During this period Montsalvat continued to progress its Memorandum of Understanding with Nillumbik Shire Council with meetings focusing on ways in which Montsalvat and the Shire can collaborate, support new creative ventures and share resources. Montsalvat also continued to deliver on a formal agreement to host two major Shire exhibitions: the Nillumbik Art Prize and 'Local Remix – The Cultural Collections of Nillumbik Shire Council'. The relationship with Council is highly valued and underpins strengthened programming in the region for arts supporters and all residents.

Montsalvat was delighted to join with Victorian Opera to develop a three-year partnership. This resulted in an inspiring Winter Youth Chorus Series. An enthusiastic cast of singers aged 15-25 years were mentored by Victorian Opera's Artistic Director Richard Mills AM, CEO and Director Elizabeth Hill-Cooper, and Head of Music Phoebe Briggs. Studying repertoire from the opera and musical theatre they then performed alongside two of Victorian Opera's professional singers. We hope that our partnership with Victorian Opera will continue to develop and grow in the future.

DONORS AND PHILANTHROPY INITIATIVES

This financial year Montsalvat was extremely fortunate to have Barbara van Ernst AM as our Philanthropy Coordinator, who has generously given her time and expertise on a pro bono basis. Barb was appointed by the Board in July 2022, with the broad task of providing fundraising leadership for a small voluntary team and engaging with philanthropists and other potential donors for Montsalvat.

Barb's infectious enthusiasm and generosity resulted in total funds of \$102,233 for the financial year 2022/2023. This consists of donations, EOFY appeal, fund raising events and pledges for competition prizes. Outlined below are the key initiatives that were undertaken.

CERAMICS CIRCLE

The Ceramic Circle is led by Kevin White and involves external members, Anna Maas and Dr Michael Elliott. Funds raised have enabled ClayTalk to purchase a second electric kiln, a pug mill and a log splitter. ClayTalk is one of Montsalvat's success stories and provides exceptional educational and creative opportunities for people of all abilities and experience.

JAZZ IS BACK SERIES

Building on Montsalvat's previous history and links to jazz, the first series ran on the last Sunday of the month. Barb van Ernst generously sponsored the musicians, Ron Brown provided his expertise and sound systems and Anne Langworthy greatly assisted with the coordination and management of the events. With each concert attracting an increasingly broader and diverse audience, a total of \$25,000 has been raised towards the restoration of Lil's Cottage.

OTHER EVENTS

Additional projects funded from donations include a promotional screen at reception, a ride on mower and a wine fridge. The Philanthropy Co-ordinator role has enabled Montsalvat to engage with the community, build friends, identify partnerships, and introduce potential donors.

SUPPORTERS

Montsalvat is a diverse and complex organisation that provides an enormous breadth of activities and attractions for our guests and visitors. This would not be possible without the support and assistance from our supporters. We take this opportunity to say thank you; without their help Montsalvat would not be able to provide the wonderful concerts, exhibitions, festivals and workshops that the community has come to expect and admire.

MAJOR DONOR

Barbara van Ernst AM

SIGNIFICANT DONORS

Morag Fraser AM

Adam Nettleton

John Howie AM

Margaret Abbey PSM

Peter Moore

Anthony (Ross) Davis

Kathleen Daalmeyer

Damien Grinsell

Andrew Oppy

Michael Rattray

Dr Michael Troy

Anna Maas

Peter Edwards

Alistair Hay

Tasma Wischer

Les Always

Matthew Jones

Anthea Hyslop

Peter Garnick

Evan Gellert

Renata Singer

Fiona Trembath

Sharen Vaughan

Richard Tait

Jennifer McClellan

Peter Hughes

Ranko Hong

Vicente Galante

Andrew Boak

Geoff & Gemma Whyte

Ian Dwyer

In addition, we had many generous supporters who assisted us during this period. Heartfelt thanks to every donor.

FOUNDATION MEMBERS

Chair: John Howie AM, Treasurer: Dr Catherine Dale, Secretary: Peter Moore, Morag Fraser AM and Kevin White

MONTSALVAT SUPPORTERS AND BUSINESS PARTNERS

AAKonsult
Anna Maas, Skepsi Gallery
Araluen Disability Support Service
Assured Insurance Brokers
Amanda Grant, `Rare Metal
Australian Museums and Galleries
Association of Victoria
Buckingham and Company Estate Agents
Bunnings, Eltham
Carolyn Hawkins, Designer
Clearwater Plumbing
Craig Civil Engineering
Creative Victoria
Caroline Field, Art Historian
Deborah Routley
Edendale Farm
Eltham Cemetery Trust
Eltham District Historical Society
Essential Catering
Elizabeth Sprague
Field of Vision Photography
Flinders Quartet
Foods of the Valley
Geoffrey Falk
Helen Gill
Holding Redlich
Italian Institute of Culture
IT Networks
Justitia Lawyers
Kate Thwaites MP, Member for JagaJaga
Kevin White
Key Admin Solutions
La Trobe University
LD Assurance Auditors
Lions Club – Eltham Branch
Marnie and Kendall Heenan, The Boulevard
at Montsalvat

Malcolm Lewis
Margaret Abbey PSM
Melbourne Polytechnic
Multicultural Arts Victoria
Mike Scott
National Gallery of Australia
Nillumbik Shire Council
Officeworks, Eltham
Paul Danelutti, Bettaelectrix
Peter Moore
Public Galleries Association of
Victoria
Quest Apartments Doncaster
Ric Nelson, Film Maker
Rick Amor
Rohan Miller
Wurundjeri Land Council
Yarra Ranges Tourism
Youth Support & Advocacy Service -
Birribi Residential Service
Zoe Knighton
3RRR Radio Station
3MBS Community Radio



