

Annual Report 2013 | 2014

THE SOVEREIGN HILL MUSEUMS ASSOCIATION



Sovereign Hill Annual Report
2013 | 2014

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Contents

President's Report	07
Chief Executive Officer's Report	11
Marketing	15
Outdoor Museum	21
Education	31
Gold Museum	39
Narmbool	45
Tributes	49
Special Occasions	50
The Sovereign Hill Foundation	52
Major Sponsors, Grants, Donors & Corporate Members	53
Sovereign Hill Prospectors & Sir Henry Bolte Trust	54
The Sovereign Hill Museums Association	55
Staff	58
Volunteers	59
Financial & Statutory Reports	61

Charter

PURPOSE

Our purpose at Sovereign Hill and the Gold Museum is to inspire an understanding of the significance of the central Victorian gold rushes in Australia's national story, and at Narmbool of the importance of the land, water and biodiversity in Australia's future.

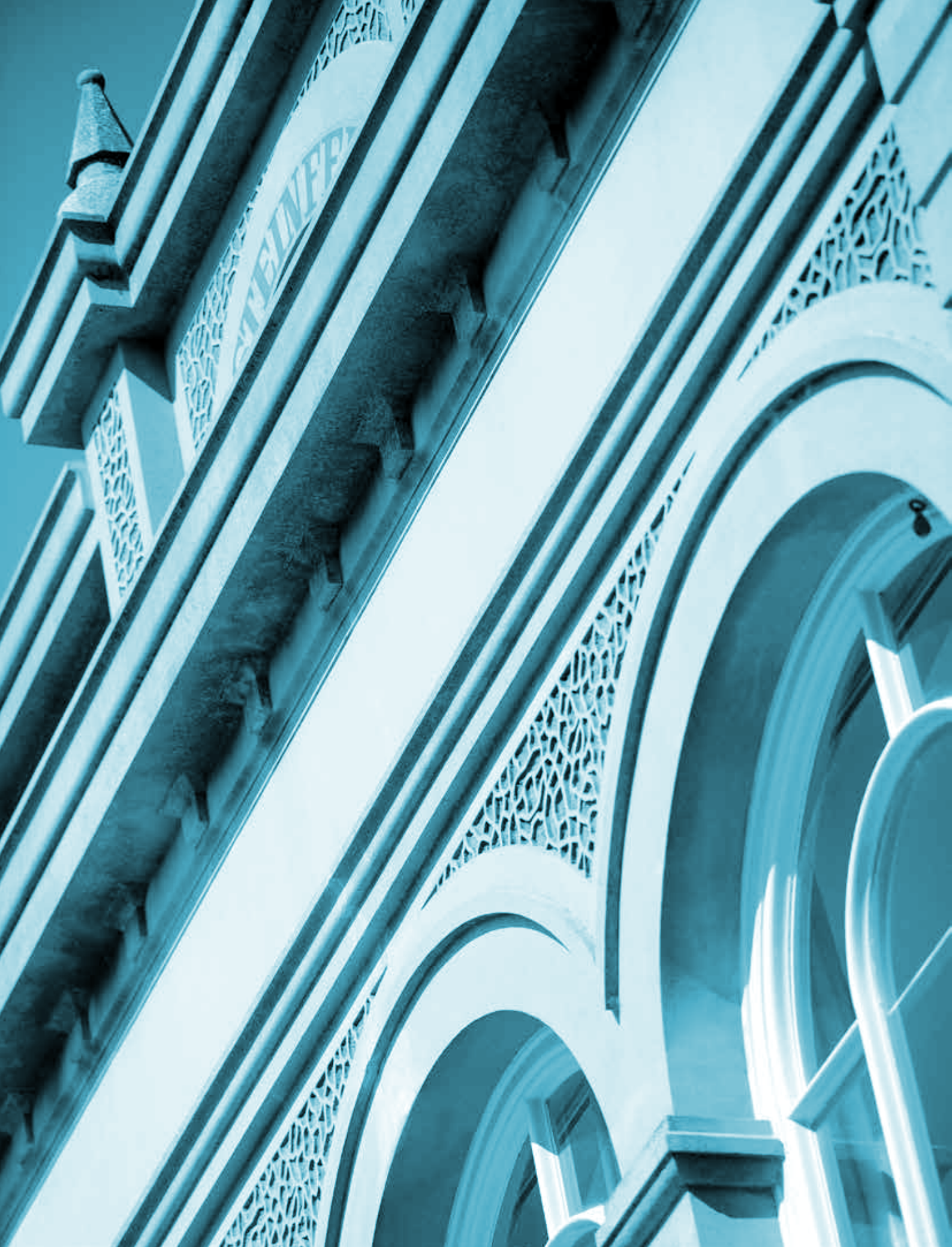
VALUES

- | | |
|-----------------------|---|
| Service | We will ensure that every visitor's experience is satisfying, and that their needs are paramount in our decision-making. |
| Respect | We will act with respect and free from any form of discrimination in what we say and do towards our colleagues, our visitors, and all with whom we do business; we will respect each other's dignity and right to privacy; and respect the assets we share in doing our jobs. |
| Safety | We will maintain a safe and healthy workplace for all our visitors and for all who work on our sites. |
| Integrity | We will act in accordance with international and national codes of ethical practice for museums, including respect for the tangible and intangible heritage we collect, research and interpret; for the primary role of museums as places of life-long learning; and as individuals, work to help and support colleagues, work diligently to complete tasks, and at all times act honestly. |
| Responsibility | We will be a socially and environmentally responsible business and employer, and a vital partner in the development of our region; and as individuals, take responsibility for our actions and ensure our decision-making is objective, consistent and complies with policy and legislation. |
| Sustainability | We will maintain our financial viability and independence by using our resources efficiently and effectively. |



MISSION

Our Mission is to collect, conserve and interpret the mining, social, cultural and environmental heritage of the Ballarat region.





Emeritus Professor Kwong Lee Dow, Guest Speaker for the President's Dinner, received a warm welcome from Terry and Sue Lloyd, despite a taste of the 'snowfalls' experienced by daytime visitors during the 'Christmas in July' holiday program.

President's Report

The year has seen a number of highlights for Sovereign Hill, including the appointment of Victorian State Premier, The Hon. Denis Naphthine MP, as a Patron. The Mayor of the City of Ballarat, Cr Joshua Morris, also accepted his Patron's badge this year. Our generous benefactors, Andrew and Robin Ferry were appointed as Narmbool's Patrons, and we hosted a Vice-Regal visit by the Governor of Victoria, his Excellency The Hon. Alex Chernov and Mrs Elizabeth Chernov, in October.

Terry Lloyd was delighted to present Life Governor's badges to Bruce McKnight, left, and Robert Selkirk at the President's Dinner.



The Hon. Denis Naphthine, Premier of Victoria, was appointed a Patron of Sovereign Hill in June 2014. The Premier was welcomed by Terry Lloyd and Jeremy Johnson.

In May, at the Sir Rupert Hamer Awards in Melbourne, the Gold Museum won a prestigious award for records preservation and management bestowed by the Public Record Office Victoria – a fitting acknowledgement of the work done at the Museum by Manager/Curator Roger Trudgeon, his staff and the Gold Museum Society volunteers.

In recognition of their outstanding service to Sovereign Hill, the Board resolved to bestow the honour of Life Governor on two Past-Presidents – Bruce McKnight and Robert Selkirk. These were announced at the 2014 President's Dinner.

At the 2013 Annual General Meeting, long-serving Board members Barry Lonsdale and Bob Hinchey retired. Tributes to both are found later in this Report. Also on that occasion, Annmaree Perry – Board member and Past-President – was awarded a Life Membership in recognition of her outstanding contribution to Sovereign Hill.

Several Sovereign Hill identities were acknowledged in the 2014 Australia Day and Queen's Birthday Honours. Bill Llewellyn received a Medal in the Order of Australia for his outstanding volunteer work. Former Board member Bruce Clark received

a similar honour while Prospectors' Patron, Steve Moneghetti, was made a Member of the Order of Australia. Luigi Bazzani, a great supporter of Sovereign Hill for many years, also received a Medal in the Order of Australia in this year's honours.

Board member Judy Verlin was recognised in the 'Australian Financial Review' listing of the Top 100 Women of Influence in Australia – a most significant achievement for a regional Australian resident. Fellow Board member Sari Baird was selected as a recipient of an Australian Institute of Company Directors Governance Scholarship 2014.

A number of VIP guests were received this year, with the Ballarat City Mayor, Cr Joshua Morris, hosting a delegation from the Chinese City of Yangzhou as part of the League of Historical Cities program. We continue to value our strong working relationship with Council.

The Chinese Consul General, Mr Song Yumin, accompanied by Cr John Philips, representing the City's Mayor, toured Sovereign Hill and the Gold Museum in March.

His Excellency The Hon. Alex Chernov, Governor of Victoria, and Mrs Elizabeth Chernov, visited the Gold Museum.



Pictured at the 2014 Sir Henry Bolte Trust fundraising lunch are Bill McGregor, left, Guest Speaker and Sovereign Hill Patron Jeff Kennett, Stephen Elder, Terry Lloyd and Pat McNamara.

In April, we hosted a senior Chinese VIP delegation led by an Assistant Foreign Minister, Mr Quien, and which included the Vice Consul-General for China in Melbourne, Mr Koby Wong.

The United States Consul General, Mary Burce Warlick, visited the Gold Museum to open an exhibition about American marines stationed in Ballarat during World War Two.

The Hon. Russell Northe, Minister for Energy and Resources, officially opened the solar energy installation at Bright View Cottage. This initiative will generate some 85% of the administration building's power requirements and is one of a number of sustainability programs that Sovereign Hill has in place as part of its careful stewardship of our local environment.

We also hosted a visit by the State Minister for Education, The Hon. Martin Dixon, to view the Sovereign Hill School program in action.

In March, I represented Sovereign Hill at an event to celebrate the commencement of the construction of an 'Open Monument' to acknowledge the contribution of the Chinese to Ballarat.

The President's Club 'Pro-Tem' luncheon was hosted by a former Board member, George Littlewood, while the Sir Henry Bolte Trust luncheon was held at Queen's Hall, Parliament House, Melbourne, with the speaker being Sovereign Hill Patron and former Victorian Premier, The Hon. Jeff Kennett.

I was particularly pleased to welcome my good friend, Emeritus Professor Kwong Lee Dow, as Guest Speaker at the President's Dinner this year. His address was most enlightening and, as always, the event was a very successful one.

The Board continued its focus on governance matters, with a joint training session, facilitated by expert consultant John Harte, at Narmbool. This included Board members from the Art Gallery of Ballarat, North Ballarat Sports Club and North Ballarat Football Club. An induction program has since been developed for new Board members, and a review of our Committee system is underway.

A new Corporate Strategic Plan 2014-2017 has been adopted. As part of this new plan, we have undertaken a major consultancy study to measure the economic impact of Sovereign Hill on the Ballarat and Victorian economies.



David Southwick, Parliamentary Secretary for Emergency Services, centre, tried 1850s-style fire-fighting when he visited Sovereign Hill to promote Fire Action Week. He was joined by Terry Lloyd, Don Kelly (then CFA Grampians Regional Director) and CFA District 15 volunteers.



Work has also commenced on the 'Sovereign Hill: 2020 Vision' to plan for a number of key infrastructure projects that we would hope to have delivered by the time of our 50th (Golden) Anniversary in November 2020.

The Board has formed a Fundraising Committee to develop and oversee the very significant obligation of strategic capital funding for Sovereign Hill's future viability and expansion. I particularly acknowledge the leadership role that Board member Richard Nicholson has adopted in chairing this Committee. A Membership Review Committee has also been established.

As I conclude my role as President, I acknowledge the outstanding voluntary work done by our Board and Committee members. I thank our many donors and supporters who generously assist so many projects and activities and I also commend our volunteers in the Gold Museum Society and the Friends of Sovereign Hill.

We are very fortunate to have as CEO, Jeremy Johnson, who works tirelessly in advancing Sovereign Hill's interests. He is supported by an excellent Executive Management team and staff. I am most grateful to them all for their outstanding support for the role of Board President.

My wife, Sue, and I have thoroughly enjoyed every moment of the past two years during which I have had the honour of serving as Sovereign Hill's 18th Board President.

A handwritten signature in blue ink that reads "Terry Lloyd".

**Emeritus Professor Terry Lloyd
President**



Jeremy Johnson and Dianne Smith represented the Victoria Tourism Industry Council when they welcomed State Premier Denis Napthine to the inaugural Victorian Tourism Conference in Geelong.

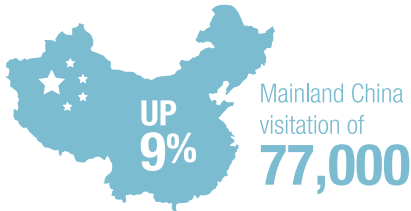
CEO's Report

Another strong year's attendance figures have delivered a very pleasing increase in annual profit. It is always satisfying to exceed Budget expectations throughout the financial year as this allows us to support additional maintenance work and marketing activity. Innovative marketing campaigns and a very focused attention on growth opportunities in all markets have underpinned this solid result.

