



Western Australian Museum Foundation ANNUAL REPORT 2013-2014

WESTERN AUSTRALIAN
museuM
FOUNDATION

NEW MUSEUM
FOR WA

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The Role of the WA Museum Foundation

Extraordinary things happen at the WA Museum – thanks, in no small part, to the generosity of our valued supporters.

The Western Australian Museum Foundation was established in 1995 as the fundraising partner of the Western Australian Museum. The Foundation is self-funding, is independent from the Museum and has played a critical role in encouraging the community to financially support the Museum through donations and bequests. The Foundation also manages the Museum's sponsorship and corporate partnership programs.

The Foundation facilitates the Museum's vision and the delivery of vital programs across its seven metropolitan and regional sites in Perth, Fremantle, Kalgoorlie, Geraldton and Albany and the Collections and Research Centre in Welshpool.

Donations to the Foundation, enable the enhancement of the State's collections through acquisitions, exhibitions, scientific research and engaging public and educational programs. Philanthropic gifts, bequests, corporate partnerships and in-kind support also allow the Museum to provide experiences beyond the scope of government funding.

The Foundation is managed by a Board of Governors and further supported by an Investment Committee, to ensure the highest standards of integrity, governance and stewardship are realised for the Museum and its legacy.

Western Australian Museum Foundation Board of Governors



Emeritus Professor Tracey Horton BEc (Hons) (UWA), MBA (Stanford), FAICD

Retired Chair Nov 2013

Tracey Horton is a Non-executive Director for Navitas, Automotive Holdings Group and SKILLED Group. Tracey is also Chairman of the Presbyterian Ladies College and Perth Fashion Concepts Incorporated, and President of the Chamber of Commerce and Industry of WA. Previously, Tracey was Dean of The University of Western Australia Business School. Tracey is a former Chairman of the Western Australian Museum Foundation and is currently an Ambassador for the WA Museum.



Justin Mannolini BCom, LLB (Hons), LLM (Cantab), SF Fin MAICD

Appointed Chair Nov 2013

Justin has been an Executive Director with Macquarie Capital, the investment banking division of the Macquarie Group, since March 2013 where he is responsible for cross-industry coverage of the WA market. Justin has more than 18 years of experience in corporate finance, ranging across industry sectors and product lines. Justin was appointed as a member of the Board of Governors of the WA Museum Foundation in November 2011 and is Chair of the Foundation's Investment Committee.



Hon Julie Bishop MP

Deputy Chair

Julie Bishop was sworn in as Australia's first female Foreign Minister on 18 September 2013 following four years in the role of Shadow Minister for Foreign Affairs and Trade. Before entering Parliament, Julie was a commercial litigation lawyer at Perth firm Clayton Utz. Julie has served as the Member for Curtin in the House of Representatives since 1998. She is currently the Deputy Chair of the Western Australian Museum Foundation and a Board Member of His Majesty's Theatre Foundation.



Dr Marina Hogan BA (Hons), MBA, PhD

Deputy Chair

Marina co-founded Scoop Publishing in 1997, a leading privately owned Australian publishing house. Scoop produces nine leading titles and prints over 400,000 copies annually. Marina also teaches part-time in the Department of European Languages, at The University of Western Australia (UWA). Marina is actively involved with Subiaco Primary School as Chair of the Board. She has a BA (Hons) from UWA, an MBA from Murdoch University and a PhD from UWA. Marina joined the Foundation Board of Governors in December 2012.



Alec Coles OBE, BSc (Hons), FLS, FRSA, AMA

Ex-officio member

Alec Coles is CEO of the Western Australian Museum, the State Museum for all of Western Australia, with branches in Perth, Fremantle, Geraldton, Kalgoorlie and Albany. Alec has held this position since March 2010 and was previously Director of Tyne & Wear Archives & Museums in North East England. He was also a member of the UK Heritage Lottery Fund's National Expert Panel. Alec is driving the WA Museum's initiative to build a New Museum for WA and is committed to developing the public value of museums. Alec was recognised for his Services to Museums in the Queen's Birthday Honours List in June 2010 and awarded an OBE.



Sara Clifton BCom, GAICD

Ex-officio member

Sara completed a commerce degree at The University of Western Australia and is a graduate of the Australian Institute of Company Directors. In addition to qualifications as a chartered accountant, she has extensive experience as a senior business journalist. Sara is the Managing Director of Clifton Counsel, an investor and media relations consultancy. Sara has varying non-for-profit interests and serves as a board member of The University Club of WA. She was appointed as a Trustee of the WA Museum in 2007 and Vice-Chair in 2012. Sara has also been an ex-officio member of the Foundation Board of Governors since 2012.



