

Gasworks Arts Park



Annual Report 2011

## **ANNUAL REPORT 2011 CHAIR'S REPORT**

In 2011 we turned a number of corners and ended up oriented to achieve important goals. A crucial development was the signing of the new Funding Deed with the City of Port Phillip that provides authority, support and context for us to continue working on the behalf of council to run the program of the Gasworks Arts Park and participate in its development as a facility.

Wide ranging discussions in this connection covered aspects of the city's expectations and preferred modes of relating: not least of these was the cost of operating the park's program in a manner which fulfils professional expectations and occupational health and safety concerns for public, staff and hirers alike.

The city significantly increased the annual base of funding and added dedicated funds that enable us to update seriously aging equipment and extend our program with children and the aged. The new agreement, and its financial underpinnings, gives us the strength and confidence to move forward into a further five years of planning and development and we are very grateful for the confidence showed in us, as we are, on a more personal level, to councillors who showed themselves willing to listen extensively to our case. Refreshed and strengthened by this process, our director and staff moved to extend and enliven the programming of events in the park and further develop our distinguished niche markets with children and the aged.

There was enrichment of the range and quality of our tenants on the park with the opening of a jewellery and painting studio in the old Watchman's Cottage (more recently an access photographic studio) and extensive negotiations to find a new tenant for the Gatehouse. After a consideration of a number of highly qualified applicants, each of whom would have brought new elements to the mix on the park, we were fortunate to attract Hub productions who, with their focus on cinematography and film editing bring a new dimension to the art forms practiced on the park and open up new connections and collaborations.

Much work has been done to upgrade the physical infrastructure of the park and, while more remains to be done, the park and its facilities now present a clearer and more welcoming face to the public as well as being better equipped for users. Connected with this has been the extension and strengthening of our marketing which has enhanced the profile of the park. Work has also been done to restructure staff so to cope more seamlessly with the ever increasing number of people using facilities and program.

All this has been achieved by our Director, Tamara Jungwirth, and dedicated staff, some of whom have been with us for years, and whose loyalty and hard work is invaluable to us: others have arrived more recently bringing fresh perspectives, backgrounds and expertise. The work of all is appreciated.

**James McCaughey**

**Chair**

## **FINANCIAL YEAR 2011 TREASURER'S REPORT**

The financial situation at Gasworks Arts Inc. by the end of 2011 was a significant improvement on 2010. The new Funding Agreement negotiated with the City of Port Phillip in mid-2011 provided a much-needed injection of funds and enabled Gasworks Arts Inc. to continue operating. It alleviated some of the pressure on management and the Board in their attempts to achieve a successful and financially secure organisation.

In essence, the Funding Agreement secured a proportion of Gasworks' annual operations, including salaries and programming for kids and seniors. As well, it enabled the repayment of debts and provided management with the means to commence addressing the ageing infrastructure throughout the organisation, which ranged from theatre equipment to office computers. Thus, for example, in 2011 the income from hirers of Gasworks' facilities increased, thanks in part to the improved technical equipment offered. And there was the side benefit of the reduction in time by in-house staff repairing outdated and potentially unsafe equipment. This improvement process will gather pace in 2012.

Reference was made in the 2010 Treasurer's Report to various financial management systems that were being introduced. The benefits of these systems were evident in 2011. For example, the introduction of the MYOB software has proved itself during 2011, facilitating transparency and efficiency in the accounting system. The continuing monitoring of debtors has seen a substantial decrease in the percentage of outstanding bad debts, and the consequent increase in income. The 2011 figures show bad and doubtful debts to stand at \$829 as opposed to \$16 150 in 2010.

The profit figure, it should be noted, is inflated. Equipment purchases to the amount of \$92 000 made in late 2011 were transferred to the balance sheet for depreciation at the end of the year, thus increasing the reported profit by that amount. As well, reserves totalling \$77 000 were established for the purposes of equipment replacement, OH&S and staff development, and entrepreneurial programming.

It is pleasing to be able to report the stronger financial position of Gasworks Arts Inc. in 2011. This can be directly attributed to the City of Port Phillip, who provided the stabilisation for Gasworks' funding base, and to the dedicated and enthusiastic CEO/Director and the staff, who have risen to the challenge of guiding Gasworks Arts Inc. through the processes necessary for the organisational and operational changes required.