Jeremy Johnson accepted an award on behalf of Sovereign Hill, as a Foundation member of the Melbourne Chamber of Commerce, from The Hon. Bruce Billson, Minister for Small Business. The occasion was the first anniversary celebrations of the MCC.



Members of the Victorian Parliamentary Committee for Environment and Natural Resources visited Sovereign Hill in October 2013. The Committee was conducting an inquiry into the value of heritage tourism.



In April, the Board and Executive Management team joined forces for the annual Corporate Strategic Planning Day to develop our forward plan for 2014-2017. This was done bearing in mind that we will be celebrating Sovereign Hill's 50th Anniversary in 2020. Our focus needs to be on continuing the wonderful journey that has been the Sovereign Hill experience so far, while paying close attention to both new and renewal opportunities.

In this Victorian state election year, we will be seeking a commitment from the incoming government for support with the next 'Blood on the Southern Cross' upgrade – a project which will be set within the broader context of a 'Sovereign Hill by Night' experience.

It has been a year of reinvestment and renewal, with major works carried out in the Mine, along Main Street, on many of the exhibit buildings (some now in their fourth decade) and at Comfort Inn Sovereign Hill.

A very busy year's fundraising efforts saw significant new capital generated. The Sovereign Hill Foundation, the Sir Henry Bolte Trust and the General Reserve Fund are each at record levels. We successfully applied for two Federal Government grants. One helped finance a major renewal of 'The Secret Chamber' in the Mine for our China market. The other contributed to the refurbishment of the reception and conferencing facilities, and accommodation, at Comfort Inn Sovereign Hill. We were also assisted with this work by our contract catering partners, Delaware North Companies Australia.

In January, I was pleased to welcome Gary Brown, Managing Director for Delaware Australia, and Jim Houser, their Chief Operating Officer for Australia and Asia, when they inspected the Delaware operations at Sovereign Hill.

In July this year, we were privileged to acquire a nationally significant collection of postcards and travel ephemera from Ballarat-born academic and passionate collector Dr John Besemeres.

Simon Ramsay MP, Member for Western Victoria, right, visited the Gold Museum to announce the success of a funding application under the Arts Victoria Organisations Investment Program.



A VIP delegation from Yangzhou, in China, visited Sovereign Hill in January. They were accompanied by Ballarat Mayor Cr Joshua Morris, centre, and Anthony Schinck, left, CEO for the City of Ballarat.

Several generous donations and foundation grants have been received to help fund other collection acquisitions, scholarships and new capital projects at Sovereign Hill, the Gold Museum and Narmbool. Sue Tatham's help with this important work as my Executive Officer (Fundraising) is gratefully acknowledged. A very useful donation of a fully equipped, ex-rural CFA fire tanker was secured as part of our strong partnership with the Country Fire Authority.

In an exciting commercial opportunity, the potential development of a 100-plus room, 4.5 star, international brand hotel on Sovereign Hill's freehold land in Main Road has generated strong responses through an Expression of Interest process. We are at present working through this with the preferred proponent.

Arts Victoria's funding assistance for the Gold Museum under the State Government's revised grant program was renegotiated. We are very grateful to Arts Victoria for its long-term support

of our work. Cultural and heritage tourism is a most significant driver of regional dispersal of visitors to and within Victoria.

I presented Sovereign Hill's submissions to the State Parliament's Inquiries into Heritage Tourism and Eco-tourism and into Increasing Exports from Rural & Regional Victoria. Their respective findings have not yet been tabled, but will be important in underpinning future opportunities for regional growth.

A strong focus on OH&S continued, with monthly briefings for staff, an extensive training program and recruitment of an additional, part-time OH&S Officer. It is pleasing to note that Sovereign Hill's WorkCover premiums have fallen to their lowest rates ever (and well below those of our industry peers). This is a tribute to all staff for maintaining their focus on safety. The development of an Access and Inclusion Action Plan is nearing completion and will drive a number of practical improvements in the way we operate and broaden our appeal to all visitation sectors.

The Hon. Russell Northe, Minister for Energy and Resources, was accompanied by Jeremy Johnson and Vice-President Jane Cowles when he launched the solar energy installation at Bright View Cottage.



In January, Jeremy Johnson welcomed Gary Brown, left, and Jim Houser, from our contract caterer – Delaware North Companies Australia.

I was honoured to present a paper on Sovereign Hill at the Association of European Outdoor Museums biennial conference in Germany. I was later hosted by the Edo-Tokyo Outdoor Museum as keynote speaker at its inaugural conference. Sovereign Hill's reputation for excellence, particularly in its education programs and success in attracting the China market, is well recognised in international museum forums.

Pleasing progress has been made with the education program at Narmbool, and we have now successfully taken over management of the farming operations. Peter Rooney's expertise as Farm Manager has been an essential resource for this transition.

I appreciate the support given by our Board President, Terry Lloyd, the Board and its Committees. This has extended to my re-election to the Board and Executive Council of the Victorian Employers' Chamber of Commerce and Industry (VECCI), and as Chair of the Victoria Tourism Industry Council (VTIC).

The outstanding work done by the Management team is gratefully acknowledged, as is the exceptional contribution made by my Executive Assistant, Janelle Burns. I am privileged to lead a team of very talented staff and volunteers in all areas of Sovereign Hill's operations, and I thank them all.

Each year, Sovereign Hill delivers amazing results and continues to expand its pre-eminent role as a major generator of tourism activity for Australia. It is an inspirational workplace and a source of great pride for all who work and volunteer to help achieve its goals.

Dr Jeremy Johnson
Chief Executive Officer



'Combined ticketed attendances at
Sovereign Hill, the Gold Museum
and *Blood on the Southern Cross*
exceeded 731,000.'

marketing



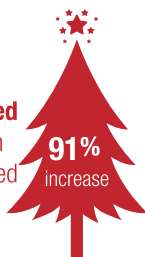
Tim Harris, as St Nicholas, greeted visitors during 'Christmas in July'. With its evening 'Wonder Lights' show, this holiday promotion drew bumper crowds in a normally quiet winter season.



Marketing

Combined ticketed attendances at Sovereign Hill, the Gold Museum and 'Blood on the Southern Cross' exceeded 731,000 visitors for 2013-2014. This is an exceptional result, delivered on the back of some innovative marketing campaigns.

July visitation has almost **doubled** since 'Christmas in July' was introduced



'Christmas in July' has been a very successful and expanding event on our annual calendar. It has great cut-through, especially in the highly competitive Melbourne metropolitan market. Following the smash hit of the 2013 June-July school holidays, with some 37,000 visitors, we began planning early in 2014 for the winter break. We capitalised on the success of Melbourne's new 'White Night' (an all-night event featuring spectacular light shows throughout the city), retaining The Electric Canvas, from Sydney, to add a new dimension of evening 'Wonder Lights' to 'Christmas in July' by day.

Over \$5 million
value of publicity including national television



BELOW: Channel Nine's 'Today' show presenter Steve Jacobs took to the stage with the cast of 'Blackbeard the Pirate' – Mark Burnett, left, Georgia Edwards, Natasha Fridey and Andrew Larkins.



RIGHT: Rob Seater, dressed as a 19th century deep-sea diver, introduced holiday visitors to the tragic story of 'Trapped', an 1882 gold mining disaster at Creswick, near Ballarat. 'Trapped' is one of three guided underground tours offered by the Sovereign Quartz Mine.



A special Members' launch with the option to book for Christmas Dinner was a popular Friday night introduction to this festive event, which was also publicised to great advantage on morning television by Channel Nine's 'Today' show. Despite some very cold weather, attendances rocketed to 42,000. In a normally quiet winter season, we have succeeded in making regional tourism a considerable advantage for Sovereign Hill.

In the September 2013 holidays, 'The Raspberry Drop Rebellion' was supported by a remarkable social media campaign that underpinned a promotion around our renowned Raspberry Drops – the most popular of all our iconic boiled lollies. The Christmas-New Year event, based on weird and wonderful stories from goldrush Ballarat, was also very well received by our core market. We are indebted to Gold Museum Society volunteer Doug Bradby for his inspirational book on these funny, but true stories of that time.

It was pleasing to finish our major campaigns with a Scottish theme at Easter, in a joint ticket promotion with Ballarat Tourism and Kryal Castle.

Garry Burns has led the Marketing Department very effectively this year, and his team has also worked very hard to deliver these marketing programs, as well as day-to-day domestic and international sales activities.

We have invested significantly in travel agent familiarisations, hosting industry personnel and media who see first-hand how our products meet their market needs. In 2013-2014, agents came from China, India, SE Asia, Japan, Korea, New Zealand, America and Europe and the MICE (Meetings, Incentives, Conferences & Exhibitions) sector. We also hosted incentive buyers from Hong Kong, India, Australia, Indonesia and Vietnam and media from Europe, Asia, New Zealand and India.



Promotional images from school holiday advertisements:

TOP: Our 'Friends' volunteers made beautiful Victorian-style Christmas decorations for the hotel parlours and cottages around Sovereign Hill.

ABOVE LEFT: To promote 'Strange Stories or Wild Yarns', Jamie Gleeson and Rikki Wagstaff (driving) demonstrated how blocks of imported ice were delivered on the goldfields.

ABOVE RIGHT: Andre Prenc (left) and Mark Burnett told the story of miners who dressed as women to avoid being caught in a Gold Licence hunt!



Stars of the South Korean reality show 'Running Man' drew large crowds and created excellent publicity for Sovereign Hill in its Asian markets.

Trooper Wes Scott pins a winner's badge on a 'Running Man' contestant.



Chinese visitors now represent

62% 

of international market

We continue to grow in the hugely significant China market. The Shanghai office is capably directed by International Marketing Manager Jessica Xue. Chinese visitors are fascinated by our period costume, and the 1850s fashion design competition staged in China attracted great interest and some outstanding entries designed and made by the contestants. The award evening, in Shanghai, was well attended by many of the VIP agents who sell Sovereign Hill holidays, as well as the main travel and general media representatives in Shanghai. Key figures from Tourism Australia and Tourism Victoria were also present.

Another highly successful event saw Sovereign Hill abuzz with the filming of the top-rating South Korean television show, 'Running Man', in February 2014. This priceless marketing-PR event created amazing exposure throughout SE Asia, South Korea and particularly in China where the show ranks as one of the most popular on public television.

We are indebted to both Tourism Australia and Tourism Victoria for their co-operation in this market. In particular, Sovereign Hill has been readily included in various Government Super Trade Missions to China, India and SE Asia. These have given our product excellent exposure in these markets, as have Government Sales Missions to New Zealand.

It is pleasing to report that we have entered into a 5-year sponsorship agreement that will allow us to participate in joint marketing campaigns with Coca-Cola Amatil. A trusted partner of our caterer – Delaware North Companies Australia – Coke bring with them a wealth of experience and understanding of the tourism and museums sectors, and they are genuinely excited about working in partnership with Sovereign Hill.



ABOVE LEFT: 'Join the Redcoats' is a popular holiday activity – led here by Toby Billing.



ABOVE RIGHT: Jess Rankin invited holiday visitors to try some 'hands-on' craft activities.

RIGHT: The Federation University Australia Pipe Band is a regular feature at Sovereign Hill events.



'Redcoat' soldier Tim O'Keefe posed for a photo at Melbourne's Federation Square during a 'Raspberry Drop Rebellion' promotion.



Social media, capably managed by Samantha Mackley, has been a very significant resource. Facebook fans increased enormously from 18,000 in 2012-2013 to more than 48,000 in 2013-2014. Engagement also increased with other social media platforms such as Instagram with over 1,400 followers and Twitter with over 1,600 followers. Our website has been upgraded to enhance navigation and accessibility, and a Chinese-language version for use in Australia is now available.

Two very important events were held to enhance access for special needs visitors. The first was an Autism Awareness Day, which specifically catered for families with children in this grouping. Enthusiastic feedback confirmed that they all enjoyed a wonderful Sovereign Hill experience.