James McClements BEc (Hons)

James McClements co-founded Resource Capital Funds in 1998. Prior to this, he was a natural resources sector banker for 10 years in Australia and the US and began his career with BHP Limited. He is an honours graduate in Economics from The University of Western Australia and joined the Foundation's Board of Governors and Investment Committee in November 2011. James currently chairs the Methodist Ladies College Foundation and is a Patron of the UWA Hackett Foundation.



Tim Lester BA LLB

Tim is the joint head of Allens' corporate finance practice in Perth and the firm's Japan Sector. Tim joined Allens in early 2008, from an international law firm where he was a global partner and worked for 13 years across London, Hong Kong and Tokyo. In addition to being a Governor of the Foundation, Tim is also currently a member of the Executive Committee of the Australia Japan Business Cooperation Committee, a member of the Board of the Department of Foreign Affairs and Trade's Australia Japan Foundation, Chair of The University of Western Australia Business School's Ambassadorial Council, Governor and a member of the Attorney General's International Legal Services Advisory Council. Tim joined the Foundation Board of Governors in January 2013.



Nick Brasington

Nick is currently a member of the PwC Global Assurance Leadership Executive. He is based in Perth and was the Managing Partner of PwC, Western Australia in 2012 and 2013. Prior, Nick was based in Moscow as the Managing Partner for Assurance in Central and Eastern Europe (CEE). He has held a variety of international leadership and senior management roles throughout his career in Melbourne, London, Lisbon, CEE and now Perth. Nick is also a member of the SAS Resources Trust Board of Trustees, and the Methodist Ladies College Council. Nick joined the Foundation Board of Governors in May 2013.



Fred Chaney BArch (Hons), MPhil

Appointed Sep 2013

Fred Chaney has led project teams on a range of civic, institutional and commercial projects in Melbourne and Perth, new buildings, master plans and redevelopment projects for universities and TAFE colleges, and large scale urban renewal and residential developments. In 1991 he gained a Masters in Architectural History and Theory from the University of Cambridge. Since graduating, he has taught at The University of Western Australia, Curtin University, RMIT and the University of Melbourne. He joined the Foundation Board of Governors in September 2013.

Western Australian Museum Foundation Investment Committee

Justin Mannolini BCom, LLB (Hons), LLM (Cantab), SF Fin MAICD **see previous listing*
Retired Chair Nov 2013

James McClements BEc (Hons) **see previous listing*
Appointed Chair Nov 2013

Fred Chaney BArch (Hons), MPhil **see previous listing*
Appointed Feb 2014

Chairman's Report



The past year has been one of significantly increased activity for the Western Australian Foundation, as we prepare to embark on a significant endowment fund raising programme in 2015.

The Foundation's objective is to provide meaningful and sustainable financial support to the Museum by building private and corporate investment in the Museum and its programs and, where possible, advocating for the financial interests of the Museum in the private and public sphere.

In 2014, the Board of the Foundation resolved to develop a fundraising program to establish a substantial endowment fund to coincide with the opening of the new Museum for Western Australia in 2020, and much of our activity during the year related to strategic planning for this initiative.

The objective of the endowment fund is to deliver at least \$1 million a year in today's dollars, in perpetuity, towards supporting the WA Museum's mission.

In very simple terms, we believe that a world class Museum deserves to have a world class Endowment behind it.

The West Australian Government's continued commitment to the New Museum Project, despite what can only be described as a challenging budget backdrop, is deserving of special mention and applause. Now it is the turn of those of us in the private sector, both individual and corporate, to do our bit to leverage that investment, and maximise the benefit of the New Museum project for all Western Australians. The wider Western Australian community must get behind this project; to be successful, it must become the work of all of us.

Accepting the role to chair the WA Museum Foundation in November 2013, I want to pay a special tribute to my predecessor Tracey Horton for her outstanding leadership and twelve year commitment to the Foundation and WA Museum.

Together with my appointment, I also have great pleasure in announcing that Marina Hogan has been nominated as a second Deputy Chair, in addition to the Hon Julie Bishop who will remain in this role. I would also like to welcome Fred Chaney to the Foundation Board of Governors and as a member of the Foundation's Investment Committee.

In February 2014, we also welcomed Heiko Plange to the position of Director, Western Australian Museum Foundation. Heiko has extensive experience in developing and executing strategic marketing, major gifts fundraising and corporate partnership programs and is ideally qualified to lead the Foundation and the fundraising campaign to establish the endowment fund.

While planning for the establishment of an endowment fund has been our key priority, the Foundation has continued to work towards securing corporate and community support for the existing Museum and its scientific and social programs.

We are delighted to be working with the Friends of the WA Museum and would like to thank the Friends for their unstinting support of the Museum.