GOVERNANCE

MONTSALVAT LIMITED BOARD

Dr Catherine Dale	Management Consultant (from October 2022) General Manager Eurobodalla Council (until September 2022) Montsalvat Board, Appointed Chair, November 2019
John Howie AM	Lawyer Deputy Chair
Peter Sexton	Chartered Accountant Treasurer
Dr Michael Liffman AM	Adjunct Associate Professor, Swinburne University
Lisa Riddle	Director, Praxis Planning Pty Ltd
Lynda Jorgensen	Granddaughter Justus Jorgensen & Small business Owner/Operator Company Secretary
Raphael Kilpatrick	Urban Designer & Son of Matcham Skipper
Barbara van Ernst AM	Professor Emeritus, Swinburne University Philanthropy Coordinator
Elizabeth Hill-Copper	CEO Victorian Opera
Ron Brown	Building and Development Consultant

OBSERVERS

Madeleine McCelland –Nillumbik Shire Council
Paul Wilson -Board Observer (until December 2022)
Iain Addy- Board Observer (from January 2023)

PATRONS

Phillip Adams AO
Australian broadcaster, film producer,
writer & commenter

Morag Fraser AM
Australian journalist, editor and
literary critic
Chair Book Review

Barry Jones AC
Professorial fellow at University of
Melbourne
Board member of Victorian Opera

Barbara van Ernst AM
Professor Emeritus, Swinburne University

STAFF

CEO

General Manager

Arts Manager

Arts Tourism Manager

Arts Program Coordinator

Arts Admin Assistant

Exhibitions Coordinator

Clay Talk Ceramic Centre Manager

Clay Talk Administrative Assistant

Lead Gardener

Events Manager

Events Co-ordinator

Finance & Administration

Administration & Special Projects

Film and Photography

Matt Jones (from May 2023)

Lyndel Wischer (until February 2023)

Lyndel Wischer (from March 2023)

Natalie Lawson

Elly-Louise Tyquin

Fiona McIntosh

Olivia Morris

Sergei Shatrov

Tracey Hollis

Jo Douglas

Chris Toscano

Beverley Hart

Maureen White

Selina Wilmott (until June 2023)

Rachel Daalmeyer

RECEPTION

Pascale Garlinge

Dara Valugina

Selina Willmott

Isabella Duncan

Jesse Mahoney

Grounds & Maintenance

Veronica Dapiran

Jean Paul Zilliacus

EVENTS STAFF

Courtney Benke

Charlotte Cottrell

Stephanie Cottrell

Melissa Despotellis

Isabella Duncan

Amber Hulten

Bailey Johnson

Kristy Knowles

Ayrten Korakis

Anthony James Neale

William Rigby

Stephanie Rome

Anthony Ros-Paulo

Somphong Seksaeng

Jessica Sjhage

Zoe Smith

Maxine Treisman

Heather Turley



VOLUNTEERS

Montsalvat is incredibly grateful to its volunteer base who are the people that keep Montsalvat looking beautiful and delivering high quality events. In 2022/2023 our volunteers contributed over 4,500 voluntary hours including continued efforts onsite and off-site. Our volunteers make an incredible impact to Montsalvat through helping in the garden, the galleries, running tours and contributing their time and passion to arts events.

Jane Annois
Roberta Atherton
Suzanne Atzinger
Jan Balla
John Baulch
Rachel Brak
Ron Brown
Joan Burchell
Charles Camera
Clare Dunstan
Yvonne Camera
Brett Clemow
Ted Clohesy
Nicole Combes
Catherine Dattner
Glen Doreian
Gene De Luca
Vincent Galante
Ivana Glogowski
Eleanor Gregory
Elizabeth Hall
Shireen Hammond
Rob Hammond
Lindsay Holder
Will Honner
Nicole Horne
Alexandra Janssens
Alan Johanson
Rosie Johnston
Sana Kojicin
Tony Landy
Anne Langworthy
Gen Lawlor
hirlin Lin
Amy Liu

Jenni Livingston
Stephen McColl
Fiona McIntosh
Jesse Mahoney
Michelle Memery
Helen Mihajlovic
Sean Moran
Karin Motyer
Jery Mourelatos
Emily Natoli
Liz Notley
Clemence Overall
Mel Parker
Deb Pasinis (Routley)
Rita Politis
Mike Ridley
Leah Riston
Steve Robertson (Comms?)
Ann Rossini
Bob Rusling
Linda Schneider
Beth Scoberg
Kevin Seviour
Gordana Stankovski
Ivy Stephens
Janie Symons
Peter Talbot
Sharen Vaughan
Tanya Viggiana
Roxanne Viggiano
Mandy Vis
Jack Waghorn
Gail Walsh
Trisha Weller
Gemma Whyte

MONTSALVAT ACNC GROUP

A.B.N. 78 126 070 988

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2023**

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Montsalvat ACNC Group
Directors' Report
For the Year Ended 30 June 2023

The Directors of Montsalvat Ltd present their report together with the financial statements of the consolidated entity known as Montsalvat ACNC Group comprising of Montsalvat Ltd (the Company) and its commonly controlled entities (the group) for the financial year ended 30 June 2023.