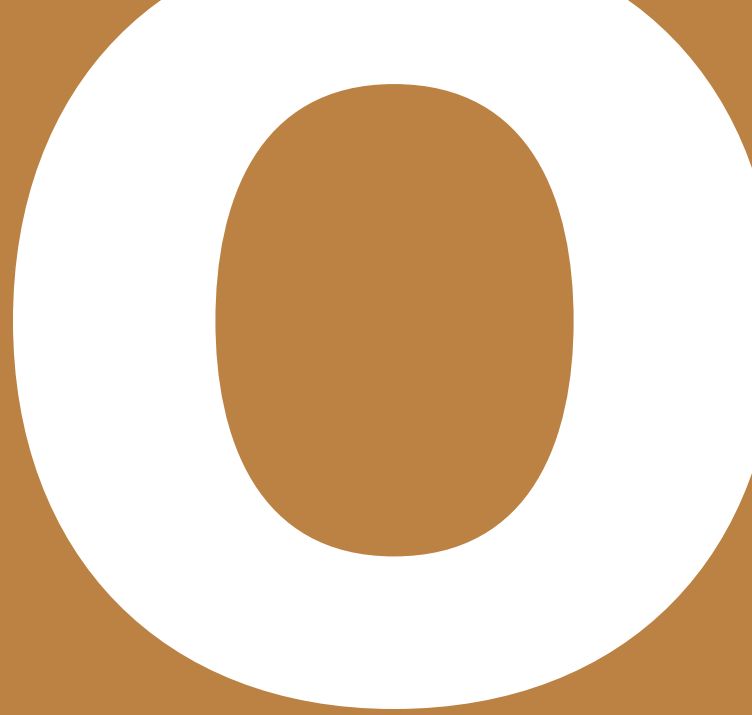
Then an Auslan interpreted showing of 'Blood on the Southern Cross' was presented for hearing

impaired visitors. This also received much acclaim from those who attended. Accessible tourism is a very important obligation for Sovereign Hill to service.

In October, the Marketing Department farewelled Marg Alpen who retired after 20 years' service providing administrative support for our Marketing Directors and also capably handling the inbound and domestic tour group bookings over that time.

Marketing work is an endless cycle of ensuring that Sovereign Hill's unique brand still holds a strong call within our traditional markets. It also extends to generating inspiring calls to action, with special events attracting both new and repeat visitation.

It has been a most satisfying year's achievements in meeting these two challenges.



'An additional 137,600 visited the Red Hill Mine, taking total underground tours to 337,600 — the equivalent of 68% of visitors to Sovereign Hill.'

**outdoor
museum**





ABOVE: Jarrod Page and young FOSH volunteers were ready to show the way for visitors to the evening 'Wonder Lights' display during 'Christmas in July'.

RIGHT: Josh Peach and our 'zebra', Reuben, entertained summer holiday visitors with tall, but true tales of goldfields life.

Outdoor Museum
visitation rose to
495,000
in 2013-2014



Outdoor Museum

Across the Outdoor Museum, the quality of the interpretive theatre program has once again made a significant contribution to our presentation of life in goldrush Australia.

Each school holiday program had its own theme, with theatre events and activities developed specifically for 'Christmas in July', the 'Raspberry Drop Rebellion', 'Strange Stories or Wild Yarns' and a 'Scottish Highlands' Easter.

A highlight was 'Christmas in July' 2013, when presentations included a pantomime, a reading of 'A Christmas Carol' by Charles Dickens, a shadow puppet play of 'The Night Before Christmas', and a Christmas Mummers' play. The advertising campaign for the 'Strange Stories' summer 2014 program featured newly developed quirky events based on strange tales from goldfields days – the discovery of mysterious bones, Ballarat's escaped Bengal tiger, and sightings of an exotic 'zebra' – as well as the very sobering story of the New Australasian Mine No. 2 mining tragedy at Creswick in 1882.



Horse Operations Manager Rikki Wagstaff enjoys a quiet moment with 'Emma'.



LEFT: Cricketers from the Melbourne Renegades were unusually lucky when they tried their gold panning skills in the Red Hill Gully Creek! *The Courier*



ABOVE: Teams from Conservation Volunteers Australia learn gardening and landscaping skills while helping Sovereign Hill to maintain its extensive grounds.

After-hours performances continue to build an audience among schools staying for two or more nights. This year, more than 5,600 students and teachers viewed 'Romeo and Juliet' and 'Beauty and the Beast'.

Interpretive Theatre Manager Barry Kay represented Sovereign Hill at the International Museum Theatre Alliance Conference in Washington DC. He was also able to visit and experience the best examples of museum theatre in the United States.

The Interpretive Theatre team maintained its relationship with the Arts Academy at Federation University Australia (Ballarat Campus). Six groups of performing arts students pitched ideas for a performance at Sovereign Hill, and the winning group was invited to present its new work to visitors in the Victoria Theatre. The play took real characters of the 1850s Ballarat goldfields and placed them in the setting of a television cooking show called 'Miner Chef'. Audiences found the result most entertaining!

In May, Museums Director Brett Dunlop travelled to Europe and North America to visit 27 other pre-eminent outdoor museums and cultural attractions and reported that the standard of Sovereign Hill's historical interpretation matched that of the best outdoor museums in the USA.

Senior Historian, Dr Jan Croggon, was co-supervisor of PhD student and Sovereign Hill scholarship holder Susan Pilbeam in her research on the history and development of interpretive theatre at Sovereign Hill. Susan's paper, 'Five Decades of Innovation: The Development of the Visual and Performing Arts at Sovereign Hill', was delivered at the national Museums Australia conference in Launceston, and has proved a valuable contribution to our archive.

Research has commenced on a significant new direction for interpretation at Sovereign Hill – we will offer visitors historical insights into the ways in which Aboriginal people experienced the 1850s gold rushes. Barry Kay will undertake an interpretive theatre project in consultation with Aboriginal elders, Indigenous theatre professionals and university academics.

Another initiative has been funded by a grant from the Telematics Trust (Course Development Fund). This will create a hand-held digital tour of the Outdoor Museum, using Aboriginal perspectives. This new resource, structured to support the national education curriculum, will be designed to appeal to visitors and families, as well as students. Sovereign Hill Education Officers Marion Littlejohn and Alice Barnes are leading the project. Again, respectful consultation will be a key element of the process.

An exciting local development has been the creation of the Collaborative Research Centre in Australian History, an initiative emanating from Federation University. It brings together partner organisations with academic researchers and post-graduate students to discover and interpret Australia's cultural heritage in a strategic, long-term research program. Sovereign Hill has been a keen player in the formation of the Research Centre.

A valuable corollary of this Centre has involved Jan Croggon in being part of the supervision team for post-graduate PhD students at Federation University. The advantage of sharing resources, along with the valuable exchange of ideas, has been an enriching experience for all.

Training and corporate induction remain important. The monthly staff and volunteer training program, 'The Big Picture', has an important function in








LEFT: Friend of Sovereign Hill volunteer Sue Morse demonstrated bonnet-making for visitors to the 'Rug Up' winter festival in Ballarat. *The Courier*

LEFT: These young visitors were fascinated by a ceremonial lion during Chinese New Year festivities.

BELOW: This traditional clown entertained visitors who watched the start of New Year ceremonies in the Chinese Camp.



   **2,548**
   gold pours annually

alerting staff to the wider historical context in which our Museum operates. A highlight was a presentation by Dr Fred Cahir from Federation University. His PhD thesis (supported by a Sovereign Hill scholarship) led to the publication in 2012 of the book 'Black Gold: Aboriginal People on the Goldfields of Victoria, 1850-1870'. The multitude of historical sources documenting the engagement between the newly arrived gold-seekers and the local Aboriginal people was a surprise for his audience.

Tim Smith, the newly appointed Executive Director of Heritage Victoria, presented the annual Weston Bate History Week Lecture for 2013. In what was Tim's first public engagement in Victoria, he captivated his audience with tales of his maritime archeological exploits, tracing the final resting places of Australia's fleet of World War One submarines. Some lie in Australian waters and others, poignantly, in the Sea of Marmara, off the coast of Turkey – lost since the Gallipoli campaign.

Chinese New Year – the Year of the Horse – was celebrated in grand style. Education Officer Annemarie Kierce and Interpretive Program Officer Eloise Gooding liaised with three Chinese community groups to create a full program starting with a ceremony in the Chinese Temple and continuing with activities throughout the day: a Lion Dance; calligraphy; tours of the horse stables; and a performance by the Melbourne Philharmonic Chinese Orchestra, led by Mr Pangeng Shen.

Throughout the year, buildings and displays were maintained and enhanced. The Charlie Napier Hotel bar and dining room improvements were completed, and the Theatre Retiring Room has been refurbished with the support of funds raised by the Grange Group Coterie. Three colonial seats in the upper foyer, adjoining the TRR,

were re-upholstered – again with the support of generous donors. Structural repairs were made to Spencer's confectionery shop and the John Alloo's restaurant building, which is now being used as an 'object lending library', where staff and volunteers may borrow collection items for use in programs. Serena Ioannucci, Collections Officer, led Operations staff and our specialist exhibit cleaners in creating this useful new service.

Two initiatives to enhance access and inclusion for people with disabilities were particularly well received. The first was the Autism Awareness Day, which was a sensory-friendly day for families with children on the Autism Spectrum, coordinated by Education Officer Janelle Spierings. The second was an Auslan performance of 'Blood on the Southern Cross', our sound-and-light show, developed with AUSLAN Stage Left. Justin O'Gorman, Manager for Customer Relations, Sales and Bookings, led the team that developed this special presentation. Both events drew appreciative feedback and will be repeated.

Under development is a digital tour in both Auslan and English languages to support a major upgrade of the underground mine tour, 'The Secret Chamber'. This app is being developed with OpenMi Tours and will be useful for visitors who are deaf or have a hearing impairment.

Many other access initiatives will arise from the new Access and Inclusion Policy and Action Plan written this year by a staff working group and external advisors.

Members of the Outdoor Museum and Mining Committee, chaired by Jane Cowles, oversee developments across the Outdoor Museum. We are grateful as always for their contribution.



The new 'Secret Chamber' uses state-of-the-art digital and projection technology to tell the story of Chin Tem and his brother – a tale based on the lives of the young Chinese diggers who flocked to Ballarat in the 1850s in search of fortune.



The Mine & Steam Operations

The opportunity to take an underground mine tour which includes areas of original 19th century workings is a popular experience which was enjoyed by 199,986 overseas and domestic visitors during the year. An additional 137,600 visited the Red Hill Mine, taking total underground tours to 337,586 – the equivalent of 68% of visitors to Sovereign Hill.

Above ground, Sovereign Hill boasts some of the finest examples of steam-powered mining installations still operating anywhere in the world. However, as with much of the Outdoor Museum, the infrastructure of this important exhibit is ageing, and the year has seen a major focus on refurbishment and asset replacement. The Sovereign Quartz Mine, in particular, has seen an extensive re-investment, with some urgent and major repairs necessary.

The Poppet Head main shaft was completely re-timbered, and the Cornish Beam pump removed, restored and re-placed. The original shaft timbers there had deteriorated over the last 30-40 years. A specialist mining contractor was engaged to carry out this project, while our own Steam Operations crew, led by Manager Craig Ashman, took on the job of refurbishing the pump, with a local engineering contractor.

The tracks of the underground mine train are wearing down and will require replacement in

the coming year. The underground train unit is ageing, and the carriages are a priority, with a proto-type re-design, manufacture and trial already completed on one carriage. Further works are planned in the new financial year.

The Cornish Boilers have had their annual certification completed and are in remarkable service order, given that they are both over 100 years old. Re-investment in the Battery House will proceed in the year ahead as part of a major schedule of works.

'The Secret Chamber' exhibit, designed largely for our Chinese market, has operated very successfully since its installation in 1999. This year, it has been completely updated with new technology in a grant program, funded jointly by the Australian Government and Sovereign Hill.

The Poppet Head has had its timber floor on the first and second levels replaced and some safety railings have also been replaced.

John Lewis, Director of Engineering and Operations, has overseen works in this area, in conjunction with the Board's Outdoor Museum and Mining Committee and Peter Darveniza, an external mining consultant who provides regular inspections and advice to ensure that the mining complex operates within its statutory obligations as a Tourist Mine.

President's Club youngsters enjoyed candle dipping on a Sunday morning activity for our future supporters.



ABOVE: Local students entertained visitors during the annual Christmas Shopping Night.

LEFT: Sovereign Hill special event days always include 'hands-on' activities for children. This young visitor was just getting started on his Chinese lantern.

Retail Operations

In addition to generating around 25% of Sovereign Hill's gross revenues and employing a significant number of its staff, our retail operations form a unique blend of historical interpretation and commercial activity.

Many small, but memorable interpretive moments occur within the small business exhibits (over 20 in all) dotted across the Outdoor Museum. The costumed staff who work in these shops receive extensive interpretive coaching so that their interaction with visitors is far more than a commercial transaction.

Sovereign Hill's traditional museum shops – the Entrance Shop, Gift Shop and Gold Museum Shop – are heralded for the quality of their stock and the professional attitude of their staff. These beautifully presented outlets contribute to the high esteem in which Sovereign Hill's core brand is held.

This was evident when 40 delegates from the Museum Shops Association of Australia conference visited Sovereign Hill. They included leading retailing professionals from cultural institutions such as the National Museum of Australia, The National Maritime Museum and Zoos Victoria, as well as representatives from New Zealand and the USA. Delegates were impressed by the scale and quality of our operation and the way in which we blend retail and interpretive activities.