On behalf of the Board of Governors I would like to acknowledge the support of the Western Australian Community which has enabled the Museum to provide programs and activities beyond the limits of our core Government funding.

I would also like to commend the Foundation Board of Governors and staff for their hard work and commitment during the past year. In recognition of the increasing urgency of our task, we increased the number of Board meetings in 2014 by 20%, and the Board and staff have all responded without complaint, and indeed enthusiastically, to the increased workload.

Lastly, I would like to acknowledge the leadership and drive of WA Museum CEO Alan Coles who continues to marshal the knowledge, expertise, professionalism and dedication of the talented staff of the Museum to achieve outstanding outcomes for this State.

Justin Mannolini
Chairman
WA Museum Foundation Board of Governors

Director's Report



It is with pleasure that I write my first report as Director of the Western Australian Museum Foundation.

Established in 1995, the Foundation is the Museum's fundraising arm and has played a critical role in encouraging the community to financially support the Museum through donations and bequests. The Foundation also manages the Museum's sponsorship and corporate partnership programs.

The Foundation's goal is to raise \$30 million to establish an endowment fund, which will enable the Foundation to implement programs and provide grants to support the essential work of the Museum.

The Foundation's supporters include people and organisations with the vision and understanding to recognise that a great museum, one that our amazing State truly deserves, will not only help to bring Western

Australia to the world and attract tourism and economic prosperity; but through engagement and education will lift the aspirations of our citizens so we can collectively realise our potential.

I have spent my first few months in the role meeting our wonderful supporters and developing a plan to realise our future goals. This has been a very rewarding experience. Thanks to their willingness to share their experience and knowledge, I have learnt very quickly about the enormous impact the Museum has on our community.

I thank the staff of the Western Australian Museum for making me feel so welcome and I especially thank the Foundation Governors, Foundation staff, the Chair of the Foundation and the CEO of the Museum.

The Foundation has an exciting future and I look forward to working with our donors and supporters to realise our shared aspirations for the Western Australian Museum.

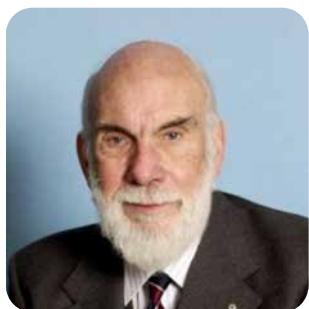
Heiko Plange
Director
WA Museum Foundation

Western Australian Museum Ambassadors



Professor Lyn Beazley AO FTSE

Lyn was Chief Scientist of WA from 2006 to 2013. In 2011 she was inducted into the inaugural Western Australian Women's Hall of Fame. In 2012 Lyn became the second recipient of the Governor's Award for Giving, in recognition of her enthusiastic philanthropy. In 2013 Lyn was accorded the honour of being listed in the Western Australian Science Hall of Fame. In November 2014, Lyn was named as the 2015 Western Australia's Australian of the Year. Lyn was a former Trustee of the WA Museum and is currently an Ambassador for the WA Museum and Patron of the Friends of the Museum.



Professor Geoffrey Bolton AO CitWA

Geoffrey Bolton is a historian whose recent works include *Land of Vision and Mirage: Western Australia since 1826* and a biography of Sir Paul Hasluck. He has held chairs at a number of Australian universities, was foundation professor in Australian studies at the University of London, and was ABC Boyer Lecturer in 1992. He is Emeritus Professor and former Chancellor of Murdoch University. Geoffrey was a former Trustee of the WA Museum and is currently an Ambassador for the WA Museum.



Peter Coleman BEng MBA

Peter Coleman has been the Managing Director and Chief Executive Officer of Woodside, since May 2011. Peter is a member of The University of Western Australia Business School Board, the Executive Committee of the Australia Japan Business Co-operation Council and the Australian Institute of Company Directors. Peter has been awarded the honorary title of Adjunct Professor in Corporate Strategy from the University of Western Australia, an Alumni Achievement Award from the Monash University and a Fellowship from the Australian Academy of Technological Sciences and Engineering. Peter is an Ambassador for the WA Museum.



Sally Anne Hasluck OAM

Sally Anne Hasluck became the inaugural Curator of the Claremont Museum in 1974 setting the standard of practice in community museums. Sally Anne also held Board membership of the National Museum of Australia. Presently Sally Anne is President of The Royal WA Historical Society. Sally Anne was a former Trustee of the WA Museum and is currently an Ambassador for the WA Museum.