Montsalvat Ltd, the parent entity of the group is not an ACNC registered charity (although an application for registration will shortly be made) and it did not direct any proceeds or assets from any controlled entities that are ACNC registered charities for any non-charitable purpose. The following entities of the Montsalvat ACNC Group are registered as charities with the ACNC:

Montsalvat Utilities Pty Ltd
Montsalvat Trust
The Montsalvat Foundation Inc

The names of the directors in office at any time during, or since the end of the year are set out below. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Catherine Dale (Board Chair)
John Anthony Howie (Deputy Chair)
Peter Sexton (Treasurer)
Michael Liffman
Lisa Riddle
Lynda Jorgensen
Raphael Kilpatrick
Barbara van Ernst (appointed 4 November 2022)
Ron Brown (appointed 4 November 2022)
Elizabeth Cooper-Hill (appointed 15 December 2022; resigned 11 August 2023)

Montsalvat's objectives

Montsalvat's mission is to continue to be a living, thriving artistic community welcoming to the general public. We aim to educate and to promote local, national and international cultural practice, and to conserve and enhance, our magnificent natural site and unique buildings so that present and future generations can draw inspiration from Montsalvat's serene beauty and creative heritage.

Strategy for achieving the objectives

- Increase national and international recognition of the artistic and heritage contribution made by Montsalvat's Founders particularly Justus Jorgensen;
- Restore and maintain Montsalvat's heritage buildings and grounds;
- Building on its heritage, develop Montsalvat as a community of artisans where the creation and display of art, skills and artistic performance is central to its existence;
- Develop diversified income streams to ensure financial sustainability;
- Develop the organizational practices and processes, people and facilities to enhance Montsalvat's purpose; and
- Increase community and tourism visitation to Montsalvat

Principal activities

- Arts – Concerts, exhibitions, literary events and festivals;
- Providing studio residence to selected artists;
- Education in art.
- Private events

Principal activities (continued)

No significant changes in the group's state of affairs occurred during the financial year. The group expects to continue its activities in promoting the arts and preserving its buildings in accordance with the terms of the will of Justus Jorgensen and hence there are no likely developments in the group's operations.

Performance measures

The group measures its performance in its ability to make sustainable profits and the expansion of its principal activities in the support of artists.

Financial performance

The consolidated comprehensive result of the group for the financial year amounted to a deficit of \$2,882,574 (2022: deficit \$107,107). The current year deficit included the impact of revaluations of the Hillcrest Avenue property, artworks and antiques which resulted in a total devaluation of \$2,647,353. This amount is reported as a Fixed Asset Revaluation Decrement in the Consolidated Statement of Revenue & Expenses and Other Comprehensive Income as well as in note 6(b) to the financial report.

During the year a Montsalvat owned property in Christmas Hills north of Melbourne was sold for \$1,150,000 resulting in a profit on sale of \$252,314. Sale proceeds net of selling costs were mainly applied to paydown the Westpac loan facility of \$800,000 which was fully drawn at the time.

Events after the reporting date

On 28 November 2023, a Business Loan agreement was signed by the Directors of Montsalvat Ltd and forwarded to Westpac Banking Corporation for completion. The agreement represents a renewal of the previous \$800,000 facility that was fully repaid in March 2023, and which expired on 4 July 2023. The new Business Loan Agreement is an interest only loan with variable interest commencing at the indicative rate of 8.31%. The loan has a term of 2 years from the date of establishment and is secured by first mortgage over land & buildings owned by Montsalvat at 7 Hillcrest Ave in Eltham.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the group for costs incurred in their capacity as a director or executive for which they may be held personally liable, except where there is a lack of good faith. During the financial year the company paid a premium in respect of a contract to provide insurance for the directors and executives of the group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Contributions on winding up

In the event that the company Montsalvat Ltd is wound up, members are required to contribute a maximum of \$100 each.

Information on Directors

Catherine Dale

Qualifications

- Doctorate of Philosophy
- Master of Business Administration
- Master of Education
- Bachelor of Music
- Qualified Town Clerk

Experience

- General Manager Eurobodalla Shire Council
- Former CEO of Boroondara City Council, Bayside City Council and Nillumbik Shire Council

John Anthony Howie

Qualifications

LL.B University of Melbourne

Experience

- Lawyer and Consultant with his own practice
- Chair, Corporate and Governance standing committee, Vision 2020 Australia
- Board member, Vision 2020 Australia, Cain Foundation
- Former Chair, Victorian Legal Aid
- Former President, Film Victoria
- Former Chair Vic Sport
- Former Deputy Chair, Olympic Park Trust
- Former Board member, Melbourne and Olympic Park Trust
- Former Board member, Victoria Law Foundation

Michael Liffman

Qualifications

- BA hon. University of Melbourne
- M.Sc [Social Admin], London School of Economics
- Ph.D University of Melbourne

Experience

Founding Director of the Asia-Pacific Centre for Philanthropy and Social Investment at Swinburne University; now Adjunct Associate Professor. Community agency experience includes the Brotherhood of St Laurence, and the Ecumenical Migration Centre, CEO of one of Australia's leading philanthropic foundations, The Myer Foundation. During his term at the Myer Foundation he created The Cranlana Program, and was closely involved in the establishment of Asialink. He was also administrator of the Sidney Myer Performing Arts Awards.

Michael is a Director of WINGS (Worldwide Initiatives for Grantmaker Support), and of the Melbourne Forum. He is a former President of the Australian Association of Philanthropy and was a member of the International Network on Strategic Philanthropy. He was a Director of the Australian Institute of Multicultural Affairs. Other involvements have included membership of the Human Research Ethics Committee of the Government of Victoria's Department of Human Services, the Community Advisory Committee of the Special Broadcasting Service, the Immigration Review Tribunal, Southport Community Nursing Home, and the Alpine School for Student Leadership.