This year saw an expansion in off-site retail activities. For the first time, a Sovereign Hill 'pop-up' shop operated in Myer Ballarat ahead of the Christmas period while costumed staff were warmly received at a variety of farmers' markets and other events around Victoria where they sold confectionery and other Sovereign Hill products. Sales of our famous boiled lollies reached record levels in 2013, and plans to expand the wholesale base of this enterprise are now firmly in train.

Administration

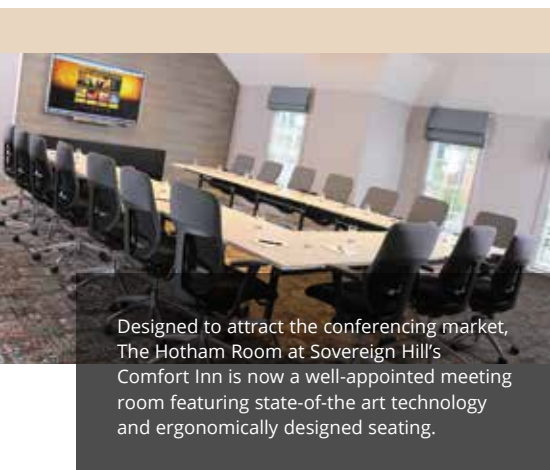
Pat Clifford, Director of Finance and Corporate Services, manages this increasingly busy area.

To better handle the complex task of allocating and costing the payroll, labour and workforce commitments which account for about 60% of total operational expenditure, we have, this year, installed a new payroll program called 'Affinity' and within this, a roster system called 'Time Target'.

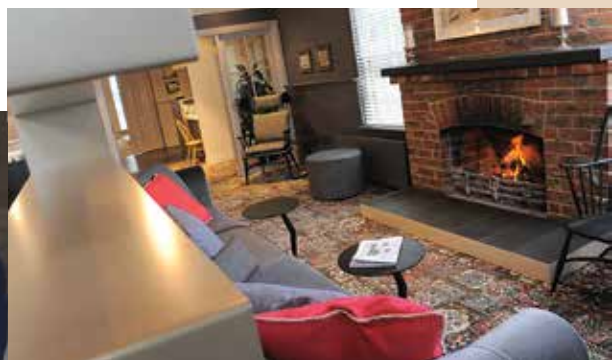
The upgrading of IT equipment and records management continued with the Department having to absorb the additional task of running

the financial records and accounts for Narmbool's farming operations which were taken over by Sovereign Hill on 1 July 2013.

As well as handling all of the back-of-house operations, such as budgeting, IT, payroll, cash receipting and banking, accounts payable and receivable, and general reception, the Department also is responsible for monitoring the investment portfolio, which is managed on a day-to-day basis by J B Were, in Melbourne.



Designed to attract the conferencing market, The Hotham Room at Sovereign Hill's Comfort Inn is now a well-appointed meeting room featuring state-of-the-art technology and ergonomically designed seating.



LEFT: Jeremy Johnson and Terry Lloyd were delighted to welcome The Hon. Catherine King MP, when she opened the first stage of refurbishments at the Comfort Inn accommodation complex.

ABOVE: Comfort Inn boasts a new lounge area where guests can relax by an open fire.

Comfort Inn Sovereign Hill

Now in its 30th year, our on-site accommodation complex, formerly known as 'the Lodge', remains a source of competitive advantage across a number of markets despite encountering challenging trading conditions and achieving only satisfactory occupancy rates – like many regional accommodation enterprises. Comfort Inn, nevertheless, generated a healthy contribution to consolidated revenues and continued to deliver a first-rate customer experience.

Supported by Federal Government funding from the Tourism Industry Regional Fund and with financial assistance from our catering partner, Delaware North Companies Australia, a program of reinvestment continued with the completion of works to the value of \$550,000 to deliver new or improved assets.

These included a new breakfast room and a new board-style meeting room. The reception area now incorporates a wheelchair accessible check-in point and recent refurbishments to Esmond Terrace, our family accommodation wing, included the introduction of three wheelchair accessible suites. The first stage of the project was opened on 30 October 2013 by The Hon. Catherine King, Federal Member for Ballarat.

The introduction of accessible facilities and a new breakfast service have been well received by house-guests. Richard Berman-Hardman, Director of Commercial Operations, and Neil Robbins, CISH Manager, are to be commended on the successful delivery of these latest improvements.

BELOW: The Auslan interpretation of 'Blood on the Southern Cross' for visitors with hearing impairments attracted 100 patrons.

Eureka Hotel burnt down
 **x 430 times**
in the 2013-2014 year



ABOVE: John Lewis conducted a Sunday morning, behind-the-scenes tour of 'Blood on the Southern Cross' for members of the President's Club.

Blood on the Southern Cross

Attendances for our world-class sound-and-light production mirrored last year's with approximately 140 patrons enjoying each of the 430 shows presented (a total of 60,200 visitors). A boost in the show's interstate audience was a partial driver of improved yields per visitor, which helped 'Blood on the Southern Cross' generate another healthy profit.

The Education market is indisputably one of the show's greatest success stories. In 2013-2014, more than 25,000 patrons – 40% of the show's total audience – were primary and secondary school students. While the regional economic benefit of this activity is striking, with a significant portion of these students being accommodated in and around Ballarat, the learning outcomes generated by the show are a principal source of pride for Sovereign Hill.

The importance of 'Blood on the Southern Cross' in the context of Sovereign Hill's overall commercial viability is substantial. Despite plateauing visitation in recent years, the show remains a reliable source of revenues and feeds other profitable operations. Without 'Blood on the Southern Cross', our on-site accommodation and catering operations would be considerably impacted, and our schools audience would be diminished.

First launched in 1993, the show has undergone two major transformations, most recently in 2004. With market expectations of sound-and-light technology evolving rapidly with events like 'White Night' in Melbourne, planning for the regeneration of this pivotal asset will be a major focus for Executive Management in the coming year.



The Theatre Retiring Room has been transformed with a rich, but feminine touch. In the mid-19th century, scenic wallpapers were popular as a point of interest. 'The Quarrel of Oberon and Titania', by Scottish artist Sir Joseph Noel Paton, depicts a scene from 'A Midsummer Night's Dream'. It reflects both the Victorians' love of Shakespeare and their fascination with the world of fairies and magic. The original painting is on display in the National Gallery of Scotland.



rise in website visits 2013-2014

Creative & Design

Two Outdoor Museum projects saw significant involvement by the Design Department, led by John Zulic, Director of Creative & Design. Following the initial interior works in the Victoria Theatre in 2010, it was time to refurbish the Theatre Retiring Room and to improve the interpretation of the Charlie Napier Hotel.

We have sought to lift these exhibits beyond the mundane. Guided by thorough research, both projects have improved the interpretation of these goldfields entertainment venues while remaining true to their historical purpose.

The refurbishment of the Theatre Retiring Room enriches our story of the opulence of the later goldrush hotels, which were keen to provide a refined setting that they hoped would attract the 'better' classes – worthy citizens seeking appropriate ways to parade their new wealth and social standing, as well as suitable places to take a lady.

The remodelling of the Charlie Napier Hotel bar and dining area has allowed visitors a much closer examination of the hotel interior, and enhanced the interpretation of this early coaching inn.

Sovereign Hill's website is a key asset for the organisation and often the first interaction that visitors will have with us. The site is informative, setting out a full account of what Sovereign Hill has to offer, but it also seeks to inspire potential visitors to make on-line bookings and to visit personally.

James Baker and Glenn Bishop monitor and update the site constantly, providing new content and the expertise to drive more traffic to Sovereign Hill. Over the year, there were 635,309 website visits – an increase of 35% on last year, with most visitors spending up to four minutes on-line.

The designers have also been instrumental in the production of marketing collateral – in particular, for the 'Christmas in July' – 'Wonder Lights' campaign. Collaborating with the Marketing Department and Leap advertising agency, they developed fresh and innovative design solutions from concept development, to photography, billboards, brochures and point-of-sale and displays in our gift shops.

Finally, this Annual Report is another example of excellent publication design from the department and, in particular, Helen Smithers' contribution in overseeing photography and as chief editor.


e

'2013-2014 saw teacher satisfaction ratings of 90% and an 80% return-visit rate for participating schools.'

education





DALE
ALE RO

A photograph showing Peter Hoban, an older man with glasses, leading a lesson. He is wearing a white shirt and a red vest. He is holding a large orange. Two children, a girl in a blue bonnet and a boy in a top hat, are looking at the orange. The background is a wooden structure, possibly a tent or a stage.

Peter Hoban leads a lesson on goldfields life.

Sovereign Hill Education

98,000  students
 UP 7.4%

Record numbers of students have completed our education programs this year. This is partly because of the development of successful new programs such as 'The Industrial Revolution Comes to Ballarat', but more generally it is the result of the on-going refinement of all our programs to match a constantly evolving school curriculum.

Importantly, also, our experienced Bookings Officers, Zeta Mroczkowski and Kathy Jarvis, establish a positive relationship with teachers before they visit by designing personalised itineraries for each school. The results are teacher satisfaction ratings of 90% and an 80% return-visit rate for participating schools.



FOSH volunteer Linda Thorpe and her pupil have just reached the final stages of making butter in 'A Woman's Work is Never Done!'

In 2014, we initiated an Early Years Reference Group made up of expert local teachers. The Early Years are now recognised as perhaps the most important for learning. With 25% of our school visitors coming from Prep to Year 4, this is a priority.

Our Education Officers develop and maintain professional partnerships with specific schools to develop new programs. Examples of successful partnerships include Glen Waverley Secondary College (Year 8 and 9 camps at Narmbool), Damascus College (Year 7 Science and Year 11 VCAL programs) and Team Enterprise students from Federation University (Ballarat Campus).

Other successful program-related activities included 'Book Week', the Horse's Birthday, 'Christmas in the Colonies' and the mass in St Alipius' Diggings School for Catholic Education Week. The Education website has also been completely re-developed in collaboration with Sovereign Hill designer James Baker.

Our daily programs could not be delivered so successfully without the invaluable assistance of the wonderful 'Friends of Sovereign Hill' volunteers.

Nor would these achievements have been possible without continued funding and support from the Victorian Government's Department of Education and Early Childhood Development, through their Strategic Partnerships Program. Sovereign Hill Education is a major partner of DEECD in delivering student learning programs and teacher professional development.

We thank the Catholic Education Commission of Victoria for providing two placed teachers – Peter Hoban and Annemarie Kierce – and for confirming their support for another two years. In particular, we acknowledge the support of Stephen Elder, Executive Director of Catholic Education Melbourne.

In May this year, we also welcomed Alice Barnes as a new Education Officer.

Friends of Sovereign Hill and the Gold Museum Society totalled
24,200 hours
 of volunteer time in 2013-2014



Janelle Spierings helps students identify a skull found on one of the Narmbool trails.

Narmbool Education

The Education Officers at Narmbool had a solid year with a high number of school camps and the delivery of a range of partnership programs.

An innovation was a formalised partnership with the Macpherson Smith Rural Foundation to host their Future Rural Leaders Program for 18-19 year olds. Narmbool Education Officers contribute to curriculum development and the presentation of a one-week residential training camp designed to foster leadership skills and networking among young rural leaders in Victoria.

The continuing partnership with Glen Waverley Secondary College has seen eight groups from Years 8 and 9 participate in an extensive environmental camp program.

Other partnerships were: Sustainability Victoria's Resource Smart program for schools; Greening Australia's Environmental Toolbox for Science Teachers; Covenant College's VCAL Agriculture program; The Hugh D T Williamson Trust's 'Bug Blitz' program; and the on-going affiliation with Federation University that has, this year, produced a scientific paper on the economics of soil carbon and a computer 'game' to explore the variables in this.



Mathew Dowler, left, and Scott Walker join students on their environmental discovery activities at Narmbool.



Generous philanthropic donations have allowed us to install additional video cameras for wildlife observation and to purchase new optical and computer equipment for astronomical viewings, as well as a building to house the astronomy deck.

Safety is an on-going priority. This year, we have upgraded the capacity for fire fighting around Tea Tree Gully Bush Camp and reviewed the protocols for school activities during declared Fire Danger Periods.

Education Officers Janelle Spierings, Mathew Dowler and Scott Walker have provided excellent programming this year, ably supported by Site Managers Mick and Gill Armstrong.

In conclusion, we are pleased to report that Narmbool Education and the Sovereign Hill School shared the annual Community Education Award from the Australian College of Educators, Ballarat.

The 19th century school experience extends to games during play-time.



The Sovereign Hill Schools

'Thank you to all ... at Sovereign Hill for a truly amazing experience! I have been on many school camps, but this experience was just extraordinary ... students are still talking about their experience, what they learnt and how much fun it was ... Special thanks to Sir and Ma'am – the obvious passion and enthusiasm for what they do is such a joy to be part of. The authoritarian Vicar will also be memorable.'



It was back to school for Ben Taylor, Liberal Party representative for Buninyong, Jeremy Johnson, The Hon. Martin Dixon, Minister for Education, and Simon Ramsay MP, Member for Western Victoria, when the Minister inspected the Red Hill National School to see our goldfields schools program.