**Fran Church**

**Treasurer**

## **ANNUAL REPORT 2011**

### **DIRECTOR / CEO'S REPORT**

2011 saw significant upgrades and streamlining of activities taking place relating to programming, equipment, business systems, customer service, ticketing, marketing and public presentation. The year began with a bang with a huge screening on a huge outdoor screen of the Oscar winning Social Network, went on to a multi-week sold out season of Grease 2: The Musical, for the kids a series of sold out shows of The Gruffalo, then sped into summer with a hugely popular outdoor performance by Deborah Conway, and then the more contemplative but still joyous Ron Arnott Retrospective throughout our galleries.

These highlights serve to demonstrate success across multiple art forms and venues across the precinct.

#### Programming

In 2011 we established a programming architecture which positioned consistent and ongoing strands that address particular audience groups while creating efficiencies on marketing spend. This programming architecture allowed flexibility within each strand to take advantage of shows that were available and negotiated with both long and short lead times. While the Midsumma, Comedy and Fringe Festivals had been part of the Gasworks Arts Park mix for some time, other strands were new and efforts were made to increase the quality of the children's theatre presented.

A summary of programs is as follows:

- School Holiday Workshops (every school holiday period, 4 times a year)
- Children's Theatre (every school holiday period, 4 times a year)
- Midsumma Festival (January, February)
- Gasworks Morning Music (3 concert subscription seasons twice a year)
- Gasworks Backyard Cinema (February, March, April)
- Melbourne International Comedy Festival (April)
- Melbourne Fringe Festival (September)
- Music in the Park (October, November)

Our community classes took place across the precinct during school terms. These encompassed yoga, life drawing, botanical illustration, dancing, music, exercise for older adults and meditation among many other subjects. Across our community classes and children's workshops, approximately 1,000 creative workshops were held in 2011.

#### A Gathering Place

The precinct was a popular gathering place for the community, with many activities engaging regularly with local residents. The Gasworks Farmers Market went from strength to strength, with up to 2,000 visitors attending each market. The cafe was an important social hub, even though the level of service waned across the year as the owner reprioritized his business interests. Walking, cycling, and personal training groups met at the cafe or the park almost every day.

Navigation of the precinct was hindered by dilapidated outdoor signage, and by poor lighting of pathways which is problematic in Winter. A comprehensive replacement package was designed in collaboration with the City of Port Phillip's Open Spaces department, which is to be installed in 2012. The park lighting has proved difficult for council to address as an above-ground power supply is required.

### Participation

Our marketing program worked with vigour to encourage active use of the precinct and to encourage visitation. With a new graphic designer appointed, our printed collateral achieved new highs in visual presentation. We were active in social media outlets and increased our social media usage across all platforms. Our online marketing efforts were also streamlined with a redesign of our monthly e-news and E-Flyer templates. We built databases across all areas and commenced long term audience development strategies for the kids and seniors markets. We utilized promotional partnerships with Yarra Trams, Melbourne Weekly and JOY FM. Our new publicist made inroads into Melbourne's daily papers and forged strong relationships with local print, online and radio media. Late in the year the complete replacement and redesign of our website was a crowning achievement for our marketing team and received wide praise from our peers, constituents, suppliers and visitors. A review of Gasworks corporate publications was also undertaken in the second half of the year, resulting in the redesign of the Gasworks Events Guide to a streamlined format with enhanced distribution.

As a result of this marketing and communications program, we attracted over 130,000 people to the precinct in 2011.

### Partnership and engagement

We provided venues and services for and with a wide variety of artists and organisations; some we took a financial stake with, some we hired the venue to, some came to us for rehearsals, and some put on private conferences or events.

Show producers included:

- Australian Pops Choir
- Christine Dunstan Productions
- Dance Arts United
- Essential Theatre
- Indonesian Australian Association
- King David School
- Melbourne Playback Theatre
- St Michaels Grammar
- The Red Box
- The Space Dance and Arts Centre
- TV Live on Stage
- Women's Circus

Rehearsal and audition producers included:

- Hit Productions
- Playing with Snails
- The Malthouse Theatre
- Manilla Street Productions

Industry events were held with:

- Australian Performing Arts Centres Association
- Camp Australia
- Deakin University
- Leadership in Action
- Regional Arts Victoria

### Artists

Our visual arts program incorporated a continuous exhibition program in our galleries, which boasted significant sales volume for those who we exhibited. Our resident visual artists contributed to the life and vitality of the park through participating in a shared contribution program (30 hours per year), and also by welcoming tour groups, opening their studios on Farmers Market days, and exhibiting on site.