Emeritus Professor Tracey Horton BEc (Hons) (UWA), MBA (Stanford), FAICD

**see previous listing*



The Honourable Dr Ken Michael AC

Dr Ken Michael AC was the thirtieth Governor of Western Australia, retiring from this position in May 2011. He was Chancellor of The University of Western Australia, Chairman of the East Perth Redevelopment Authority and a member of the Economic Regulation Authority. He is currently Chairman of the Australian Defence Force Assistance Trust and Chairman of Broome Future Ltd. Dr Michael was a former Chairman of the WA Museum Board of Trustees and is currently an Ambassador for the WA Museum.



**John Poynton AM Cit WA BCom Hon. DCom
SF Fin, FAIM, FAICD**

John is Chairman of Azure Capital Limited. He is a Director of the Future Fund Board of Guardians and Crown Perth, Chairman of Council of Christ Church Grammar School, and Chairman of Giving West. He is also a member of Social Ventures Australia. Previously, John was a Chairman of Celebrate WA, ASX Perth, Fleetwood, Alinta; Deputy Chairman of Austal Limited; Director of Multiplex; Member of the Higher Education Endowment Fund Advisory Board, Payments System Board of the Reserve Bank of Australia, EFIC and of the Business School at The University of Western Australia. John was a former Chairman of the WA Museum Foundation and is currently an Ambassador for the WA Museum.



Tim Ungar BEc FAIM

Tim has an extensive background as a Senior Executive in the telecommunications and technology industries. Tim is currently the Chairman of TSA Group and Director of Perth Fashion Concepts Incorporated, the governing body of the Perth Fashion Festival. Along with his family, Tim is a director of the charitable trust, the Ungar Family Foundation. He is a former Chairman of the Water Corporation of WA and the WA Museum Board of Trustees. He is currently an Ambassador for the WA Museum.

Highlights

The profile and activities of the Western Australian Museum are enhanced by the acquisitions, exhibitions and research made possible, in part, by the generosity of our sponsors and benefactors. Generating income in tightened economic times is always a challenge and it is with immense gratitude that the Foundation acknowledges the generous donors, benefactors, and corporate sponsors and partners who have helped make 2013-14 such an exceptional year. Highlights include:

Major Project – Two Lost Ships expedition

The Foundation has been actively assisting the Museum to raise additional funds for the scheduled 2014-15 expedition to reinvestigate and reimage the wreck sites of the World War Two ships HMAS Sydney (II) and HSK Kormoran.



Ship's boat from HMAS Sydney (II) – image courtesy Finding Sydney Foundation

This expedition seeks to use high resolution 2D and 3D imaging technology to survey the wrecks in much greater detail than was possible when they were discovered in 2008, so they can be properly protected, conserved and interpreted for future generations. Community research generously funded by Lotterywest confirms that the Australian public is equally interested in the story of the Kormoran and its surviving crew members, as it is in that of the Sydney.

The national importance of this expedition has been recognised by the National Maritime Museum, Sydney and the Australian War Memorial, Canberra who have independently expressed strong interest in acquiring the new data, which will inform new exhibitions at these institutions.

The majority of the expedition budget has been secured through a Commonwealth Government Grant and through the generous in-kind support of the project partners including Curtin University, the University of Western Australia, DOF Subsea and the WA Museum.

The Foundation has also been seeking corporate partners and private philanthropists to support the expedition. The Foundation gratefully acknowledges the generous commitment of the GMA Garnet Group and Curtin

University's financial contribution. The Foundation's Board of Governors were delighted to announce that Curtin's funding commitment would be matched through a matching distribution from the Foundation's endowment fund.

The Stan Perron Charitable Trust

The Foundation's valuable community work and ambitious plans to establish an Endowment Action Program were recognised by a generous contribution from The Stan Perron Charitable Trust in 2014.

Butler Bequest

The Foundation received another significant contribution from the Butler Bequest in 2013-14, with funds allocated to four important fieldwork projects across the following departments: Earth and Planetary Sciences, Terrestrial Zoology and Aquatic Zoology undertaken by the WA Museum. The Butler Bequest has generously supported the Museum since 1976 by funding many successful and significant fieldwork projects, adding to the Museum's collection and knowledge base.

Chevron – Terrestrial Invertebrate Fauna of Barrow Island

The Foundation was delighted to assist in developing the partnership between the WA Museum, Curtin University and Chevron to produce and publish a record of the Terrestrial Invertebrate Fauna of Barrow Island. The Foundation is particularly grateful to Chevron for their contribution towards the production costs of the publication, which is co-authored by the WA Museum and Curtin University.

Rangelands Natural Resource Management

The Foundation is delighted that Rangelands has become a Presenting Partner of the Museum's 2014 In the Wild West lecture series. This sponsorship will allow the Museum to present seven regionally relevant lectures in the Pilbara and Kimberley, helping meet one of the Museum's key objectives to engage with audiences beyond traditional WA Museum sites. Lectures will be presented from June to November 2014 in the regions, and also the Maritime Museum and the Perth Museum sites.