Peter Sexton

Qualifications

- Chartered Accountant (CAANZ)
- GAICD
- Bachelor of Business (RMIT)

Experience

- Retired external audit partner of RSM Australia Partners
- Director at William Angliss Institute of TAFE
- Director and chair of the audit committee at Australian Securities Ltd
- Member of the Finance & Audit Committee for the National Trust of Australia (Victorian Division)

Lisa Riddle

Qualifications

- D.App.Sci (Town Planning)
- Certified Practising Planner
- MAICD

Experience

- Owner and Director, Praxis Planning Pty Ltd
- Former Director, Ethos Urban Pty Ltd
- Former owner and Managing Director, Planisphere Pty Ltd
- Former Planning Panels Victoria sessional member
- Former alternate member Heritage Council of Victoria
- Former member Planning Institute of Victoria Committee

Lisa Riddle is a highly experienced planner with over 40 years in local government and private practice as owner and Director. She has contributed to planning practice in Victoria through her involvement in the PIA, the Heritage Council and Planning Panels, with many professional awards, and continues to work in the field. A large proportion of her work has been focussed on strategic planning and the interface between design, character, landscape and heritage. She has conducted overseas study tours for planners and related professionals, in NZ and the USA. Lisa is a Fellow of the Planning Institute and was awarded Victorian Planner of the Year in 2019.

Lynda Jorgensen

Qualifications

- Certificate IV Disability
- Certificate III Early Childhood Education & Care
- Certificate II Hospitality & Tourism

Experience

- Granddaughter of Justus Jorgensen (founding member of Montsalvat).
- Small business owner / operator and farmer

Raphael Kilpatrick

- Qualifications*
- Master of Disaster, Design & Development (RMIT)
 - Bachelor of Design, Interior Design (RMIT)
- Experience*
- Teacher in the Interior Design Honours Course at RMIT
 - Raphael is the son of the sculptor Matcham Skipper and the jeweller Sandy Kilpatrick and experienced living and working at Montsalvat over many years. He has worked extensively with not-for-profit organisations and in 2009 he was the co-founder and director of a social enterprise, working closely with young people from a refugee program. In 2013 Raphael worked with Schoolhouse Studios to transform an industrial warehouse in Collingwood into a thriving gallery and event space.

Professor Emeritus Barbara van Ernst AM

- Qualifications*
- BA, Ph D, MACE
- Experience*
- Barbara van Ernst is a Professor Emeritus with Swinburne University, where she was Deputy Vice Chancellor (Academic) and Pro Vice Chancellor (Community Engagement). She has had extensive experience in primary, secondary and tertiary teaching and has served on the boards of several arts organisations. She is also a Justice of the Peace. In 1994 she was awarded an AM for services to education. Barbara is a patron of Montsalvat.

Ron Brown

- Experience*
- Extensive expertise in communication, broadcasting and streaming technology. Screen Content production (full professional level). Marketing including market research, strategy and implementation. Recruiting, training, motivating and supervising support teams. Sustainable House Design.
 - Ron is currently the Founder and owner of Ozflix TV (since 2016). Founder and Board member, Australian Film Future Foundation Ltd (NFP, DGR). Founder and owner, ArchiTel TV (since 2010). Founder and owner, EcoZen Homes and EcoZen Renovations (since 2019). He is also a Founding Board member of Montmorency Neighbourhood Hub.

Elizabeth Cooper-Hill

- Qualifications*
- Graduate Diploma in Arts Management (University of Melb)
 - Bachelor of Performing Arts (Dance) (WAAPA)
- Experience*
- Extensive experience in leading, managing and strategic planning within the arts.
 - CEO – Victorian Opera

Information on Directors

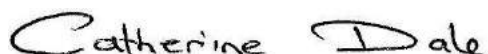
During the financial year, meetings of directors were held and attendances by each director were as follows:

	Number eligible to attend	Number attended
Catherine Dale (Board Chair)	6	6
John Anthony Howie (Deputy Chair)	6	6
Peter Sexton (Treasurer)	6	5
Michael Liffman	6	6
Lisa Riddle	6	5
Lynda Jorgensen	6	6
Raphael Kilpatrick	6	6
Ron Brown	5	5
Barbara van Ernst	5	5
Elizabeth Cooper-Hill	4	3

Auditor's Independence Declaration

A copy of the lead auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 29.

Signed in accordance with a resolution of the Board of Directors:



Director:

Catherine Dale (Chair)



Director:

John Howie (Deputy Chair)

Dated: 30 November, 2023

Montsalvat ACNC Group
Consolidated Statement of Revenue & Expenses and Other Comprehensive Income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	1,427,422	1,221,214
Other income	2	196,767	507,430
Profit on sale of property	6 (b)	252,314	-
Total income		<u>1,876,503</u>	<u>1,728,644</u>
Expenses			
Employee benefits		(953,708)	(798,096)
Cost of materials & consumables used		(511,317)	(408,990)
Accounting & audit fees		(26,450)	(24,864)
Advertising		(19,813)	(2,949)
Consulting fees		(78,678)	(9,800)
Depreciation		(58,811)	(51,312)
Insurance		(85,987)	(80,392)
Bank interest & fees		(4,198)	(34,713)
IT expenses		(33,172)	(33,079)
Interest paid		(44,246)	(32,113)
Legal fees		(1,873)	(161,821)
Legal action settlement agreement		-	(45,000)
Maintenance - buildings & grounds		(122,523)	(64,585)
Utilities & rates		(64,847)	(48,207)
Other expenses		(106,101)	(39,830)
Total expenses		<u>(2,111,724)</u>	<u>(1,835,751)</u>
Surplus/(deficit) for the year		<u>(235,221)</u>	<u>(107,107)</u>
Other comprehensive income			
Property, plant and equipment revaluation decrement		(2,647,353)	-
Total comprehensive result		<u>(2,882,574)</u>	<u>(107,107)</u>

