



Annual Report
2011/2012

Montsalvat

Contents

1 Mission

2 Chair's Report

3 CEO's Report

4 Cultural Operations

5 Onsite Arts Tradition

6 Commercial Operations

7 Heritage, Community and Tourism Operations

8 Development

8.1 Montsalvat Foundation

8.2 Montsalvat Partnerships

9 Governance

9.1 Board

9.2 Patrons

9.3 Arts Advisory Board

12 Staff and Volunteers

13 Financial Statements



Front image & this page: Kerry Cross

1

Mission

Montsalvat's mission is to continue to be a "living, thriving, creative artistic community. Welcoming to the general public, we aim to educate and promote local, national and international cultural practice."



Image: Field of Vision Photography

2

Chair's Report

THE BOARD

A new Montsalvat patron

Dr Barry Jones AO resigned from the Board in March 2012, after serving as a director since Montsalvat Ltd's establishment in 2007. Dr Jones has graciously consented to become a life-long patron of Montsalvat. We are very grateful to him for his sterling contribution thus far and we look forward to his ongoing association with Montsalvat.

Succession Planning

The Board is now actively seeking nominations to fill two vacancies on the Board and will complete the process before the 2012 Annual General Meeting. In seeking new members the board continues its practice of nominating men and women with wisdom and skills to complement the range of experience represented in the current Board. The Chair takes this opportunity to thank those directors who have, throughout the year, so generously lent their legal, administrative, architectural and planning skills for Montsalvat's benefit.

Committees

In addition to its quarterly meetings, with the Annual General Meeting held in October and attended by our auditor, Montsalvat has increased the number of meetings of its constituted sub-committees, in order to attend to issues that arise between full Board meetings, and to offer ongoing advice and assistance to the CEO.

The Governance Sub Committee (members are Catherine Dale and John Howie and the Chair, Morag Fraser) has met regularly, dealing principally with succession planning, Board governance and the establishment of a comprehensive and accurate asset register for Montsalvat.

Other committees, established, like the Governance Committee, with formal terms of reference that follow Montsalvat's constitutional guidelines, will be set up to provide a regular sounding board for the CEO as he deals with ongoing issues of risk management at Montsalvat.

LIAISON WITH THE MONTSALVAT'S FOUNDING FAMILIES

Since the death in 2011 of one of its founders, the much cherished Matcham Skipper, the Board and CEO have continued to negotiate with the Skipper family the use of the complex of buildings that have been collectively known as Matcham's area. Much renovation has taken place, and the Board thanks the family, particularly Matcham's son, Adam Skipper, for the sensitive and inventive way in which they have overseen work on these precious heritage buildings, breathing new life into them. The beautiful upstairs studio is now the new home of David Moore's painting classes, and the downstairs studio spaces are now occupied by artists working in a variety of media.

MONTSALVAT'S ARTS PROGRAMMES

Over the past twelve months, Montsalvat has dramatically expanded both its exhibition and concert schedule, bringing many fine artists, musicians, potters, luthiers and craftsmen and women from a diverse range of fields to Montsalvat. We have also expanded the opportunities for artists and musicians to live and work at Montsalvat, using the existing studios and those now available in the studio complex that celebrates the memory of Matcham Skipper.

The Board pays tribute to the enterprise and energy of Montsalvat's Artistic managers, Simone de Haan and Naretha Williams, and to Montsalvat's CEO and staff, for carrying through the programme with such dedication.

PHILANTHROPY

A number of Montsalvat's major exhibitions in 2011 and 2012 have been made possible through the financial support of individual donors and patrons. We thank them for their generosity and for the confidence in Montsalvat's future that their friendship and financial assistance demonstrates. The Board is committed to encouraging and increasing such support through a Donor Programme.

INSTITUTIONAL ASSOCIATIONS & COMMUNITY BUILDING

Montsalvat continues to establish and strengthen its connections with government, both state and federal, with local government through a very fruitful

relationship with the Nillumbik Council, with our neighbour the Eltham Cemetery Trust, with local schools, tertiary institutions and community groups, arts funding organisations and legal firms.