FameLab

The Foundation welcomed the support of the McCusker Charitable Foundation to sponsor the inaugural FameLab Finals at the WA Maritime Museum in Fremantle this year. First run at the Times Cheltenham Science Festival in 2005, FameLab has become the world's leading science communication competition for young people. It aims to find, develop and mentor young science and engineering communicators. The WA Museum was delighted to host the State and National Finals of the inaugural FameLab series in Australia.

Ungar Family Foundation

The Ungar Family Foundation generously donated funding to film and record a series of interviews with renowned anthropologist Kim Akerman, about the highly significant Akerman Collection. The collection contains more than 600 objects from Kimberley Aboriginal communities and was acquired over the course of Mr Akerman's 60-year career. These interviews will complement the documented provenance of the collection, and allow the unique stories behind the artefacts to be recorded and shared.

Transparent Sea

The WA Museum continued to benefit from the generosity of Andrew and Nicola Forrest and the Minderoo Foundation this reporting year, with the kind donation of a glass sculpture entitled 'Transparent Sea' by WA artist Vaughn Bisschops. One of the signature pieces at the 2013 Sculpture by the Sea exhibition, this sculpture has been permanently installed on the balcony of the Maritime Museum, looking out towards the Indian Ocean. The play of light created by the ever-changing position of the sun enhances the beauty of the sculpture and emphasises the importance of the whale shark as a motif for marine conservation.

Thank You Event

An event to inspire potential benefactors to become involved with the Museum's future and to thank those who have already provided significant support was extremely well attended, with His Excellency the Governor Malcolm McCusker QC presenting six awards to some of the Museum's staunchest supporters. Representatives from Woodside, Alcoa, Rio Tinto and the North West Shelf Shipping Company, as well as Andrew and Nicola Forrest and Stan and Jean Perron, were recognised for their ongoing support and generosity.



WA Museum Alec Coles, His Excellency the Governor Malcolm McCusker QC, supporters Nicola and Andrew Forrest, and Foundation Chair Justin Mannolini at Foundation Thank You event.

A full list of our generous sponsors, benefactors and granting agencies is below.

Supporters and Partners

The success of the Western Australian Museum owes much to the generosity and commitment of our sponsor and donors and we value your strong support in our work.

The Western Australian Museum Foundation gratefully acknowledges the following supporters and partners:

DISTINGUISHED PATRON

Minderoo Foundation
Woodside Energy

CHAIRMAN'S CIRCLE

Rio Tinto

PATRON

Alcoa Foundation
Alcoa of Australia
DOF Subsea
North West Shelf Shipping Service Company Pty Ltd
Jean and Stan Perron AM

BENEFACTOR

Dr Harry Butler AO CBE
Butler Bequest
Chevron Australia
DB Schenker Australia
Friends of the Western Australian Museum
GMA Garnet Group
Nicholas Kolichis
Lotterywest
MG Kailis Group

FOUNDER

Allens Linklaters
Prof Lyn Beazley AO

Hawaiian
Kailis Bros Pty Ltd
Kailis Consolidated Pty Ltd
Kailis Fisheries Holdings Pty Ltd
The McClements Foundation
Moore Stephens
Rosalind-Ruth Phelps
Scoop Publishing
Singapore Airlines
Singapore Cargo
Ungar Family Foundation

DONOR

Embassy of the Kingdom of the Netherlands
Dr Ian Macleod
McCusker Charitable Foundation
Quest on James

MEMBER

Carole Crommelin
DIAB Engineering
Ferngrove Frankland River Wines
Ian Fletcher
Gage Roads Brewing
Heyder & Shears
Janet Holmes à Court AC
Mercure Hotel
Dr Ken Michael AC and Julie Michael†

Western Australian Museum Foundation Staff



Heiko Plange | Director

Heiko has extensive experience in developing and executing strategic marketing, major gifts fundraising and corporate partnership programs. He has worked both as a consultant and employee across health, aged care, medical research, educational, community, and charitable organisations throughout Australia. Heiko holds a Graduate Diploma in Applied Finance Investment and a Graduate Certificate in Social Impact. Heiko has achieved the internationally recognised fundraising certification of CFRE and is a Fellow of the Fundraising Institute of Australia. Heiko joined the WA Museum Foundation team in February 2014.



Karen Bassett | Development Manager

Karen Bassett has worked with the Western Australian Museum Foundation for 15 years. In her current role she is responsible for generating and managing a wide range of corporate partnerships, stakeholder engagement and philanthropy across the Museum's broad range of disciplines and sites. Karen has been involved in the culture and arts sector over numerous years including her earlier career with the Perth Theatre Trust.