This letter from a visiting teacher captures the essence of the costumed schools experience. It also highlights the strong relationship between the schools and Sovereign Hill – a bond that creates treasured memories and valuable learning outcomes for the growing number of students who visit the goldfields schools.

Growth in numbers continued in 2013, with this trend extending into 2014 to reach a total of over 300 school groups – mainly from Victoria, but also South Australia and New South Wales. The Infant School received 13 groups from both local and small rural schools.

Planning is well underway for the 16th International Symposium on School Life and School History Museums & Collections, which will be held at Sovereign Hill in March 2015. We are very proud to be hosting the first symposium to be held outside Europe. It will provide an excellent opportunity to showcase our schools and Sovereign Hill itself.

Changes in staffing saw Sheryn Mitchell retire after making an enormous contribution to the schools, and St Peter's Denominational School, over twelve

years. With great sadness, we report the passing of Michael 'Jack' Adams who brought the St Alipius' Diggings School experience alive for so many children during his five-year tenure. Jack will be remembered as a talented teacher and a much-valued colleague with a wonderful sense of humour.

Other changes saw Anna Kyi taking parental leave, while Stephanie Rosestone and Peter Beckwith joined the teaching staff.

The School Council, chaired by Ann Campbell, has been most supportive – especially with funding contributions to assist Sovereign Hill with replacing the roof and floor in the Red Hill National School, the roof in St Peter's School and the curtains in St Alipius' School.

The on-going support of the Department of Education and Early Childhood Development is gratefully acknowledged and, so too, is that of the Catholic Education Commission of Victoria.

Finally, the schools are very appreciative of the support of Sovereign Hill, its staff and volunteers.



'By mid-2014, there were
66,100 records on-line linked
to over 13,300 images.'

gold museum

USEUM

On behalf of the Gold Museum, Roger Trudgeon attended the 2014 Sir Rupert Hamer Records Management Awards, organised by the Public Record Office Victoria, to accept an award for the preservation of community records of significance. Roger is seen here with Justine Heazlewood, Director PROV, left, and Joanne de Morton, President of the Public Record Advisory Committee.



A statue of Sir Henry Bolte, by sculptor Louis Laumen, sits in the forecourt of the Gold Museum. This maquette for the statue was on display at the Bolte Trust fundraising lunch.

Gold Museum

The introduction of the Vernon Systems cataloguing program from July 2013, closely followed by the complete database going on-line in August 2013, set a new direction for the Gold Museum at the very start of the reporting year. The on-line launch of 64,000 records, accompanied by over 6,000 images, opened up the Museum's collections to a whole new audience.

RIGHT: Bob and Noelle Hinchey are pictured here with Roger Trudgeon, admiring an early Ballarat tram ticket and other items acquired for the Hinchey Collection.

BELOW: 'Focus on Ballarat: The Bill Llewellyn Photographic Collection' was opened by The Hon. Heidi Victoria, Minister for the Arts, who is seen here with Roger Trudgeon, left, Bill Llewellyn, Andrew Wallace, Brett Dunlop and Judy Verlin.



The Besemer Collection was formally handed to Sovereign Hill on 16 July 2014. Pictured with two albums from this extensive collection are Roger Trudgeon, Jeremy Johnson, Professor Anna Wierzbicka and Dr John Besemeres.



Dr Megan Cardamone, an external museum consultant, was appointed to coordinate the implementation of this project, including training of staff and volunteers, establishing operating systems and data entry standards and monitoring quality control of uploaded records. This new on-line presence has seen the rate of enquiries double, with staff and volunteers working hard on data entry and digital copying to enhance this service. By mid-2014, there were 66,100 records on-line linked to over 13,300 images. In June this year, the Gold Museum Collections Centre received a very prestigious Sir Rupert Hamer Award for Records Management from the Public Record Office Victoria.

It is also pleasing to report that Roger Trudgeon, Manager/Curator of the Gold Museum, received an Award of Merit from the Royal Historical Society of Victoria for services to history in Victoria.

The process of settling into the new Collections Centre has continued with staff and volunteers playing a key role in the re-housing of objects and re-organising of the old storeroom and workshop. Jaq Wheadon, a student intern, conducted an audit and re-sorting of the library.

With the new storage capacity, the Museum's collections have been enhanced by a series of significant new donations. A major collection of postcards and travel ephemera has been acquired from Dr John Besemeres. This important collection includes extensive material on Ballarat, and the history of Australian and international tourism. Generously supported by former Board member Dr Bob Hinchey and his wife Noelle, the Museum purchased at auction a range of Ballarat historical items including a gold miner's brooch in its original box from Hutton's, one of the city's finest 19th century jewellers. Miner's Rights, an original

The Chinese Consul General, Mr Song Yumin, visited the Gold Museum in March. He inspected the Museum's gold nugget collection accompanied by Jessica Xue, Roger Trudgeon and Jeremy Johnson.



Margaret and Peter Voterakis attended the opening of the 'Double Century' art exhibition, which celebrated the work of Edward Heffernan and Geoffrey Mainwaring. Margaret was one of three Ballarat artists whose work was also on display.



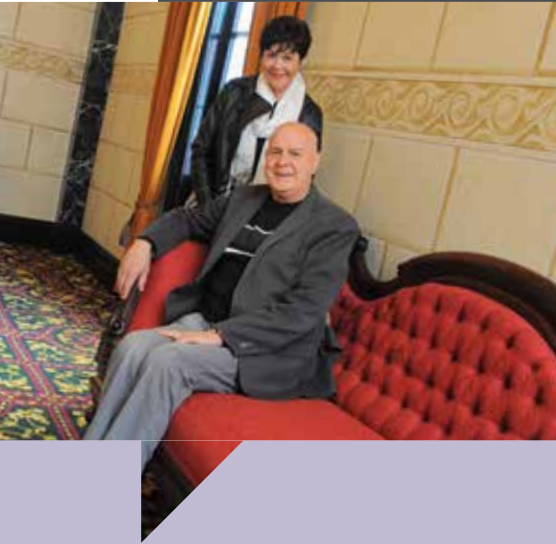
The 2014 Sir Henry Bolte Trust fundraising luncheon was attended by 147 guests who dined in the majestic Queen's Hall, Parliament House, Melbourne.

Cobb & Co. sign with tickets, and a hot water urn made by John Hollway & Sons, a sheet metal engineering firm established in Ballarat in 1856, completed the acquisitions.

We have been donated personal records of the late Jack Chisholm, who was three times Mayor of Ballarat and closely involved in the formation of Sovereign Hill. Bill Llewellyn donated a large collection of slides and photographic equipment gathered over a lifetime, complementing the Museum's extensive photographic collection. The Ballarat Agricultural and Pastoral Society donated a substantial archival collection with records dating from the 1860s through to the present. The archives of the Ballarat Symphony Orchestra and, from the world of television, a collection of photographs and memorabilia from BTv6 also came into the collections.

Exhibition programming presented a wide array of shows including, for the Ballarat International Foto Biennale: 'Waterscapes' by Andrew Thomas; 'Under Melbourne' by Christian Pearson; and 'Ballarat Faces and Places' curated by Lucie Akers and Biennale Director Jeff Moorfoot. The largest art exhibition ever staged in the Museum opened in October with 'Double Century: Edward Heffernan and Geoffrey Mainwaring', a show curated by David Hoare and Michael Taffe. Two hundred works were loaned from private collections and other museums, including the Australian War Memorial. In November, the little known history of US marines in Victoria during World War Two was explored in a joint project by the University of Melbourne, the City of Melbourne and the Gold Museum. 'Over-Paid, Over-Sexed and Over-Here?' was launched by Mary Burce Warlick, Consul General for the United States in Melbourne.

Collection items used in interpretive displays across the Outdoor Museum are often donated. Doug Sarah, pictured here with Penny Russell, generously supported the purchase of this mid-19th century sofa, now located in the upstairs foyer of the Victoria Theatre.



Mary Burce Warlick, Consul General for the United States, opened the 'Over-Paid, Over-Sexed and Over-Here?' exhibition which focused on the 'friendly invasion' of Victoria by US Marines on leave during World War Two. The Consul General was greeted by Brett Dunlop, left, Roger Trudgeon, Terry Lloyd and Richard Nicholson.

From April, the Museum presented two exhibitions developed in-house. 'Keeping the Wonder Alive: 80 Years of the Ballarat Historical Society' tells the story of this vibrant organisation preserving and celebrating the city's history since the 1930s. Based in the Gold Museum since 1981, the Society presents its own program of exhibitions, lectures and events in the wider community. 'Focus on Ballarat: The Bill Llewellyn Photographic Collection' honours the lifetime commitment to photography by one of Sovereign Hill's longest-serving volunteers.

Community outreach has seen several presentations given by Museum staff and numerous loans made to community exhibitions conducted around the city and beyond. Roger Trudgeon served on the Ballarat Heritage Advisory Committee and the Albert Coates Memorial Trust. Assistant Curator Claire Muir gave talks on costume history, divorce in the 1800s and Queen Victoria's family.


As always, members of the Gold Museum Society (who include several Ballarat Historical Society members) have made a magnificent contribution to the Museum's operations. Other volunteers from the BHS have also made an important contribution to collection management and research. Michael Cuttle, Norm D'Angri, Val D'Angri and Elizabeth Trudgeon volunteer on a weekly basis, cataloguing and entering data, indexing, packing and researching the collections. Finally, the Gold Museum is very grateful for the work of the Gold Museum Committee, chaired by Richard Nicholson and then by Judy Verlin, during a year of great progress.



'Narmbool's continuing development
is a source of inspiration and pride
to all involved in its management,
financing and presentation.'

narmbool





Andrew and Robin Ferry have been appointed as Patrons of Narmbool. Terry Lloyd, left, and Jeremy Johnson congratulated Robin after the formal presentation of the Narmbool Patron's badges, which were specially designed and commissioned.

Narmbool

The highlight of the year was a dinner held at the Garden Room to induct Andrew and Robin Ferry as Patrons of Narmbool. Robin gave a most gracious speech acknowledging the joy she, Andrew and their family have had at Narmbool and their pride in seeing it continue to thrive after the transfer of ownership to Sovereign Hill.

The Environmental Education program at Narmbool has been greatly assisted by generous scholarship funds provided by the Freemasons Society of Victoria, Ken and Loris Mason through the Jenny Mason Memorial Fund, the Montgomery Foundation, and Ian and Margaret Ross. Through the generosity of the Helen Macpherson Smith Trust, we were able to offer Environmental Learning Scholarships enabling a number of primary schools to bring their students on fully funded, one-night camps at Narmbool. We are indeed indebted to these benefactors.

It was very pleasing to receive generous support from Ralph and Barbara Ward-Ambler to re-equip the astronomy program. Terry and Sue Lloyd also assisted with this project. A group of Chinese students who visited in January had never seen the intensity of the stars in the night sky. Developing a well-resourced astronomy program will give us the opportunity to expand into new markets.

Farm Manager Peter Rooney, right, took Jeremy Johnson and Terry Lloyd on a tour of the property during the shearing season at Narmbool.



The picturesque homestead garden at Narmbool is a never-ending source of delight.

For the stables, we have commissioned a new interpretive display to tell the story of horses in farming. The concept is being developed by creative consultant Ian Bracegirdle and his team at Motherworks, in Melbourne. This project and a planned archaeological exploration of earlier farm sites on the property have also been made possible by generous philanthropic support.

Narmbool's magnificent garden is constantly evolving. In November, the Annual Open Garden Day attracted over 500 visitors to experience the joy of walking through the homestead garden in its finest seasonal presentation. It is a superbly structured garden, with a focus on exploring the beautiful plant varieties that thrive in the Central Highlands and Western Victoria. We acknowledge the excellent work of the new Narmbool gardeners, Paul Gear and Paul White, as well as that of Ben Waight who has transferred to Sovereign Hill.

Through the initiative of Education Officer Mathew Dowler, we were successful in attracting a grant for tree planting. Under the River Health Project, and in conjunction with the Leigh Catchment Group and the Corangamite Catchment Management Authority, we will work with school groups to plant 1,000 trees along Williamsons Creek where it winds through the property.

Again, Peter Rooney has most capably managed the farming operations. The Board undertook a site tour in January to better acquaint itself with this important activity. Peter's professionalism and expertise are indeed wonderful resources for Sovereign Hill.

Narmbool's continuing development is a source of inspiration and pride to all involved in its management, financing and presentation.

Tributes



Retiring Board members receive a framed certificate and gold nugget in recognition of their service to the Association.

ABOVE: Barry and Gwenda Lonsdale

BELOW: Bob and Noelle Hinchey



Barry Lonsdale

Barry Lonsdale joined the Board in 1989, impressed by its strength of purpose and dedication to achieving its vision of creating a world-class outdoor museum based on the fabulous Australian gold rushes.