In mid year Montsalvat was the site for a spectacular winter solstice celebration and bonfire, organized by friends of Montsalvat and attended by the local fire brigade (as guests as well as safety supervisors) and by hundreds of families from the local community and the region beyond.

IN MEMORIAM

In March 2012 Montsalvat and the whole Eltham community lost one of its most loved and valued members when Gwen Ford died unexpectedly. Gwen, and her late husband Gordon Ford were, for decades, pivotal figures in Eltham's cultural and community life, and their home and glorious native garden have been a grand gathering place for so many of us. Gwen was also a constant friend to Montsalvat and its residents, freely giving her time in the gardens, in the restaurant courtyard and contributing in ways that can't be measured. Montsalvat mourns her and will always remember her.

CONCLUSION

I thank my fellow Board directors for their ongoing support of Montsalvat, and for the generosity with which they volunteer their time and expertise. I also thank and salute our CEO, staff and volunteers who work so hard and with so much enthusiasm – far beyond any formal expectations. In the ongoing enhancement of Montsalvat's unique buildings and grounds, and in the vitality of Montsalvat's programmes you can see the fruits of their labours.



Image: Field of Vision Photography

3

CEO's Report

2010/2011 was a very successful year for Montsalvat on many levels, particularly with achieving its mission of being a living, thriving, creative artistic community.

Financially, Montsalvat Ltd made a profit for the fifth consecutive year. Montsalvat has now operated profitably every year since the formation of Montsalvat Ltd, with its independent Board, in 2007. All profits generated are used to benefit Montsalvat directly particularly through capital works.

During the year, Montsalvat's artistic community that lives, works and teaches at Montsalvat increased by 83% from twelve to twenty-two artists. Existing arts practices of jewellery, painting, violin, guitar and shakuhachi flute making, sculpture and film making are now complimented by the work of glass sculptors, a ceramic artist and musicians.

The artist in residence program, for artists who stay at Montsalvat continued to grow with sixteen artists to Montsalvat. These artists included visual artists, writers, composers, a textile artist and photographer who stayed at Montsalvat for two to six weeks.

The work of Montsalvat artists is complemented the arts program comprised of exhibitions, concerts and literary events and festivals.

Highlights of an excellent exhibition program included the Nillumbik Prize (provided by Nillumbik Shire Council) which was won by Eolo Paul Bottaro for Floating Time 2012 (oil & egg tempera on linen), and a wonderful exhibition of Afghan traditional rugs.

The 2011/12 season of concerts continued Montsalvat's focus on classical chamber music and jazz, with a taste of world music.

In partnership with Eltham Bookshop Literary conversations, book launches World Matters and Past

Matters again pivotal feature of Montsalvat's cultural program

For the past 3 years, Montsalvat's arts program and development has been guided by the outstanding work of Simone de Haan. In particular Simone's music program brought us performances by some of Australia's best chamber music, jazz, and world music musicians. Simone left Montsalvat to relocate to New South Wales.

Montsalvat is very fortunate to have highly experienced arts manager and practising interdisciplinary artist Naretha Williams appointed as the new Artistic Manager in April 2012.

Very sadly, Gwen Ford a long term volunteer and friend of Montsalvat died on 26 March 2012. In honour of Gwen's contribution to Montsalvat the restaurant courtyard has been named the Gwen Ford Courtyard.

Long standing trustee and Board member since 2007 retired on 26 March 2012 and has now been appointed a Patron of Montsalvat. Barry's contribution to Montsalvat and personal support to me was most appreciated.

I would like to thank all Board members, particularly Morag Fraser, for their commitment to Montsalvat during the year.

Special thanks also go to the staff of Montsalvat who do an outstanding job with limited resources, to the volunteers who support Montsalvat in many ways, and to the artists who live, work and teach at Montsalvat for ensuring that Montsalvat continues to be a creative artistic community.