This statement is to be read in conjunction with the accompanying notes

Montsalvat ACNC Group
Consolidated Statement of Financial Position
For the year ended 30 June 2023

	Note	2023	2022
Assets		\$	\$
Current assets			
Cash and cash equivalents	3	439,957	573,099
Trade and other receivables	4	24,204	30,287
Inventories		9,702	12,925
Other assets	5	56,481	54,010
Total current assets		<u>530,344</u>	<u>670,321</u>
Non-current assets			
Property, plant and equipment	6	9,483,915	12,955,800
Total non-current assets		<u>9,483,915</u>	<u>12,955,800</u>
Total assets		<u>10,014,259</u>	<u>13,626,121</u>
Liabilities			
Current liabilities			
Trade and other payables	7	244,980	329,759
Financial liabilities	8	275,778	132,286
Provisions	9	68,898	65,036
Borrowings	10	-	800,000
Total current liabilities		<u>589,656</u>	<u>1,327,081</u>
Non-current liabilities			
Provisions	9	13,452	5,315
Total non-current liabilities		<u>13,452</u>	<u>5,315</u>
Total liabilities		<u>603,108</u>	<u>1,332,396</u>
Net assets		<u>9,411,151</u>	<u>12,293,725</u>
Equity			
Trust Corpus		109,205	109,205
Asset Revaluation Reserve		9,320,266	12,169,492
Retained Earnings		(18,320)	15,028
Total Equity		<u>9,411,151</u>	<u>12,293,725</u>

This statement is to be read in conjunction with the accompanying notes

Montsalvat ACNC Group
Consolidated Statement of Changes in Equity
For the year ended 30 June 2023

	Total \$	Retained Earnings \$	Trust Corpus \$	Asset Revaluation Reserve \$
2023				
Balance at beginning of the financial year	12,293,725	15,028	109,205	12,169,492
Surplus/(deficit) for the year	(235,221)	(235,221)	-	-
Net asset revaluation decrement	(2,647,353)	-	-	(2,647,353)
Transfers	-	201,873	-	(201,873)
Balance at end of the financial year	9,411,151	(18,320)	109,205	9,320,266
2022				
Balance at beginning of the financial year	12,400,832	122,135	109,205	12,169,492
Surplus/(deficit) for the year	(107,107)	(107,107)	-	-
Balance at end of the financial year	12,293,725	15,028	109,205	12,169,492

This statement is to be read in conjunction with the accompanying notes

Montsalvat ACNC Group
Consolidated Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 Inflows/ (Outflows) \$	2022 Inflows/ (Outflows) \$
Cash flows from operating activities			
Receipts from customers		1,734,697	1,288,423
Payments to employees and suppliers		(2,237,832)	(1,716,063)
Trust funds and deposits paid		-	22,220
Government Grants		140,273	428,840
Donations received		54,076	70,772
Other receipts		2,413	7,814
Interest paid		(44,246)	(32,113)
Interest received		5	4
Net cash provided by/(used in) operating activities	12(b)	<u>(350,614)</u>	<u>69,897</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(130,717)	(70,423)
Proceeds for property, plant and equipment		1,148,189	-
Net cash provided by/(used in) investing activities		<u>1,017,472</u>	<u>(70,423)</u>
Cash flows from financing activities			
Payments made on behalf of related parties			
Drawings / (repayment) of borrowings		(800,000)	226,000
Net cash provided by/(used in) financing activities		<u>(800,000)</u>	<u>226,000</u>
Net increase (decrease) in cash and cash equivalents		(133,142)	225,474
Cash and cash equivalents at the beginning of the financial year		573,099	347,625
Cash and cash equivalents at the end of the financial year	12(a)	<u>439,957</u>	<u>573,099</u>

This statement is to be read in conjunction with the accompanying notes

The financial report includes the combined financial statements and notes of Montsalvat Ltd (the Company) and its commonly controlled entities (the group). The financial statements were authorised for issue by members of the Board on the date of the Directors' Report.

Montsalvat Ltd, the parent entity of this group, is not an ACNC registered charity (although an application for registration will shortly be made) and it did not direct any proceeds or assets from any controlled entities that are ACNC registered charities for any non-charitable purpose. The following entities of the Montsalvat ACNC Group are registered as charities with the ACNC:

Montsalvat Utilities Pty Ltd
Montsalvat Trust
The Montsalvat Foundation Inc

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

(b) Basis of preparation

The financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of Montsalvat Ltd at 30 June 2023 and the results of all controlled entities for the year then ended. Montsalvat Ltd and its controlled entities together are referred to in these financial statements as the 'group'.

Control exists when Montsalvat Ltd is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Controlled entities are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

1. Summary of significant accounting policies (continued)

(c) Principles of Consolidation (continued)

A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a financial year end of 30 June.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Where the Group loses control over a controlled entity, it derecognises the assets and liabilities in the controlled entity. The group recognises the fair value of the consideration received with any gain or loss in the profit or loss.

(d) Going Concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the group recorded an operating deficit of \$235,221 and the Total Comprehensive Result for the year was a deficit of \$2,882,574 after recognizing a devaluation of Montsalvat's buildings, artwork and antiques. The group also recorded a net outflow of cash from operating activities of \$350,614 and as at year end the group's current liabilities exceeded its current assets by \$59,312.