He quickly found himself busy as a member of the Mining Museum Committee, which had an agenda of great interest to him as an engineer. The Committee's role was to oversee the extensive development of the above-ground steam operations and mining infrastructure, as well as the intriguing network of tunnels and cuddies beneath the surface.

Barry chaired this Committee for 16 years and also served as Board President from 2002 until 2004. During that time, a new CEO was appointed, expansion of capital works at Narmbool continued and the revitalised version of 'Blood on the Southern Cross' was officially opened.

Barry's practical engineering skills were a very helpful resource to Sovereign Hill, and his wise counsel as a senior Board member was a respected and useful asset for the Board's deliberations.

At the 2013 AGM, Barry retired after 24 years' voluntary service and was presented with a framed certificate of appreciation for his contribution to Sovereign Hill.

Dr Bob Hinchey

In 1989, the establishment of the coterie known as Sovereign Hill Prospectors provided the vehicle through which Bob Hinchey first came into official contact with Sovereign Hill. He became a very enthusiastic member, together with his wife, Noelle.

In July 1996, Bob joined the Board and his voluntary service included a lengthy term on the Outdoor Museum Committee. He made a highly valued contribution to the debates on planning and development of the many exhibit buildings that were created over the ensuing two decades.

Bob's keen eye for detail was a hallmark of his work on this Committee. Its agenda broadened out once it combined with the Mining Museum Committee, and the development of the Inclined Tramway and the Trapped! presentation were two highlights of its achievements in more recent times.

Bob and Noelle have recently established the Hinchey Collection through a very generous gift that has enabled the acquisition of some exceptional gold jewellery and historic paper artefacts and records for our museum collections.

Following his retirement at the end of 2013, Bob was presented with a framed certificate of appreciation.

Jeremy Johnson
Chief Executive Officer

Special Occasions

RIGHT: Weston Bate, Brett Dunlop, Tim Smith

BELOW: Board and Executive Management
Absent: Garry Burns, Adrian Doyle.



RIGHT: Emilio Amanatidis, Neil Jens, Brett Geisler

LEFT: John King Jnr, Richard Nicholson, Tony Campagna, Rod Unmack



RIGHT: Ian Corcoran, Don McKenzie, Jill McKenzie

BELOW: Ross Wilkie, Liz Wilkie



ABOVE: Bruce Bartrop, Adela Bartrop, Barry James, Lois James



LEFT: Damien Butler, Deirdre Collier

RIGHT: John Davies, Terry Lloyd

BELOW: Paula Nicholson,
Adam Rasmussen, Janine Dodds



LEFT: Ken Mason, Loris Mason,
Ralph Ward-Ambler

RIGHT: Ian Ross, Margaret Ross,
Jeremy Johnson, Trevor Montgomery



FAR LEFT: Kate Burrows,
Sharon Cronin

LEFT: Kennece Coombe,
Paul Hemming, David Battersby

The Sovereign Hill Foundation

The Foundation Dinner Auction was successfully held in October, with its major sponsor being Coca-Cola Amatil Ltd.

At a most enjoyable cocktail party held in the Charlie Napier Hotel in June, guests had the opportunity to preview the Theatre Retiring Room restoration project. The Hinchey Collection of gold jewellery and paper works was also unveiled on that occasion.

We gratefully acknowledge the work of Foundation Chairman Ross Wilkie and the continuing generosity of the Foundation's Named Account donors.

As at 30 June, the Foundation's investments were:

	2014	2013
	\$	\$
General funds	1,772,639	1,593,712
Named Accounts		
The Peter and Richard Nicholson Family Gift	39,626	36,229
Jane Cowles Bequest	36,005	32,918
The Isobella Foundation	37,438	29,645
Delaware North Companies Australia	35,018	32,016
McDonald's Australia	74,956	49,296
D & J McKenzie Account	97,896	74,465
Bruce & Kay McKnight Bequest	32,865	30,048
The Colin & Shirley Prowse Family Gift	41,435	35,454
GH & AJ Troon Account	37,652	34,424
S J Weir (Ballarat) Pty Ltd Account	7,313	6,686
Ross & Elizabeth Wilkie	34,223	31,290
Voi Williams Family Gift	34,016	31,100
The Barry James Account	36,434	33,310
The John & Catherine Davis Account	49,879	40,944
Jim and Betty Gay Family Gift	30,193	22,939
Jeremy & Anne Johnson Family Gift	29,998	22,843
J G King Pty Ltd	32,232	29,469
Terry Lloyd and Sue Goodbourn Gift	32,164	29,407
Jim & Irene Stephen Account	35,047	32,042
Gull & Company Gift	30,233	23,014
Adroit Insurance Group (Joe Agostino)	18,360	11,955
Doug Sarah & Penny Russell (Win Sarah Memorial) Gift	32,166	29,408
Dorothy & David Baird and Family Gift	31,712	28,993
Sophie and Steven Coltman Family Gift	11,666	10,666
Neil & June Jens Family Account	11,556	10,565
John Collier Bequest	28,141	25,729
Alizzi Family Named Account	5,277	0
Bruce & Adela Bartrop Account	25,263	0
	2,721,405	2,368,568

Major Sponsors, Grants, Donors & Corporate Members

Major Sponsors & Grants

The Courier	Nestlé Peters	Australian Government Tourism Quality Grants Program	Arts Victoria
City of Ballarat	WIN Television	Victorian Government Regional Growth Fund Economic Infrastructure	Catholic Education Office Melbourne
Coca-Cola Amatil Ltd	Australian Government Tourism Industry Regional Development Fund		Department of Education and Early Childhood Development
Lion Nathan			
McDonald's Australia			

Donors

Alizzi C	Doyle A	Jens N	Ross M
Baird & McGregor	Dunn P & R	Johnson J	Stevens D
Bartrop B & A	Estate of Gladys May Brown	Livingston J & K	Sarah A D
Besemeres J	Estate of David M O'Sullivan	Lloyd T & S	Selkirk J
Bird L	Faull A	McKenzie D & J	Selkirk R & C
Burke P	Ferry A S & R F M	McNamara P	Sutherland T & J
Burt D	Ferry Family Charitable Trust	Montgomery Foundation Pty Ltd	The Freemasons Public Charitable Foundation
Butler D	G Gay & Co	Myers M	The Hugh D T Williamson Foundation
Cockerill P	Gull & Company	Nelson J	The Isobella Foundation
Coltman S	Harman A	Nicholson R W	Unmack R
Cowles J I	Helen Macpherson Smith Trust	Paterson J	Ward-Ambler R & B
Davies K	Hinchey R & N	Prowse S	Webster M
Davis J M	Hiscock P	Ramsay D	Wilkie R
Delaware North Companies Australia	James B	Robson V	

Corporate Members

Sovereign Hill is fortunate to have the support of a wide range of Corporate members whose annual subscriptions assist us financially. In turn, they enjoy the significant advantages of membership, the opportunity to network with others within our extensive community links and, in some cases, the benefit of a commercial relationship with Sovereign Hill.

ACU National	Butler P/L	Gold Corporation	Quality Inn Heritage on Lydiard
A W Nicholson P/L	C E Bartlett P/L	Hadjah P/L	Quest Ballarat Mews/ Quest Ballarat
Adroit Insurance Group	Cave Hill Creek	Harwood Andrews Lawyers	Rossini Club P/L
Alpha Visuals	Centacare Ballarat	Haymes Paint	Rural Press Printing Ballarat
Australian Timken P/L	Central Highlands Surgeons	Honeyman & Paton P/L	Sargeant Transport P/L
Ballarat Coachlines	CGU Insurance	HS Social Club	Seymours on Lydiard
Ballarat Health Services	Chinese Australian Cultural Society Ballarat	Imerys Minerals Australia	Sovereign Park Motor Inn
Ballarat Holden	City of Ballarat	J B Cameron P/L	Sovereign Press P/L
Ballarat IVF	Comfort Inn & Suites	Lake Imaging	Sovereign Views Apartments
Ballarat Surgical Clinic	City View	Lifestyle Travel Ballarat	St John of God Hospital Social Club
Ballarat Turf Club	Concept Cleaning Supplies	Lion Co.	The Diggers Hut
Bank of Melbourne	Cops 'n' Kids	Lisa Lodge	The Haymarket
Barker & Jennings	Crawford Dowling P/L	McCain Foods (Aust) P/L	Trembath Automotive
Baxter & Stubbs P/L	Daylesford Bakery	Maxitans Australia P/L	uDelivered Holdings P/L
Begonia City Motor Inn	Dilmac Media	Microsoft	UFS Dispensaries Ltd
Berry, Anderson & Co. P/L	D W Security P/L	Morton Dunn Architects	VECCI
Berry Street Victoria	Eclipse Ford	Mulcahy & Co.	W & D Finance
Best Community Development	Eureka Concrete	Oliver Footwear	W M Flynn P/L
Big Brothers Big Sisters (Highlands)	Federation University Australia	Ottimo Design P/L	Westpac Banking Corporation
Blenkiron Electrical Services	FMP Group P/L	Peter Tobin Funerals	
Buninyong Family Chiropractic	Frank Ford Travel P/L	Pickwick Group P/L	
	G Gay & Co Hardware	Prism Solutions P/L	
		PPT Holdings P/L	

Sovereign Hill Prospectors & Sir Henry Bolte Trust

Sovereign Hill Prospectors

The Prospectors enjoyed a number of exclusive events including an inspection of the works at Comfort Inn and a special Governor's Class presentation of 'Blood on the Southern Cross', as well as drinks with the President on Christmas Shopping Night and the official launch of the 'Christmas in July' marketing event.

The retirement of long-standing Prospector Dr Bill Pryor, and his wife Ann, is noted and we sincerely thank them for their support.

PATRONS

Bate W Moneghetti S

Members

Ashley G	Cronin D	Lowe A	Pryor W J
Baird S N	Cross R	Lyons L	Russell J
Ball D	Dale J	Marshall P	Selkirk J
Bowman B C	Davies S	McGregor W	Selkirk R J
Bradie D	Davis J	McKnight B	Stone B
Brooke D	Everist M	Miller J	Taylor R
Burt D	Fisken P	Moss S	Thomson B
Campana T	Gibney M	Nelson J	Tobin S
Carter R	Glover J	Nicholson E J	Webster M
Chandler I	Gow D	Oliver N	Wilkie G
Chapman W	Hayden R	Owen G	Wilkins R
Chester D	Hewitt G	Perrin K	Williams J
Coltman B	Hope P	Perry A P	Williams V
Corcoran I	Kannourakis G	Pierce J	
Cowles J E	Karmouche D	Platzter W	
Cowles J I	Lloyd T	Prowse C R	

Sir Henry Bolte Trust

This year, the third Sir Henry Bolte Trust Oration was delivered by Sovereign Hill Patron and former State Premier, Jeff Kennett, at a fundraising luncheon at Queen's Hall, Parliament House, Melbourne.

The Trust supported the acquisition of significant collection items, including a contribution to the purchase of the Besemeres Collection to enhance our nationally significant collection of postcards.

Annual donations by the Sovereign Hill Prospectors add to the Trust's financial resources, and we are very grateful to them for their generous support.