4

Cultural Operations

Exhibition

Barn Gallery

Nillumbik Prize

Transmography
Neil McLeod

Papuan Masks
Neil McLeod

Open Studio Artists

Justus Jorgensen

Najaf Mazari

Long Gallery

Neami Splash Studio

Yarra Valley Grammar
Students

Seizui - Essence
Nerina Lascelles

Treasures of Montsalvat
Charles Beavis

Denise Anzellotti

Cliff Howard

Eugenie Austen

Ben Laycock

Barbara Hauser

Concerts

Marianne Rothschild

Joe Chindamo

James Sherlock Trio

Katherine Shiell

Matthew Fagan

Eltham Jazz Concert

Firebird Trio

Australian Youth
Orchestra

Paul Worthington

Matthew Fagan

Antony Field

Taliska

Jacob Cordover

Benjamin Clark

Canberra Chamber
Orchestra

August Skipper

Kavisha Mazella

Hopkins, Di Sario &
Collings

Matthew Fagan + Kelly
Grattidge

Eltham College

Flinders Quartet

Speak Percussion

Andrea Keller

Matthew Fagan



Images: Musicians from Australian Youth Orchestra; Papuan Mask, Neil McLeod; Matthew Fagan.

Literary Events

Stories of Afghanistan - Mazari & Hillman

Arnold Zable

Anna Funder

Christopher Kremmer

Guy Mirabella

Kinglake-350 - Adrian Hyland

Peter Fitzsomons

Teage Ezard

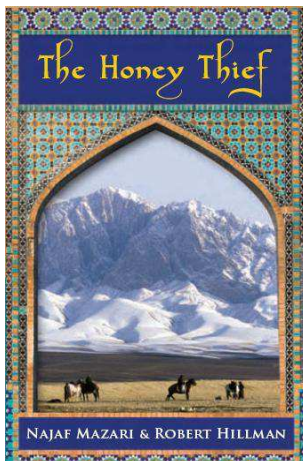
Neil Grants

Afghan Fundraiser - Morag Fraser

Past Matters

Lila Gabor

World Matters Festival



Images clockwise: Najaf Mazari; Work by Susan Reddrop from *Urge*; Work by Nerina Lascelles from *Seizui*; *The Honey Thief* by Najaf Mazari & Robert Hillman; *Violin Lessons* by Arnold Zable.

5

Onsite Arts Tradition

Resident artists have been at the core of the Montsalvat tradition since its inception as an artist colony founded in 1935. Today Montsalvat supports a broad range of approaches, all committed to contemporary arts making as an integral part of our lives. A range of artistic practice, from painting and glass art, through to ceramics and instrument making, ensures Montsalvat remains a thriving arts centre.

During the year an additional 10 artists joined Montsalvat's artistic community bringing the total to 22 artists. Existing arts practices of jewellery, painting, violin, guitar and shakuhachi flute making, sculpture and film making are now complimented by the work of glass sculptors, jewellers, a ceramic artist and musicians.

Existing Artists

Angela Abbott	Painter & Teacher
David Brown	Luthier
Sebastian Jorgensen	Musician
David Moore	Painter & Teacher
Susan Reddrop	Glass Sculptor
Sue Thomas	Couturier
Simon Icarus Baigent	Goldsmith
Don James	Painter & Teacher
Sigmund Jorgensen	Arts & Heritage Advisor
Ric Nelson	Filmmaker
Amy Skipper	Couturier
Chris Wynne	Guitar Maker & Teacher

Artists appointed 2011/2012

Tim Clarkson	Ceramic Artist
Simon Charles	Musician
Jeanette Dyke	Jeweller
Sandy Kilpatrick	Jeweller
Ruth McCallum Howell	Glass Artist
Mariella McKinley	Glass Sculptor
Carole Moschetti	Painter
Sophie Thanassas	Garden Design & Ceramic Artist
August Skipper <i>Emerging Artist Residency</i>	Musician
Anthony Williams	Painter



Image: Jole di Florio, *Dandelions*, Winner, Nillumbik Prize Montsalvat People's Choice Award 2012

Artist in Residence

The Artist in Residence program is an exciting initiative, designed to provide artists with a supportive community where they can focus on their own artistic practice and research. Montsalvat offers free accommodation and studio space from 2 to 6 weeks. Artists are encouraged to focus on their work within an environment that encourages dialogue and exchange of ideas. Artists from all nations and backgrounds are encouraged to apply.