Despite this financial position, the directors believe there are reasonable grounds to believe the group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report, after consideration of the following factors:

- On 28 November 2023, a Business Loan agreement was signed by the Directors of Montsalvat Ltd and forwarded to Westpac Banking Corporation for completion. The agreement represents a renewal of the previous \$800,000 facility that was fully repaid in March 2023 and which expired on 4 July 2023. The new Business Loan Agreement is an interest only loan with variable interest commencing at the indicative rate of 8.31%. The loan has a term of 2 years from the date of establishment and is secured by first mortgage over land & buildings owned by Montsalvat at 7 Hillcrest Ave in Eltham.
- On 10 September 2023 Montsalvat Ltd signed a loan facility agreement with a patron of Montsalvat for the supply of a \$200,000 funding facility. The facility is interest free, unsecured and matures on 30 June 2024 unless by prior agreement. The facility remains undrawn at the date of this report.
- Following the appointment of a new CEO in June 2023, management have embarked on a new business model to better leverage Montsalvat's buildings and grounds and increase profitable activities across the site. The changes are expected to result in positive cash flows.
- The group continues to explore fundraising efforts to attract grants and donations which will be used to finance the future growth of Montsalvat.

Accordingly, the directors believe it is appropriate to adopt the going concern basis in the preparation of the financial report. The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the group does not continue as a going concern.

1. Summary of significant accounting policies (continued)

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and which are used in the management of cash on a day-to-day basis.

(f) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate, less any allowance for expected credit losses.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings as well as artwork and display antiques are carried at their fair value, based on periodic valuations every 5 years by external independent valuers, less accumulated depreciation on buildings. Increases in the carrying amounts arising on revaluation are credited to an asset revaluation reserve in equity. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in surplus or deficit during the financial period in which they are incurred.

Depreciation

The depreciable cost of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. The depreciation rates used for each class of depreciable asset are:

Fixed asset class	Depreciation rate
Freehold buildings	0.50%
Property improvements	2.50%
Plant & equipment	5% to 15%
Furniture & fittings	10%
Computer equipment	25%
Catering equipment	16.67%
Farm vehicles	8.33%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in surplus or deficit in the period in which they arise. When revalued assets are sold, amounts included in the asset revaluation reserve relating to that asset are transferred to retained earnings.

1. Summary of significant accounting policies (continued)

(h) Impairment of assets

At the end of each reporting period the group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in surplus or deficit.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(i) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Employee provisions

Current employee provisions

The current portion of this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts are classified as current liabilities since the group does not have an unconditional right to defer the settlement of these liabilities in the event employees wish to use their leave entitlement. Short-term employee benefits are shown at the amounts expected to be paid.

Long-term employee provisions

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. The amounts accrued are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible the estimated future cash outflows.

1. Summary of significant accounting policies (continued)

(k) Employee provisions (continued)

Contributions to employee's superannuation

Contributions to superannuation plans are expensed in the periods in which they are incurred.

(l) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through surplus or deficit' in which case transaction costs are expensed to surplus or deficit immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in surplus or deficit.

Financial assets at fair value through surplus or deficit

Financial assets are classified at 'fair value through surplus or deficit' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in surplus or deficit.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

1. Summary of significant accounting policies (continued)

(l) Financial Instruments (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in surplus or deficit through the amortisation process and when the financial asset is de-recognised.

Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in surplus or deficit through the amortisation process and when the financial liability is de-recognised.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the group's assessment at the end of each reporting period as to whether the financial instruments credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit and loss.

De-recognition

Financial assets are de-recognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in surplus or deficit.

(m) Fair value of assets and liabilities

The group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

1. Summary of significant accounting policies (continued)

(m) Fair value of assets and liabilities (continued)

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the group at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in the highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the group's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(n) Revenue and other income

The group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring good or services to a customer. For each contract with a customer, the group identifies the performance obligations in the contract, determines the transaction price which takes into account estimates of variable consideration and the time value of money, allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered, and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sales revenue

Events and fundraising are recognised when received or receivable.

Donations and bequests

Donations and bequests are recognised on receipt.

1. Summary of significant accounting policies (continued)

(n) Revenue and other income (continued)

Grants

Grant revenue is recognised in profit or loss when the group satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the group is eligible to retain the contribution, the grant will be recognised in the consolidated statement of financial position as a contract liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The group has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

All revenue is stated net of the amount of goods and services tax (GST).

(o) Income tax

No provision for income tax has been raised as the entities within the group are exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(p) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO.

(q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Comparative amounts for the prior year have in some cases been aggregated with other balances to reflect a revised grouping of related balances for the current financial year.

When the group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

1. Summary of significant accounting policies (continued)

(r) Current and non-current classification

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(s) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Impairment

The group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Useful lives

The group assesses the useful lives of assets at the end of each reporting period and reviews the accumulated depreciation attributable to each asset.