The Sir Henry Bolte Trust is an Internal Fund of The Sovereign Hill Museums Association. Its current members are:

W McGregor (Chairman)
Cowles J E
Elder S
McCarthy P
McKnight B
McNamara P
Prowse C
Thompson D
Johnson J (ex-officio)
Lloyd T (ex-officio)

The Sovereign Hill Museums Association

Patrons

The Hon. John Cain
The Hon. Jeffrey Kennett
The Hon. Steve Bracks
The Hon. John Brumby
The Hon. Denis Napthine

Civic Patrons

Mayor of the City of Ballarat, Cr Joshua Morris (from 4/6/2014)
Chancellor of the University of Ballarat, Dr Paul Hemming

Patrons of Narmbool Trust

Andrew Ferry
Robin Ferry

Board Members

President
Vice-President

Lloyd T
Cowles J E
Baird S
Butler D
Coltman S
Doyle A
Hinchey R (to 28/10/2013)
Lonsdale B (to 28/10/2013)
McCarthy P
Nicholson R
Perry A
Verlin J

Chief Executive Officer

Johnson J

Executive Management

Director – Commercial Operations
Director – Creative & Design
Director – Engineering & Operations
Director – Finance & Corporate Services
Director – Marketing
Director – Museums
Gold Museum Manager/Curator
& Deputy Museums Director

Berman-Hardman R
Zulic J
Lewis J
Clifford P
Burns G
Dunlop B (from 8/7/2013)
Trudgeon R

Chairmen of Committees

Finance & Risk Committee
Gold Museum Committee
Outdoor & Mining Museum Committee
President's Advisory Committee
Narmbool Trust
Sir Henry Bolte Trust
The Sovereign Hill Foundation

Butler D
Verlin J
Cowles J E
Lloyd T
Coltman S
McGregor W
Wilkie R

The Sovereign Hill Museums Association

We are grateful for the on-going support of the following members of the community who serve on Board committees, Trusts and Foundations associated with Sovereign Hill:

Bruce G
Carey A
Carlson M
Cuttle M
Elder S
Ferry A
Ferry R
McGregor W

McKnight B
McNamara P
Moneghetti S
Prowse C
Sarah D
Thompson D
Wilkie R

Auditors
Bankers
History Consultant
Mining Consultant
Numismatics Consultant
Solicitor

Crowe Horwath West Vic
National Australia Bank
Bate W
Darveniza P
Sharples J
McGregor W, Baird & McGregor

Leased Business Managers

Catering
Soho Foundry & Clarke Bros Tinsmiths
The Ballarat Times

Delaware North Companies Australia Pty Ltd
Bilney P & F
McArthur R & L

Sovereign Hill Education

Barnes A (from 20/5/2014)
Beckwith P (to 28/5/2014)
Dowler M
Hoban P
Kierce A

Littlejohn M
Rosestone S (to 29/1/2014)
Spierings J
Walker S

Sovereign Hill School

Ward M (Principal)
Adams J (to 18/3/2014)
Beckwith P (from 29/5/2014)
Borner L
Featherston P
Fyffe J

Kyi A
Middleton A
Mitchell S
Rosestone S (from 30/1/2014)
Steele K

Honorary Musicologist

FitzSimons T

Honorary Mining Historian

d'Auvergne P

The Sovereign Hill Museums Association

Life Governors

Cowles J I	McGregor W H	Prowse C R	Selkirk R J
Jones E C	McKnight B	Sarah A D	

Life Members

Addison J	Crabb S	Houston J	McKenzie D	Robinson R J
Agostino C	Craig O	Howard M	McKenzie J	Robson V G
Agostino J D	Creelman T	Hunt R V M	McKnight I	Runnalls T M
Akers M T	Davies P R	Hunt V D U	McKnight T	Russell P
Baird A	Davis J	Inglis R	McKnight W	Sarah V J
Baird D	Davis K	Jackman R	McMahon K L	Sarah Le-Lacheur O
Baird M	Davis P	Jacobs L	Mann P L	Schmid R
Baird S E	Davis T	James B	Martino N	Scott D
Baird S N	Dunne M	James B	Mason K	Segrave B
Bartrop B E	Edwards N J	James D	Mason L	Selkirk I
Bate W	Evans L	James G	Matthews R E	Selkirk J
Benjamin T M	Fairfax J B	James G	Montgomery T	Sheludko V
Bennett R L	Fairhurst J	Jenkins L	Morrison K	Smith M G
Blomley D	Farnell M R	Jens N	Moss D	Spicer E J
Bonthorne J	Faulkner J	John J	Moss S	Stephen I
Bowman B C	Faull J	John J W	Myer B	Stephen J
Brown G W	Ferry A S	Johnson C	Myer S	Stephen K
Brown N	Ferry R F	Johnson D M	Nemeth R	Stephen M
Bruce C	FitzGerald D	Johnson J A	Nevill J	Stephen M T
Bruce E	Garrisson B	Jones C E	Nicholson A W	Stepnell J
Bruce G	Garrisson C	Jones D K	Nicholson C	Stone L E
Bruce T	Garrisson H	Jones P K	Nicholson E A	Stone P C
Bunning P R	Garrisson V	Jones R	Nicholson J E	Taylor P L
Butler C	Gay C	Judd P	Nicholson P C	Thacore V
Butler D	Gay D	Kaess D	Nicholson P	Thomson G
Butler J	Gay M	Kaess J	Nicholson R W	Titheridge N W
Butler K	Gay R	Kelleher L	Nunn B	Tobin F L
Butler N	Gilbert J	Kennard D	O'Meara T	Torney G W
Butler X	Glenn S	Kinchington T	O'Shea J A	Tribe J
Byrne A	Grant C L	King J	O'Sullivan F	Troon A
Byrne P M	Grant E	King L	O'Sullivan F C	Troon R
Byrne T J	Grant L	Knight F	O'Sullivan J	Troon S
Chandler J	Gribble N	Lance G	O'Sullivan M	Turner P
Chester C	Griffin J	Le Lacheur C	Perry A	Vagg F
Christie R B	Griffiths W	Lloyd S	Pettit M	Valentine N
Clark B	Gull S	Lloyd T	Peuker H	Vendy D G
Coburn C	Gull S	Lonsdale B J	Pleydell C R	Webster M
Coburn I	Hayden J M	Lyons G N	Prowse C	Welsh M
Coburn P I	Hayden M	McCarthy B	Prowse D	Wilkie E
Coburn P J	Hayden P	McCarthy P	Prowse G D	Wilkie J
Collier D	Hayden R	McDonald Williams A	Prowse M	Wilkie R
Collier D	Haymes D	McDonald Williams S	Prowse R	Williams C
Collier J	Heres K	McFarlane J	Prowse S L	Williams J
Collier P	Herman J L	McGrath D	Ramsay T D	Williams V
Coghlan C C	Hiscock P McL	McGregor H C	Rice-Jones R	Wilson P R
Coutts L	Hocking D	McGregor H H	Robertson H G	
Cowles J E	Home I	McGregor R	Robinson A	

The Sovereign Hill Museums Association

Staff

Allen D	Cross E	Harvey R	Litras A	Pingali S	Waight B
Armstrong M	Cummings C	Hazell T	Liu Y	Pitman R	Waight K
Armstrong M	Curran B	Healy J	Livy S	Pohl S	Walker S
Armstrong G	Cuthbertson K	Heinrich T	Long A	Prenc A	Walker K
Arnott W	Dando M	Henderson A	Lucas D	Quirk N	Wallace C
Ashman C	Debney M	Henriksen C	Lyons N	Ramsay L	Wang Y
Baker J	Deeks M	Henriksen E	Mackley S	Rankin J	Wang X
Baker K	Dixon J	Hill K	Madden R	Ravisa J	Ware D
Beacham H	Drake J	Hoban E	Mao M	Richardson J	Warr S
Beaton A	Duffin D	Hodge B	Marshall B	Riddiford M	Warwarek X
Beattie E	Durham M	Holding A	Martin E	Robbins N	Watson A
Bennett D	Earl B	Hope T	Martin K	Roberts N	Watson B
Benoit C	Edgington B	Hore B	Matheson J	Robson K	Watson S
Bignell B	Edwards G	Horsley P	Matthews A	Romeyn C	Webb T
Bignell T	Evans P	Hoskin W	McCann J	Rowe C	Wheatland M
Billerwell R	Falkiner M	Howse D	McColl S	Ryan C	White B
Billing T	Farnell M	Huang X	McLaren A	Sari M	White J
Bilston I	Ferguson J	Huang C	McMullin L	Schaper P	White P
Bishop G	Filmer M	Huang M	McNeil L	Schenk R	Whitehead M
Blobel T	Flood M	Huang X	Memon S	Scott W	Wicks J
Bodman K	Flowers C	Huang Y	Middleton A	Sculley D	Wilding R
Bond M	Foley M	Hughes F	Milne P	Scurr D	Wilkinson S
Boyko M	Ford J	Hughes P	Mitchell A	Seater R	Wilson P
Bradley L	Ford R	Hughes P	Morcombe K	Sharp K	Wilson A
Bray P	Forest J	Hurwood E	Morris S	Shelmerdine J	Winch J
Bredin R	Forster N	Ingram S	Moss K	Simmons S	Wu R
Bridges D	Foster D	Ioannucci S	Mroczkowski Z	Slater S	Xu X
Brisbane J	Friley N	Jarvis K	Muir C	Smith C	Xue X
Brodrick J	Fry J	Jasper F	Muirhead R	Smithers H	Young A
Brodrick V	Gamble P	Johnson L	Myers R	Snow B	Young G
Brown C	Gardner C	Johnson J	Neal C	Song B	Zhang L
Burke C	Gear P	Johnson A	Nunn M	Sprague D	Zhang Y
Burnett M	Gervasoni J	Jones M	O'Brien K	Steegstra K	Zhang L
Burns J	Geurts A	Jovanovic A	O'Brien S	Stoneman D	Zhong L
Burton I	Gleeson J	Kaess M	O'Brien K	Stowe K	Zhu R
Butler G	Goldsmith B	Kaj A	O'Connor R	Strange A	Zou G
Caine G	Gooding E	Kay B	O'Gorman J	Stronach P	
Callaghan A	Grace I	Kennedy P	O'Hara L	Suter K	
Cameron A	Grano T	Kingston M	O'Keefe T	Szentandrassy V	
Carr S	Grant C	Knight O	Offer L	Tatham S	
Carter F	Gray S	Koch E	Ogg M	Taylor L	
Carter E	Greenbank K	Koroneos R	Osborne D	Thompson J	
Cassidy G	Greenway N	Kosloff K	Oxlade H	Thorn P	
Castro C	Griffith C	Lacy M	Page J	Tian J	
Cheney L	Grootveld R	Larkins A	Paine B	Tink A	
Clarke S	Haldane C	Latter C	Peach J	Tonkin D	
Cody S	Hammond R	Lean T	Peacock A	Toomey J	
Collins M	Hancock E	Lee B	Pelegirin M	Treneman M	
Colman M	Handley C	Leehane E	Perkins K	Trigg G	
Cornwell K	Hansen K	Lewis A	Perkins D	Ure J	
Corrigan T	Hansen K	Lewis J	Pezzutti R	Van De Wouw M	
Coulson T	Harris T	Lewis-Jones T	Phillips C	Vanderkley C	
Croggon J	Hartmann C	Ling Y	Pigdon M	Wagstaff R	

The Sovereign Hill Museums Association

Friends of Sovereign Hill

For visitors, meeting a costumed interpreter can really bring the Sovereign Hill story to life. As they demonstrate the skills and technologies of the past, our Friends of Sovereign Hill (FOSH) volunteers enable visitors to learn as they observe and participate in these processes and relate them to their own lives.

For volunteers, there are also benefits to being involved with Sovereign Hill. Our 'Friends' develop new skills, they become part of a community, they gain a sense of achievement and they expand their career options. All this while wearing beautiful period costumes and meeting and interacting with people from all over the world!

We have continued to develop the opportunities that allow volunteers to apply and advance their skills and interests so that they can reap more of the personal rewards that come as they provide unique experiences for our visitors.

Rare skills are preserved and passed on by the FOSH. This year, the 'ladies' taught one another the traditional methods of making and decorating bonnets. They have also learned to prepare three-course meals over an open fire, serving these to costumed guests in the Post Office Parlour – to the great fascination of visitors.

A feature of the FOSH volunteer team is their willingness to turn out in number for special occasions that support or promote Sovereign Hill. These have included workshops to produce Victorian-style decorations for 'Christmas in July', acting as extras for the filming of the Korean reality television show 'Running Man' and, on several occasions, getting up very early to provide activity and colour for morning show television crews.

The FOSH volunteer program is managed by Kelly Steegstra and Serena Ioannucci, who are ably assisted by the elected FOSH Committee: Lorraine Sheppard (President), Jenny Hill (Vice-President), Don Pennell (Secretary), Leonie Balfour (Treasurer) and committee members Michael Keaney and Roger O'Connor.

Allen K	Clark V	Howgate K	McCracken N	Skelton-Tolliday A
Allen W	Coleman G	Howlett W	Meadows L	Smith J
Anderson K	Coleman H	Howse A	Meadows Z	Smith N
Anset B	Corden H	Hughes P	Mewett D	Spall W
Ashley A	Crommelin R	Hutchinson B	Middleton F	Steinman M
Ashley C	Daykin A	Hutchinson C	Miller J	Stickland G
Ashley E	Dooney A	Hutton L	Moreton A	Stickland S
Ashley G	Drever Y	Jacks L	Morse S	Stones M
Ashley T	Duthie M	Jacks S	Mould P	Stones D
Baker M	Eddy M	Jamali E	Newey B	Stones E
Balfour L	Ellis C	Johnston-Chan A	Newey C	Stones W
Murnane A	Farmer B	Johnston-Chan D	Nyberg R	Suttie R
Murnane B	Filmer J	Johnston-Chan D	O'Connor R	Taylor S
Ballantine A	Fithall C	Johnston-Chan Y	O'Hagan D	Thomas J
Barber S	Fithall J	Jones C	O'Laughlin H	Thomas M
Barnes M	Freeman C	Jones M	O'Neill G	Thorne A
Baum L	Freeman E	Keaney M	Paterson A	Thorne I
Bessemers M	Freeman E	Kelly L	Pegg A	Thorne K
Bessemers M	Freeman F	Khadem P	Pennell A	Thorne T
Bischoff A	Freeman J	Kilby G	Pennell D	Thorpe L
Bischoff V	Freeman L	Knox G	Pennell J	Tobin S
Bone R	Freeman W	Kucera K	Pennell L	Tong N
Brae J	Gavan B	Lawry R	Pennell T	Twyford-Smith K
Brodrick K	Gaylor A	Lawry S	Pepper M	Vanstan K
Brookes R	Gaylor A	Learmonth E	Phillips J	Watson K
Buckland S	Gillespie P	Learmonth H	Pierotti L	Wheaton R
Bull J	Gladman B	Learmonth J	Pitman A	Whetton N
Burke A	Gleeson K	Learmonth M	Rayner M	Whitelaw K
Burke W	Grant D	Leviston D	Reus B	Wilkins R
Campbell J	Grant D	Llewellyn W	Rhodes H	Williams A
Campbell P	Hankin W	Luke G	Rhodes I	Williams C
Caramelli B	Harrison C	Lukeis R	Riley G	Williams D
Caramelli S	Harrison J	Lunn J	Robe L	Williams D
Carter S	Healey M	Maberly E	Roberts L	Williams P
Charles K	Hill J	Macey S	Rosentreter P	Wojciechowski R
Clark M	Hogbin M	Maloney M	Ryan P	Young G
Clark R	Hollings Y	McCallum R	Sevier E	Zaccardi A
Clark S	Howard J	McCausland B	Sheppard L	Zaccardi G
Clark S	Howard-Robbins L	McClellan A	Sjogren G	Zilveris E

The Sovereign Hill Museums Association

Gold Museum Society

Overseen by Volunteer Coordinator Joanne Gervasoni, the 71 members of the Gold Museum Society are involved in a wide variety of activities, assisting visitors daily with guided tours or explaining the mystery objects on 'the touch trolley'. Some provide structured classes and tours for school groups. Most volunteers, by far, work in the 'back room' transcribing, cataloguing, scanning, digitising, re-packing collection items, and entering data using the new Vernon Systems cataloguing program.