The Artist in Residence program is now in its third year and there has been an increase in the number of artists attending.

2011/2012 Artists in Residence

Courtney Collins	Writer
Laura Stekovic	Visual Artist
Ruth Marshall	Textile Artist
Anthony Williams	Visual Artist
Dindy Vaughan	Composer
Neil McLeod	Visual Artist
Lucia Rossi	Photographer
Nicola Moss	Visual Artist
Susan Buret	Visual Artist
Nathalie Hartog-Gautier	Visual Artist
Caroline Hamilton	Writer
Norma Neil	Visual Artist
Paul Mason	Composer
Kate Moore	Composer
Geneveive O'Callaghan	Writer
Amanda Ruck	Visual Artist

"I haven't had such a peaceful and constructive two weeks for a long time. Thank you to everyone for crafting that space for the artists in residence. Thank you Montsalvat for a wonderful and rejuvenating stay! The Artistry and Inspiration was a blessing."

Paul Mason, Artist in Residence

*I look out of the
window and listen,
to the birds arguing
the sound of the fan,
until silence reigns
again.*

*The window up above -
a great wheel -
thick with cobwebs,
stained glass,
rich in colour and web.
Wood everywhere, every
hue, every tone,
nothing out of place.*

*The faces look down
upon me
smiling, calm.
A vine creeps through a
break in the glass
and makes its way inward,
communing,
reaching towards the
vestry.*

*The sounds of the
alto sax
traverse oaks, evergreen
wander
down steps up
and makes its way
to where I sit.
I am so glad you
found me.*

**Caroline Hamilton
Artist in Residence
November 2011**

6

Commercial Operations

To support its arts activities, Montsalvat generates income from:

- Functions (weddings, funerals, corporate functions)
- Tourism and Education (entry fees, photoshoots, school visits)
- The Meeting Pool Restaurant
- Rent (from the artists and craftspeople who live, work and teach at Montsalvat)

Highlights of the year were increased in income from Corporate and Private Events, the Meeting Pool Restaurant, entry fees, film and photo shoots, funerals, and concerts.

Income from weddings and rental decreased and strategies have adopted to increase income in these areas.

A Net Profit of \$75,688 means that Montsalvat Ltd has generated net profits every year since it was formed in 2007.

A decrease in total expenses made a significant contribution to this profit.

Weddings, entry fees, and The Meeting Pool restaurant remain the main financial strength of Montsalvat's commercial operations. Efforts will be made over coming years to broaden the Montsalvat's income base.

Overall, Montsalvat's continued successes in the areas noted are a testament to its efforts to improve the quality and delivery of its commercial operations. This is clearly demonstrated in the volume of positive feedback received from clients and their guests in relation to their experience at Montsalvat.

"Thank you so much for all you did for us in achieving such a wonderful afternoon on our beautiful children's Confirmation function. We have had many calls commending us on the afternoon and how lovely it was. Your contribution was absolutely amazing. Thank you so very much"



"Heartfelt thanks for all your hard work and invaluable advice that helped make our wedding day such a dream come true. Montsalvat will always hold a very special place in our hearts and we are very grateful for your wonderful support."

7

Heritage, Community & Tourism Operations

During 2011/2012 Montsalvat was visited by over 8724 visitors.

Visitors came to see the historic buildings, (many of them made from recycled materials), to learn about Montsalvat's rich artistic history and to view the art that is created and made at Montsalvat.

'Friends of Montsalvat' has been a very important means of connecting our volunteers with the local community, and a way of acknowledging the skills and enthusiasm that members of that community can contribute to Montsalvat .

Montsalvat has been a focal point for arts practice in the Montsalvat community for many years. Artists come and take part in the classes and exhibit in our Long or Barn galleries.

It has developed strong relationships with the various arts organisations and has a collaborative working relationship with the Nillumbik Shire Council. This now includes presentation of the Red Chair Artist talks on a monthly basis, nurturing relationship between the artist and the audience. Discussions are ongoing in terms of exploring the potential for projects between Montsalvat and the Nillumbik Shire Council.