Kylie Weston | Project Officer

Kylie joined the WA Museum Foundation team in September 2013. Prior to this she worked for seven years at The University of Western Australia. During this time, Kylie's roles included working in the UWA Business School's External Relations team, who successfully raised \$25 million through a Futures Fund and capital works campaign. In addition, Kylie held marketing and event roles in the UK. Kylie holds a Bachelor of Business.



Marisa Boyle | Finance Officer

Marisa has had a 20 year career in finance in the insurance and fundraising sector. She currently works as Finance Officer for the WA Museum Foundation managing the financial and administrative duties of the organisation. Prior to that she was an employee of the SGIO Perth office where she worked for 10 years, with the last two years as Management Accountant in the Finance Department. She holds a Bachelor of Commerce degree.

**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF THE WESTERN AUSTRALIAN
MUSEUM FOUNDATION**

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REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report comprising the statement of financial position, statement of comprehensive income, statement of cash flows, accompanying notes to the financial statements and statement by the Board of Governors for The Western Australian Museum Foundation (the Foundation), for the financial year ended 30 June 2014.

Board of Governor's responsibility for the financial report

The Board of Governors of the Foundation are responsible for the preparation and true and fair presentation of the financial report. This responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to conduct an independent audit of the financial report in order to express an opinion on it to the members of the Foundation. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the Foundation's financial position and performance as represented by the result of its operations and its cash flows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates made by the Board of Governors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents a true and fair view, in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia, of the financial position of The Western Australian Museum Foundation as at 30 June 2014 and the results of its operations and cash flows for the year then ended.

REPORT ON COMPLIANCE WITH PUBLIC ANCILLARY FUND GUIDELINES 2011

Effective from 1 January 2012, affected entities holding philanthropic funds are required to comply with the Public Ancillary Fund Guidelines 2011 ("the Guidelines") imposed by the Australian Taxation Office. The Board of Governors of The Western Australian Museum Foundation are responsible for ensuring that the Foundation complies with the applicable provisions of these Guidelines. Our responsibility is to express an opinion on whether The Western Australian Museum Foundation has complied with these applicable Guidelines for the year ended 30 June 2014, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, in all material respects, The Western Australian Museum Foundation has complied with the applicable provisions of the Public Ancillary Fund Guidelines 2011 for the year ended 30 June 2014.

Moore Stephens

MOORE STEPHENS
Chartered Accountants

Neil Pace

NEIL PACE
Partner

DATED at PERTH this

14th

day of

October

2014

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT BY THE BOARD OF GOVERNORS

In the opinion of the The Western Australian Museum Foundation:

- (i) the accompanying statement of comprehensive income is drawn up so as to give a true and fair view of the result of the Foundation for the year ended 30 June 2014;
- (ii) the accompanying statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Foundation as at 30 June 2014 and;
- (iii) the Financial Statements have been prepared in accordance with applicable Accounting Standards.

This statement is made in accordance with a resolution of the Foundation and is signed for and on behalf of the Foundation by:



MR JUSTIN MANNOLINI
CHAIR
WA MUSEUM FOUNDATION



DR MARINA HOGAN
DEPUTY CHAIR
WA MUSEUM FOUNDATION

Dated this 12th day of September 2014
Perth, Western Australia



Cover Note: 2013/14 Audited Financial Statement for the Western Australian Museum Foundation.

The following comprises an edited version of the full audited financial statements of the Western Australian Museum Foundation for the year ended 30 June 2014. Notes 10 and 11 to and forming part of those financial statements have been omitted to protect the confidentiality of donors and sponsors to the Western Australian Museum Foundation.

WESTERN AUSTRALIAN MUSEUM FOUNDATION

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WELSHPOOL • PERTH • MARITIME • FREMANTLE • GERALDTON • KALGOORLIE-BOULDER • ALBANY

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CURRENT ASSETS			
Cash at Bank	4	283,055	326,546
Managed Investments (at Fair Value)	6	3,697,234	3,230,255
Other Receivables	7	54,779	27,898
Share Investment (at Fair Value)		3,480,000	2,432,000
TOTAL CURRENT ASSETS		7,515,068	6,016,699
TOTAL ASSETS		7,515,068	6,016,699
CURRENT LIABILITIES			
Unearned income		962,132	-
TOTAL LIABILITIES		962,132	-
NET ASSETS		6,552,936	6,016,699
TRUST FUNDS			
Opening Retained Surplus		8,215,331	8,065,326
Adjustment to Foundation Funds/Def Income 2014	2	(912,013)	-
Operating Surplus (Deficit)		196,141	150,005
Financial Assets Reserve – Managed Investments		925,477	721,368
Financial Assets Reserve - Shares		(1,872,000)	(2,920,000)
		6,552,936	6,016,699