Mid-year our new jewellery studio, the Watchman's Cabin, opened its doors, with Janet Marnell-Brown offering ready-to-wear pieces and also a personalised custom made jewellery service. The work itself is enticing and original, and the location of the studio on the edge of the cafe courtyard could not be better in order to attract attention from park visitors.

The following artists left the park in 2011:

- Julie Squires – Sculpture Studio
- Michael Sibel – Sculpture Studio
- Kay Goldfinch – Ceramics Studio
- Lisa Roet – Visual Arts

Through drawing from our waiting lists and inviting formal interviews and submission of portfolios, they were replaced by new resident artists:

- Ben Gilbert - Sculpture Studio
- Benjamin Storch – Sculpture Studio
- Kellie Barnes – Ceramics Studio
- Gary Willis – Visual Arts Studio

Two memorable exhibitions graced the last part of the year, with Books Illustrated partnering with us to produce the Man Dog Boat children's art show, which was held in the Gatehouse and opened by Mayor Rachel Powning. This exhibition featured mixed media images by mainly primary aged

children of our famous Man Dog Boat Sculpture at the corner of Graham Street and Pickles Street. The other notable exhibition was the Ron Arnott Retrospective, which brought local art and history together in a way that ignited much interest, strengthened local community bonds and precipitated significant visitation throughout the exhibition period.

### The Park

In 2011 we extended the activation of the park which had been successfully employed through our Farmers Market, and pursued new art-based initiatives designed to enhance the use of the park as a community backyard. The first initiative was Gasworks Backyard Cinema, a summer outdoor cinema program which included Oscar and AFI nominated titles on screen every Saturday night. This program was produced in partnership with Blowup Cinema. Winter is more difficult to program due to the weather, however dog training classes continued all year. In Spring our new Music in the Park took free music to the community, and was met with hundreds of people enjoying laid back sounds on a Sunday afternoon while picnicking on the grass. The performance of Deborah Conway and her family was particularly well received.

Late in the year the Channel Nine program The Block held a sculpture contest at the park, and this episode will go to air in 2012 along with an exhibition of the sculpture that was created.

### Key Performance Indicators

Attendance based on ticketed events: 13,747

Attendance based on head-count (non-ticketed events): 119,971

Number of performing arts performances: 161

Number of visual arts exhibitions: 33

Number of private functions: 112

Number of artists or arts related tenants: 16

Number of web visits: 71,549

Number of program participants in older persons and children's programs: 23,602

### Site and System Upgrades

Many of our internal business systems had almost stopped working by the end of 2010 and much equipment was in dire need of renewal. With the assistance from the City of Port Phillip we invested in a new server, new desktop computers, and a new phone system that afforded us with voicemail and on hold messages, and multiple lines on which to receive incoming calls. This enabled us to process many more ticket buyers by phone, as well as to process and direct customer inquiries in a helpful, friendly and efficient way. We also commenced the year by migrating our accounting files to MYOB software, which was a great success.

During the year we also refurbished our internal toilets, installed foyer drapes and signage, and replaced chairs in our foyer and our studio theatre. We refurbished our reception and boardroom,

which garnered the appreciation of all our clients, partners and visitors. With the support of the City of Port Phillip we were able to renovate our Gatehouse building, which included the installation of air conditioning. This was greatly helpful towards our efforts to secure a long term tenant of the building.

### Thanks

I thank all my staff team for their effort, insight, energy and enthusiasm. It is a pleasure to work with each of them. Thanks also to the board for their involvement and particularly the Chair of the Board, James McCaughey, for his ongoing advice and support.