Montsalvat ACNC Group
Notes to the Financial Statements
For the year ended 30 June 2023

	2023	2022
	\$	\$
2 Revenue		
Contracts with customers	1,293,435	1,100,293
Rent	133,987	120,921
	<u>1,427,422</u>	<u>1,221,214</u>
<i>Disaggregation of revenue</i>		
All revenue from contracts with customers was transferred at a point in time.		
Other income		
WorkCover reimbursement	-	1,140
Government grants *	140,273	427,700
Donations	54,076	70,772
Interest	5	4
Other	2,413	7,814
	<u>196,767</u>	<u>507,430</u>
* Government grants were received from:		
Creative Victoria - Sustaining Creative Organisations Fund	-	320,000
Regional Arts Victoria	55,073	-
Dept of Families, Fairness & Housing	45,720	-
Local History Grants Program	2,700	-
Dept. of Jobs, Precincts & Regions	1,264	-
Business Victoria	-	82,700
Nillumbik Shire Council	25,000	25,000
Other grants	10,516	-
	<u>140,273</u>	<u>427,700</u>
3 Cash and Cash Equivalents		
Cash at bank	435,957	571,599
Petty cash	600	600
Float	3,400	900
	<u>439,957</u>	<u>573,099</u>
4 Trade and Other Receivables		
Current		
Trade debtors & rent receivables	60,444	39,005
Other	3,850	3,000
Allowance - expected credit losses		
- trade debtors	(9,809)	(8,654)
- rent	(30,281)	(3,064)
	<u>24,204</u>	<u>30,287</u>
5 Other Current Assets		
Prepayments	<u>56,481</u>	<u>54,010</u>

Montsalvat ACNC Group
Notes to the Financial Statements
For the year ended 30 June 2023

6 (a)	Property, Plant & Equipment	2023 \$	2022 \$
	Freehold land & buildings - at valuation:		
	Land - at valuation 30/6/2023	3,775,000	-
	Land - at valuation 30/6/2018	-	3,550,000
	Buildings - at valuation 30/6/2023	3,600,000	-
	Buildings - at valuation 30/6/2018	-	4,900,000
	less accumulated depreciation	-	(98,000)
		7,375,000	8,352,000
	Property Improvements - at cost *	-	209,795
	less accumulated depreciation *	-	(5,311)
		-	204,484
	* Property Improvements included to Buildings valuation as at 30/6/2023 (Refer Note 6(b))		
	Plant & Equipment - at cost	241,121	192,868
	less accumulated depreciation	(165,966)	(154,224)
		75,155	38,644
	Furniture & Fittings - at cost	196,345	165,904
	less accumulated depreciation	(137,911)	(126,958)
		58,434	38,946
	Computer Equipment - at cost	92,038	80,862
	less accumulated depreciation	(78,386)	(74,506)
		13,652	6,356
	Catering Equipment - at cost	113,997	102,257
	less accumulated depreciation	(97,589)	(95,058)
		16,408	7,199
	Antiques - at valuation 30/6/2023	210,730	297,380
	Artwork - at valuation 30/6/2023	1,734,536	4,010,791
		9,483,915	12,955,800

Land and buildings were independently valued as at 6 June 2023 by Matthew Baxter, AAPI Certified Practising Valuer for Opteon Solutions API No. 63157.

Valuation basis:

- 2023 Land and Buildings – market value.
- 2018 Land – market value.
- 2018 Buildings - current replacement cost.

Artworks were independently valued as at 30 June 2023 by Caroline Field a Certified Practising Valuer by the Auctioneers and Valuers Association of Australia.

Antiques were valued as at 30 June 2023 by Dennice Collett, BMus., BAHons. (Fine Art), University of Melbourne.

Montsalvat ACNC Group
Notes to the Financial Statements
For the year ended 30 June 2023

6 (b) Property, Plant & Equipment – Movements in carrying amounts

Year ended 30 June 2023									
	Land	Buildings	Artwork & Antiques	Property Improvements	Plant & Equipment	Catering Equipment	Computer Equipment	Furniture & Fittings	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at start of year	3,550,000	4,802,000	4,308,171	204,484	38,644	7,199	6,356	38,946	12,955,800
Additions	-	-	-	29,106	48,253	11,740	11,177	30,441	130,717
Disposals	(750,000)	(146,437)	-	-	-	-	-	-	(896,437)
Depreciation	-	(24,313)	-	(5,392)	(11,742)	(2,531)	(3,881)	(10,953)	(58,812)
Revaluation	975,000	(1,031,250)	(2,362,905)	(228,198)	-	-	-	-	(2,647,353)
Balance at end of year	3,775,000	3,600,000	1,945,266	-	75,155	16,408	13,652	58,434	9,483,915

Year ended 30 June 2022									
	Land	Buildings	Artwork & Antiques	Property Improvements	Plant & Equipment	Catering Equipment	Computer Equipment	Furniture & Fittings	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at start of year	3,550,000	4,826,500	4,308,171	163,209	20,603	10,607	8,422	49,177	12,936,689
Additions	-	-	-	44,000	25,377	1,045	-	-	70,422
Depreciation	-	(24,500)	-	(2,725)	(7,336)	(4,453)	(2,066)	(10,231)	(51,311)
Balance at end of year	3,550,000	4,802,000	4,308,171	204,484	38,644	7,199	6,356	38,946	12,955,800

During the year a Montsalvat owned property in Christmas Hills north of Melbourne was sold for \$1,150,000 resulting in a profit on sale of \$252,314. Sale proceeds net of selling costs were mainly applied to paydown the Westpac loan facility of \$800,000 which was fully drawn at the time (refer note 10).

Montsalvat ACNC Group
Notes to the Financial Statements
For the year ended 30 June 2023

	2023	2022
	\$	\$
7	Trade and Other Payables	
	Trade creditors	218,781
	Superannuation payable	16,088
	GST payable	39,676
	PAYG withholding payable	23,866
	Accrued expenses	31,348
	244,980	329,759
8	Financial liabilities	
	Customer Deposits	127,560
	Deposit Held for Artist	2,694
	Gift Voucher Sales/Redemptions	2,032
	275,778	132,286
9	Provisions	
	Current	
	Provision for annual leave	48,858
	Provision for long service leave	16,178
	68,898	65,036
	Non-Current	
	Provision for long service leave	5,315
	13,452	5,315
	Total Provisions	70,351
10	Borrowings	
	Current	
	Westpac loan facility	800,000
	-	800,000

The loan facility of \$800,000 has a variable interest rate secured over assets of the Montsalvat Group.