To be read in conjunction with the attached notes.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
INCOME			
Tied Sponsorships	10	639,739	1,179,099
Investment Income		321,867	161,983
Gain/(Loss) on Sale of Investments		(13,174)	(16,950)
Admin Levy		34,075	33,590
General Donation		260,850	18,195
TOTAL INCOME		<u>1,243,357</u>	<u>1,375,917</u>
EXPENDITURE			
Bank Fees		1,543	1,283
Legal and Accounting		5,700	6,328
Tied Sponsorship & General Donation Exps	11	647,810	836,890
Superannuation		25,624	22,896
Salaries & Allowances		292,758	279,375
Investment Fees		29,166	23,657
Recruitment Costs		305	-
Sundries		44,310	55,483
TOTAL EXPENDITURE		<u>1,047,216</u>	<u>1,225,912</u>
TOTAL OPERATING SURPLUS/(DEFICIT)		196,141	150,005
Other Comprehensive Income			
Revaluation of Investment Portfolio		204,109	359,911
Revaluation of Shares		1,048,000	(1,488,000)
TOTAL COMPREHENSIVE INCOME		<u>1,448,250</u>	<u>(978,084)</u>

To be read in conjunction with the attached notes.

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		907,988	1,230,884
Cash payments in the course of operations		(997,097)	(1,237,346)
Interest Received		29,315	47,043
Dividends/Distributions Received		292,347	114,940
Gain/(Loss) on Sale Of Investment		(13,174)	(16,950)
Net Cash (Used in) / Provided by Operating Activities	5	219,379	138,571
CASH FLOW FROM INVESTING ACTIVITIES			
Sale/(Purchase) of Investment		(262,870)	(203,016)
Net Cash (Used in) / Provided by Investing Activities		(262,870)	(203,016)
CASHFLOW FROM FINANCING ACTIVITIES		-	-
NET INCREASE / (DECREASE) IN CASH HELD		(43,491)	(64,445)
CASH AT THE BEGINNING OF THE YEAR		326,546	390,991
CASH AT THE END OF THE FINANCIAL YEAR	4	283,055	326,546

To be read in conjunction with the attached notes.

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards, Interpretations of the Australian Accounting Standards Board and the requirements of the Trust Deed.

The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

Accounting Policies

a. Revenue

Non-reciprocal grant and sponsorship revenue is recognised in profit or loss when the entity obtains control of the grant/sponsorship and it is probable that the economic benefits gained from the grant/sponsorship will flow to the entity and the amount of the grant/sponsorship can be measured reliably.

If conditions are attached to the grant/sponsorship which must be satisfied before it is eligible to receive the contribution, the recognition of the grant/sponsorship as revenue will be deferred until those conditions are satisfied.

When grant or sponsorship revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant/sponsorship revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant/sponsorship is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest and dividend revenue is recognised when received.

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

b. Fair Value of Assets and Liabilities

The Foundation measures some of its assets and liabilities at fair value on a recurring basis. Fair value is the price the Foundation 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.

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. 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.

The Foundation's managed investments and share investments are valued based on market pricing information, being ASX quoted prices for equities and market prices provided by fund managers in respect of managed funds.

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 entity 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).

c. Financial Instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are either 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 profit or loss.

(ii) 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 profit or loss through the amortisation process and when the financial asset is derecognised.

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Impairment

At the end of each reporting period, the Foundation assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

d. Impairment of Assets

At the end of each reporting period, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

e. Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

f. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold 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.

g. Goods and Services Tax (GST)

Revenues, 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).

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 statement of financial position.

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Income Tax

No provision for income tax has been raised as the Foundation is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

i. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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

2. CHANGE IN ACCOUNTING POLICY

During the current year the Foundation changed its accounting policy in respect of reciprocal grant and sponsorship revenue. Previously such revenue had been recognised on receipt. As from the 2014 year such revenue is initially recognised in the Statement of Financial Position as a liability and is transferred to revenue when the service has been delivered to the contributor.

3. DATE OF ESTABLISHMENT

The Western Australian Museum Foundation was established on 22 September 1995.

4. RECONCILIATION OF CASH

For the purposes of this statement of cashflows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts.