**Tamara Jungwirth**

**Director & Chief Executive Officer**



**GASWORKS ARTS INC.**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED  
31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>INCOME</b>			
Rental Recoveries		186,150	174,333
Tickets / Bar Sales / Commissions		218,271	281,836
Venue Hire		270,598	255,983
Sponsorship / Donations / Memberships		38,178	66,287
Grants		530,902	536,840
Interest Income		11,976	4,637
Sundry Income		1,423	668
		<u>1,257,498</u>	<u>1,320,584</u>
 <b>EXPENDITURE</b>			
<b><u>Administration</u></b>			
Annual leave		(279)	3,727
Artists - Share of Box Office		2,080	4,817
Audit fee		5,500	2,750
Bad and doubtful debts		829	16,150
Bank fees		4,641	14,228
Catering		4,252	5,953
Consultants		5,973	5,478
Depreciation		19,491	45,833
Donations		-	11,000
Electricity and gas		31,730	26,431
Insurance		9,185	7,509
Office and management expenses		55,959	53,755
Telephone		3,075	3,606
Salaries and wages		617,869	646,100
Contractors - Artists & Tutors		74,134	66,256
Superannuation		49,161	50,286
Workcover		4,012	8,624
Loan Repayments		-	70,000
Contingency		30,000	-
		<u>917,612</u>	<u>1,042,503</u>

The accompanying notes form part of this financial report.

**GASWORKS ARTS INC.**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED  
31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b><u>Production</u></b>			
Purchases		41,638	59,162
Entrepreneurial programming		-	-
Freight		40	323
Maintenance		8,734	9,493
Travel and accommodation		3,195	5,214
Equipment hire		5,962	10,235
		<u>59,569</u>	<u>84,427</u>
<b><u>Marketing</u></b>			
Advertising, publicity, promotions		20,493	28,543
Graphic design		12,360	8,743
Printing and distribution		40,068	32,445
Other marketing		3,054	8,927
Web Design		3,779	24,447
		<u>79,754</u>	<u>103,105</u>
		<u>1,056,935</u>	<u>1,230,035</u>
Profit before income tax		200,563	90,549
Income tax expense	2	<u>-</u>	<u>-</u>
Profit after income tax		200,563	90,549
Other comprehensive income for the period, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>200,563</u>	<u>90,549</u>

The accompanying notes form part of this financial report.

GASWORKS ARTS INC.

ASSETS AND LIABILITIES STATEMENT  
31 DECEMBER 2011

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash	3	317,104	192,324
Trade and other receivables	4	49,446	138,951
<b>TOTAL CURRENT ASSETS</b>		<u>366,550</u>	<u>331,275</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	144,160	71,708
<b>TOTAL NON-CURRENT ASSETS</b>		<u>144,160</u>	<u>71,708</u>
<b>TOTAL ASSETS</b>		<u>510,710</u>	<u>402,983</u>
<b>CURRENT LIABILITIES</b>			
Trade and other creditors	6	144,059	169,705
Amounts received in advance	7	29,054	96,600
Provisions	8	23,769	24,047
<b>TOTAL CURRENT LIABILITIES</b>		<u>196,882</u>	<u>290,352</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other creditors	6	7,888	7,254
Loans	9	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>7,888</u>	<u>7,254</u>
<b>TOTAL LIABILITIES</b>		<u>204,770</u>	<u>297,606</u>
<b>NET ASSETS</b>		<u>305,940</u>	<u>105,377</u>
<b>MEMBERS FUNDS</b>			
Retained profits		228,940	105,377
Reserves	10	77,000	-
<b>TOTAL MEMBERS FUNDS</b>		<u>305,940</u>	<u>105,377</u>

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
GASWORKS ARTS INC.**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Gasworks Arts Inc., which comprises the committee's report, the assets and liabilities statement as at 31 December 2011, statement of cash flows as at 31 December 2011, and the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information statement by members of the committee.

*Committee's Responsibility for the Financial Report*

The committee of Gasworks Arts Inc. is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act 1981 (Vic) and the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report that gives a true and fair view. 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

*Opinion*

In our opinion, financial report presents fairly, in all material respects, the financial position of Gasworks Arts Inc. as at 31 December 2011 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the Associations Incorporation Act 1981 (Vic).

*Basis of Accounting and Restriction on Distribution*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Gasworks Arts Inc. to meet the requirements of the Associations Incorporation Act 1981 (Vic). As a result, the financial report may not be suitable for another purpose.



Sean Denham

Dated: 27 APRIL 2012  
Suite 1, 707 Mt Alexander Road  
Moonee Ponds VIC 3039

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