11	Controlled entities	% Owned	% Owned
	<i>Consolidated:</i>		
	Montsalvat Trust	100	100
	Montsalvat Utilities Pty Ltd	100	100
	The Montsalvat Foundation Inc	0	0

The Boards of the Montsalvat Foundation Inc and Montsalvat Ltd share a majority of common Directors and all donations received by the Foundation are transferred to Montsalvat to be spent in accordance with donor wishes.

12 Notes to the Cash Flow Statement

2023 2022

\$ \$

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

a) Reconciliation of cash

Cash at bank	439,957	573,099
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b) Reconciliation of cash flows from operations

Operating surplus / (deficit)	(235,221)	(107,107)
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Non-cash flows in profit:

Profit from asset sales	(252,314)	-
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Increase / (decrease) in employee provisions	11,999	18,254
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Depreciation	58,811	51,312
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Other	563	-
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Changes in assets and liabilities

(Increase) / decrease in trade & other receivables	6,083	(7,012)
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(Increase) / decrease in prepayments	(2,471)	(6,262)
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(Increase) / decrease in inventory	3,223	4,400
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(Increase) / decrease in deposits paid	-	22,220
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Increase / (decrease) in trade & other payables	(84,779)	137,000
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Increase / (decrease) in trust funds & deposits	143,492	(42,908)
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Net cash provided by / (used in) operating activities	(350,614)	69,897
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13 Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director is considered key management personnel.

The total remuneration paid to key management personnel of the group during the year was as follows:

	2023	2022
	\$	\$
Short -term employment benefits	118,276	88,252
Post-employment benefits	12,419	8,508
	130,695	96,760

The remuneration of key management personnel for the year ended 30 June 2023 included payments made to two Directors, the Chair of the Board and the Treasurer, for their time acting consecutively between the period of mid-February to 31 May 2023 as temporary CEO's of Montsalvat following a restructuring of the Executive Team and prior to the start date of the company's new CEO Mr Matt Jones. Both Directors were appointed and paid an amount based on the same salary as the previous General Manager in accordance with a Board Resolution.

14 Related Party Transactions

In accordance with the disclosure requirements of Australian Accounting Standard AASB 124 – Related Party Disclosures, the following payments to Directors and close relatives of Directors are disclosed in relation to the year ended 30 June 2023:

Benefits totaling \$3,220 were provided to a performing artist who is the daughter of Ron Brown, a Director of Montsalvat. The benefits were provided in the form of accrued payments for a concert performed during May 2023, discount benefits for venue hire and amounts paid by Montsalvat in relation to equipment required by the artist for a recording session. As at 30 June 2023 an amount of \$1,700 was still owing by Montsalvat to the artist for the concert performance and an amount of \$1,000 remained unpaid by the artist to Montsalvat for venue hire. The amount of \$1,000 has been included in the year end provision for doubtful debts.

Ron Brown (Director of Montsalvat) received cash totaling \$750 on 19 May 2023 to cover the cost of sound equipment provided by him for a concert held at Montsalvat.

Except for the matters disclosed above, there were no related party transactions during the year.

15 Auditor's Remuneration

	2023	2022
	\$	\$
Audit of the financial statements	9,000	8,000
Other services	-	-
	9,000	8,000

16 Commitments and Contingencies

As at 30 June 2023, the group had no commitments or contingencies.

17 Events Subsequent to Year End

On 28 November 2023, a Business Loan agreement was signed by the Directors of Montsalvat Ltd and forwarded to Westpac Banking Corporation for completion. The agreement represents a renewal of the previous \$800,000 facility that was fully repaid in March 2023, and which expired on 4 July 2023. The new Business Loan Agreement is an interest only loan with variable interest commencing at the indicative rate of 8.31%. The loan has a term of 2 years from the date of establishment and is secured by first mortgage over land & buildings owned by Montsalvat at 7 Hillcrest Ave in Eltham.

Apart from the above event, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group.

18 Company Details

The registered office of the company and the principal place of business is 7 Hillcrest Avenue, Eltham VIC 3095.

19 Financial Risk Management

	2023	2022
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	439,957	573,099
Trade and other receivables	24,204	30,287
Total financial assets	464,161	603,386
Financial liabilities		
Financial liabilities measured at amortised cost	520,757	1,262,045
Total financial liabilities	520,757	1,262,045

DIRECTORS' DECLARATION

The directors of the Company declare that in the directors' opinion:

1. The consolidated financial statements and notes of the group, as set out on pages 8 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) give a true and fair view of the financial position of the group as at 30 June 2023 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.



Director:

Catherine Dale (Chair)



Director:

John Howie (Deputy Chair)

Dated: 30 November, 2023

**LEAD AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-C OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012**

To the directors of Montsalvat ACNC Group:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there has been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-For-Profit Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 1st day of December 2023
At 330 Collins Street, Melbourne.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF MONTSALVAT ACNC GROUP

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Montsalvat Ltd and its commonly controlled entities ('the Group'), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of revenue & expenses and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Group's consolidated financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as it determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LDAssurance
Chartered Accountants



Stephen O'Kane
Partner

Dated this 1st day of December 2023
At 330 Collins Street, Melbourne.