Several schools visit Montsalvat and a close bond has been developed with organisations such as the NEAMI Splash Arts Studio and universities, including RMIT and Latrobe University. Montsalvat also supports an ongoing working relationship with the Eltham Bookshop to present literary events and book launches with guest presenters.



Image: Field of Vision Photography



Development

8.1 Montsalvat Foundation

The Montsalvat Foundation has been established to raise funding to promote and encourage the arts at Montsalvat by way of exhibitions, public concerts, lectures, workshops and master classes.

The foundation is endorsed as a Deductible Gift Recipient; therefore we are able to issue tax receipts for any donations.

Private donations totalling \$4565 were received during the year.

The formation of a Fundraising Committee of the Board will ensure that Montsalvat continues to explore private philanthropic opportunities.

8.2 Montsalvat Partnerships

Montsalvat's primary partnerships during 2010/2011 were with Arts Victoria. The funding and support provided through this partnership has been of enormous value.

Partnerships with the following organisations have also been very valuable.

Heritage Victoria - building restoration funds

Nillumbik Shire Council - Nillumbik Prize and Red Chair Artist Talks

Eltham Bookshop - book launches, literary discussions and festivals

Koori Heritage Trust - exhibitions and workshops

Splash Art Studio - exhibitions of artists who have a mental illness

Australian National Academy of Music - concerts

Flinders Quartet - concerts

Universities - ongoing relationships are maintained with University art programs through their artists taking part in art prizes and exhibitions.

9

Governance

10.1 Montsalvat Limited Board

The Board of Directors of Montsalvat Limited is comprised of eight people who are highly experienced in the arts and governance. The Directors are:

- Morag Fraser (Chair)** Chair of Australian Book Review, Board Member of Art Monthly
- Phillip Adams** Australian broadcaster, film producer, writer, and social commentator
- Catherine Dale** CEO City of Boroondara, Board Member State Library of Victoria
- John Howie** Special Counsel Williams Winter Solicitors
- Barry Jones** Professorial Fellow at the University of Melbourne, Board member of Victorian Opera
Retired 26 March 2012
- Max Jörgensen** Company Director, farmer and inventor/developer of ideas
- Sigmund Jörgensen** Montsalvat Arts and Heritage Advisor
- Allan Willingham** Heritage Architect

10.2 Patron

- Barry Jones** Professorial Fellow at the University of Melbourne, Board member of Victorian Opera
Appointed 26 March 2012



Image: Field of Vision Photography

10.3 Arts Advisory Board

The artistic direction of Montsalvat is guided by its Arts Advisory Board which is comprised of:

Rick Amor (artist, winner of the 2007 McClelland Sculpture Prize)

Tony Gould (pianist/composer, winner of the 2009 Don Banks Music Award from the Australia Council for the Arts)

Rodney Hall (writer, 2-times Miles Franklin winner, former chair of the Australia Council)

Sigmund Jørgensen (Montsalvat Ltd Board Member)

Genevieve Lacey (recorder virtuoso and artistic director)

Michael Shmith ('The Age' reviewer and leader writer)

Peter Wegner (artist, winner of the 2006 Moran Portrait Prize)



Clockwise from top left: Painting by Cliff Howard; Australian Guitar Duo; painting by Eugenie Austin; Flinders Quartet.

10

Staff & Volunteers

11.1 Staff

The staff of Montsalvat are committed to supporting its creative arts community, heritage buildings and grounds.