Cash at the end of the year is shown in the statement of financial position as:

	2014	2013
	\$	\$
Cash at Bank	282,755	326,246
Cash in hand	300	300
	<hr/> 283,055	<hr/> 326,546
	<hr/> <hr/>	<hr/> <hr/>

THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

5. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS:

	2014	2013
	\$	\$
Operating Surplus / (Deficit)	196,141	150,005
Add / (Less) non cash items:	-	-
Net Cash Provided by Operating Activities	<u>196,141</u>	<u>150,005</u>
(Increase)/Decrease in Other Receivables	(26,881)	(10,265)
Increase/(Decrease) in Other Payables	50,119	(1,168)
Non-Cash Donations	-	-
Net Cash Provided by / (Used in) Operating Activities	<u><u>219,379</u></u>	<u><u>138,571</u></u>

6. MANAGED INVESTMENTS

Managed Investments comprise of a diversified portfolio managed by an independent fund manager. The holding is represented by investments in wholesale managed funds and direct cash.

Managed investments are classified as Available for Sale Financial Assets and recorded at fair value, with changes in market value of the investments recognised in the Balance Sheet under Financial Assets Reserve.

Managed Investments	2014	2013
	\$	\$
At Market	<u>3,697,234</u>	<u>3,230,255</u>
	<u><u>3,697,234</u></u>	<u><u>3,230,255</u></u>

7. OTHER RECEIVABLES/PAYABLES

GST (Payable)/Receivable	<u>54,779</u>	<u>27,898</u>
	<u><u>54,779</u></u>	<u><u>27,898</u></u>

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

8. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The Foundation's financial instruments consist mainly of cash at bank, a portfolio of managed investments and Share Investment.

The Foundation does not have any derivative instruments at 30 June 2014 and does not speculate in any type of financial instrument.

Financial Risks

The activities of the Foundation expose it primarily to the financial risks, associated with its financial instruments, of interest rate risk, liquidity risk and credit risk. The Board of Governors are responsible for monitoring and managing the financial risk of the Foundation. They monitor these risks through bi-monthly board meetings where bi-monthly management and investment accounts are presented and analysed. Any changes identified are communicated to the finance and administration team who implement the changes.

Interest Rate Risk

The Foundation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is limited only to its cash holdings with banks and term deposit held with JBWere.

The level of exposure to interest rate risk is not significant.

Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The Foundation has surplus cash reserves which enable sufficient cash to be available to settle obligations as they fall due. The Foundation Director manages liquidity risk by monitoring forecast cash flows on a regular basis and ensuring that adequate cash reserves are maintained.

All financial liabilities are expected to be paid out at their carrying amounts, within a period of less than 12 months.

Price Risk

Market price risk arises from available for sale investments held by the Foundation in the form of a managed portfolio of investments and listed shares. The portfolio of investments is managed by an external portfolio manager. The investment value and returns are reported to the Investment Committee, comprised of members of the Foundation Board, on a regular basis. The Investment Committee monitors the effective return and goes back to the fund managers if any changes are required. Minutes of all Investment Committee meetings are provided to the Board of Governors at the bi-monthly board meetings.

To demonstrate the Foundation's sensitivity in changes to market prices a movement in the value of the managed portfolio of investments and shares in listed companies of plus or minus 10% at the reporting date would have increased/decreased the Trust Funds by \$717,723.

**THE WESTERN AUSTRALIAN MUSEUM FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

8. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Net Fair Values

Aggregate net fair values of financial assets and financial liabilities at balance date approximate their carrying values.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

9. RELATED PARTY TRANSACTIONS

During the year there were no transactions with Board of Governor related entities and no remuneration was paid to any member of the Board of Governors.



How to support the WA Museum

Extraordinary things happen at the WA Museum – thanks, in no small part, to the generosity of our valued supporters.

DISCOVERY FUND

Donations to the Museum's endowment, Discovery Fund, enable the enhancement of the State's collections through acquisitions, exhibitions, scientific research and engaging public and educational programs.

Philanthropic gifts, bequests, corporate partnerships and in-kind support also allow the Museum to provide experiences beyond the scope of government funding.

HOW TO SUPPORT US

- ➊ **Help grow the Discovery Fund** to secure the development of the State's collections, and education and research initiatives for future generations.
- ➋ **Partner with us** to bring world-class exhibitions to WA, or sponsor specific research or public programs.
- ➌ **Make a bequest** to safeguard Western Australia's natural and cultural heritage.
- ➍ **Become a Foundation supporter** and help us achieve an inspirational Museum. Join our mailing list, attend events and share our vision.

ENGAGE TODAY

Complete the registration found on our website.

For a private appointment please contact the Foundation Director. We appreciate your generous support.

CONTACT

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The Western Australian Museum Foundation (ABN: 40 374 175 692) is endorsed as a tax-deductible gift recipient by the Australian Tax Office.

Front cover image: *Transparent Sea*, the magnificent glass whale shark sculpture at the WA Maritime Museum.