Chief Executive Officer	Rob Hauser
Business Manager	Mez Woodward
Arts and Heritage Advisor	Sigmund Jørgensen
Artistic Manager	Simone de Haan/ Naretha Williams
Events Manager	Vennesza Soosai
Functions Supervisor	Paola Luz
Arts Support	Sana Kojicin
Reception	Fiona Boyd Sim Turner
	Caty Gierer
Building and Grounds	Veronica Dapiran Jo Douglas Dean Warner
Restaurant	Andrew Procter Paul Phelan Sam Vallence Rob Hunter

11.2 Volunteers

Montsalvat is indebted to the following volunteers, who donate their time to provide a wide range of work and services:

Vincent Galante	Sue Thomas
Ted Clohesy	Gwen Ford
Mike Ridley	Phoebe Couyant
Bob Rusling	Morriss Watson
Sue Kuronen	Alan Johanson
John Hannaford	Jen Woodgate
Gail Walsh	Angela Zheng
Vivian Tan	Ying Tan
Roland Hieser	Meg Wheelright
Lisa Zheng	Joanne Colosimo
Sana Kojicin	Gill Merzvinskis
Denise Burbridge	Morag Fraser
Sigmund Jorgensen	Rob Hauser

In 2011/2012, volunteers contributed 1303 hours of their time to Montsalvat.

12

Financial Statements

MONTSALVAT TRUST AND CONTROLLED ENTITIES

(TRUSTEE MONTSALVAT Ltd)

ABN 80 726 651 249

PROFIT AND LOSS STATEMENT YEAR ENDING 30 JUNE 2012

SALES	\$
Cafe	705,363
Functions	985,721
The Arts	109,374
Tourism & education	196,953
Rent received	75,239
	2,072,650
LESS: COST OF GOODS SOLD	
Cafe / functions	431,380
The Arts	62,348
Tourism & education	1,538
	495,266
GROSS PROFIT FROM TRADING	1,577,384
OTHER INCOME	
Interest received	2
Donations	3,377
Arts Victoria funding	-
Other funding	74,711
Other income	17,741
	95,831
	1,673,215
EXPENSES	
Administration expenses	12,296
Advertising expenses	11,054
Cleaning, laundry & dry-cleaning	44,003
Consultancy fees	133,436
Depreciation	20,073
Employee expenses	961,302
Finance expenses	34,677
Insurance	58,985
Occupancy expenses	75,370
Other expenses	56,913
Professional fees	57,809
Repairs & maintenance	104,939
Small equipment & consumables	26,670
Sub-contractors	0
	1,597,527
Operating Profit (Loss) before abnormal items	75,688
Abnormal items	
Employee expenses	
Profit (Loss) after Abnormal Items	75,688

MONTSALVAT TRUST AND CONTROLLED ENTITIES
(TRUSTEE: MONTSALVAT LTD)
A.B.N. 80 726 651 249

BALANCE SHEET
AS AT 30 JUNE 2012

	2012	2011
	\$	\$
SHARE CAPITAL AND RESERVES/TRUST FUNDS		
100 Fully Paid Ordinary Shares of \$1	-	-
Trust corpus	109,205	109,205
Reserves	8,377,505	8,377,505
Retained earnings (Accumulated Losses)	(360,320)	(436,008)
TOTAL SHARE CAPITAL AND RESERVES	8,126,390	8,050,702
Represented by:		
CURRENT ASSETS		
Cash and cash equivalents	102,405	30,780
Trade and other receivables	65,044	63,275
Inventories	22,705	30,416
Other current assets	42,286	29,420
TOTAL CURRENT ASSETS	232,440	153,892
NON CURRENT ASSETS		
Fixed Assets		
Property, plant and equipment	4,463,650	4,475,061
Antiques and artwork	4,308,171	4,308,171
	8,771,821	8,783,232
TOTAL NON CURRENT ASSETS	8,771,821	8,783,232
TOTAL ASSETS	9,004,261	8,937,124
CURRENT LIABILITIES		
Trade and other payables	183,622	203,474
Employee entitlements	59,131	77,893
Income received in advance	155,265	138,137
Government grants received in advance	-	10,007
TOTAL CURRENT LIABILITIES	398,018	429,511
NON CURRENT LIABILITIES		
Employee entitlements	77,853	119,911
Borrowing	402,000	337,000
Australian Securities Limited Mortgage	-	-
TOTAL NON CURRENT LIABILITIES	479,853	456,911
TOTAL LIABILITIES	877,871	886,422
NET ASSETS	8,126,390	8,050,702