The Society has a monthly meeting where visiting guest speakers talk on topics relevant to Ballarat history. Training sessions for the guides, the annual coach tour and the monthly newsletter 'Aurum' ensure that information provided and skills are kept up-to-date.

The Society President, Bill McGregor, leads an energetic committee and has worked tirelessly to ensure that the group continues to meet its primary objective of enhancing the Gold Museum experience for visitors.

Akers L	Curnow D	Lacy B	McPherson B	Pym I	Tong M
Ball A	Curnow M	Llewellyn B	Miller J	Robins C	Tong N
Beggs Sunter A	Dehn H	Llewellyn N	Mitchell P	Rozsa L	Tudball V
Blythman M	Doggett A	Luhrs M	Muir H	Smith I	Widgery R
Bradby D	Douglas D	Lunn J	Netherway N	Smith M	Williams M
Butcher D	Douglas G	Maberly E	Newey B	Spielvogel D	Zamurs F
Christie B	Eldridge R	Maidment T	Newey C	Spielvogel V	
Christie H	Grant D	Manning D	Nunn B	Taylor C	
Clark M	Harvey D	Martin Z	O'Brien T	Taylor P	
Cook S	Hamilton J	Martino N	Peterson L	Taylor R	
Cowles J I	Henderson J	May P	Philips J	Te Kaeth T	
Crick A	Karmouche D	McCracken N	Pratt D	Thompson N	
Crick J	Kent T	McGregor W	Prowse S	Thornhill N	

Financial & Statutory Reports
Sovereign Hill ABN 87 565 053 651
2013 | 2014





Emeritus Prof. T M Lloyd – President

Elected to the Board in 2007.
Chairman of the President's Advisory Committee. Ex-officio member of all Board Trusts and Committees. Consultant. Former Senior Deputy Vice-Chancellor of the then University of Ballarat.

Mrs S N Baird

Elected to the Board in 2005. Member of the Finance & Risk Committee. Member of the Fundraising Committee. Lawyer.



Ms J E Cowles – Vice-President

Elected to the Board in 2003.
Chairman of the Outdoor & Mining Museum Committee. Member of the President's Advisory Committee. Member of The Sovereign Hill Foundation and the Sir Henry Bolte Trust.



Mr D E Butler

Elected to the Board in 2005.
Chairman of the Finance & Risk Committee. Member of the President's Advisory Committee and the Narmbool Committee. Director of a Chartered Accountancy Practice.



Mr P A Clifford – Company Secretary

Company Secretary from 2013.
Director Finance and Corporate Services, The Sovereign Hill Museums Association. Fellow of the Australian Society of Practising Accountants and Associate of Chartered Secretaries Australia.



Mr S O Coltman

Elected to the Board in 2003.
A Past-President. Chairman of the Narmbool Committee. Member of the President's Advisory Committee, the Fundraising Committee and The Sovereign Hill Foundation. Insurance Advisor.

Mr A K Doyle

Elected to the Board in 2010.
Member of the Finance & Risk
Committee. Certified Practising Valuer.
Director of a Property Consulting Firm.



Mrs A P Perry

Elected to the Board in 2003.
A Past-President. Member of the
Gold Museum Committee and
the Narmbool Committee. Retired
Teacher and Family Historian.



Mr R W Nicholson

Elected to the Board in 1998.
A Past-President.
Chairman of the Fundraising
Committee. Civil Engineer and
Company Director. Graduate,
AICD Company Directors Course.



Mr P L McCarthy

Elected to the Board in 2010.
Member of the Outdoor & Mining
Museum Committee. Mining
Engineer and Company Director.

Dr J W M Johnson

Chief Executive Officer, The Sovereign
Hill Museums Association from 2002.
Chairman, Central Highlands Water
Corporation. Past-President and Board
member, Victorian Employers' Chamber
of Commerce and Industry. Chairman,
Victoria Tourism Industry Council.



Mrs J A Verlin AM

Elected to the Board in 2011.
Chairman of the Gold Museum Committee.
Chairman of the Committee for Ballarat.
A Past-Mayor of the City of Ballarat.

The Directors present this report on the Association for the financial year ended 30 June 2014.

The names of each person who has been a Director during the year and to the date of this report are:

T M Lloyd President

J E Cowles Vice-President

S N Baird

D E Butler

S O Coltman

A K Doyle

R N Hinchey (to 28/10/13)

B J Lonsdale (to 28/10/13)

P L McCarthy

R W Nicholson

A P Perry

J A Verlin

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The principal activity of the Association is to:

Inspire an understanding of the significance of the Central Victorian gold rushes in Australia's national story, and at Narmbool of the importance of the land, water and biodiversity in Australia's future.

The Association's short-term objectives are to:

- Objective 1 – Build up of cash reserves
- Objective 2 – Conservatively manage the impact of the recent economic downturn on international and domestic tourism
- Objective 3 – Identify and address key risks to the Association

The Association's long-term objectives are to:

- Objective 1 – Invest in infrastructure development
- Objective 2 – Maintain Sovereign Hill's independent business model
- Objective 3 – Develop or expand potential and existing revenue streams

To achieve these objectives, the Association has adopted the following strategies:

- Strategy 1 – Growth of Foundation, Sir Henry Bolte Trust and General Reserve
- Strategy 2 – Review Corporate Strategic Plan 2014-2017
- Strategy 3 – Implement and monitor the controls identified in the Risk Register including major focus on Occupational Health & Safety
- Strategy 4 – Implement Infrastructure Renewal Program
- Strategy 5 – Constantly review operational costs and commercial revenues in accordance with the financial objectives identified in the Corporate Strategic Plan 2014-2017
- Strategy 6 – Seek suitable opportunities for new revenue streams and continue strong emphasis on fundraising.

Key Performance Measures

The Association measures its own performance through the use of both quantitative and qualitative measures. These Strategic Key Performance Indicators are contained in the Association's Corporate Strategic Plan and are used by the Directors to assess the financial sustainability of the Association and whether the Association's short-term and long-term objectives are being achieved. The Strategic Key Performance Indicators are:

- Performance against budget in recurrent and capital expenditure particularly operating surplus, status of General Reserve and Foundation funds, insurance premium against sector benchmarks, and membership numbers and income
- Yield per visitor across business areas
- Visitor demographic patterns (international, interstate and domestic)
- Website use statistics
- Occupancy rates for accommodation facilities
- Conversion ratios for Sovereign Hill visit with Quartz Mine tickets, Gold Museum visit, 'Blood on the Southern Cross' patronage, Comfort Inn Sovereign Hill accommodation
- Environmental performance indicators (including recycling volumes, waste volumes, reduced utilities costs, % water in storage and accessible for use, solid fuel use)
- OH&S incident reports and analysis/mapping
- Workforce demographics (including staff and volunteers, turnover, gender and age mapping and labour costs)
- WorkCover premium rating and claims record

No significant changes in the nature of these activities occurred during the year.

The operating profit of the Association amounted to \$775,258.

The Association is not liable to pay company tax and is not permitted to pay dividends to its Members.

The net assets of the Association have increased by \$3,775,268 from \$53,571,519 as at 30 June 2013, to \$57,346,787 in 2014.

This increase has largely resulted from capital grants and fundraising activities for capital works.

The Directors believe the Association is in a strong and stable financial position to expand and grow its current operations.

No significant changes in the Association's state of affairs occurred during the financial year.

Related party transactions

During or since the end of the previous financial year, no Board Member has received or become entitled to receive a benefit by reason of a contract made by the Association, or a related body corporate with a Member of the Board or with a firm of which a Director is a Member, or with an entity in which a Director has a substantial interest, other than:

1. Insurance brokerage services supplied to the Association by a brokerage firm of which Mr S O Coltman is a Senior Manager;
2. Mine consultancy services supplied to the Association by a firm of which Mr P L McCarthy is a Director;
3. Valuation services supplied to the Association by a valuation firm of which Mr A K Doyle is a Director; and
4. Membership services supplied to the Association by the Committee for Ballarat of which Mrs J A Verlin is a Director.

All transactions were on normal commercial terms and conditions, no more favourable than those available to other persons.

Non-audit services

The auditor provided internal audit services during the year in respect to reviewing selected commercial operations and acquittal of a government grant.

The Attendances of each Director of the Association at meetings for the period July 2013 to June 2014 were:

	BOARD MEETINGS		COMMITTEE MEETINGS									
			FINANCE & RISK COMMITTEE		PRESIDENT'S ADVISORY COMMITTEE		OUTDOOR & MINING MUSEUM COMMITTEE		GOLD MUSEUM COMMITTEE		NARMBOOL COMMITTEE	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
S N Baird	9	9	6	3	-	-	-	-	-	-	2	1
D E Butler	9	9	6	6	9	8	-	-	-	-	4	4
S O Coltman	9	5	-	-	9	7	-	-	-	-	4	1
J E Cowles	9	8	-	-	9	8	4	4	-	-	-	-
A K Doyle	9	9	6	5	-	-	-	-	-	-	-	-
R N Hinchey (to 28/10/2013)	3	2	-	-	-	-	2	1	-	-	-	-
T M Lloyd	9	9	6	6	9	9	4	3	4	3	4	3
B J Lonsdale (to 28/10/2013)	3	2	-	-	-	-	2	2	-	-	-	-
P L McCarthy	9	7	-	-	-	-	4	4	-	-	-	-
R W Nicholson	9	8	3	2	5	3	-	-	2	2	-	-
A P Perry	9	7	-	-	-	-	-	-	4	4	4	3
J A Verlin	9	8	-	-	-	-	-	-	4	4	-	-

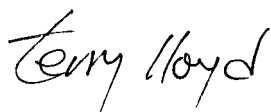
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors.

Dated this fourth day of September 2014.



T M Lloyd
President

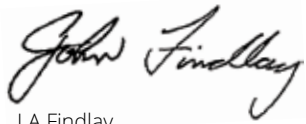
As lead auditor for the audit of The Sovereign Hill Museums Association, I declare that to the best of my knowledge and belief, during the year ended 30 June 2014, there have been:

1. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Dated this fourth day of September 2014.

CH

Crowe Horwath West Vic



J A Findlay
Audit Partner
21 Armstrong Street, Ballarat 3350

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue from Operating Activities	2	24,667,199	23,162,498
Other Income	2	41,456	80,313
Employee benefits expense		(12,756,219)	(12,140,951)
Depreciation	3	(1,633,264)	(1,424,403)
Administration, Marketing, Maintenance expense		(7,234,890)	(6,599,103)
Cost of Sales		(2,079,508)	(2,229,867)
Other expenses		(229,516)	(169,680)
Operating Profit	3	775,258	678,807
Capital receipts	2	2,594,448	2,089,793
		3,369,706	2,768,600
Income tax expense		-	-
Profit for the year		3,369,706	2,768,600
Other comprehensive income			
Fair value gains/(losses) on available-for-sale financial assets		405,562	308,998
Total comprehensive income for the year		3,775,268	3,077,598

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,883,732	1,696,980
Trade and other receivables	5	989,481	683,439
Inventories	6	1,321,595	1,187,749
Biological assets	7	986,030	-
Other current assets	8	311,344	360,233
Assets held for sale	9	410,631	560,369
Financial assets	10	429,968	406,016
TOTAL CURRENT ASSETS		6,332,781	4,894,786
NON-CURRENT ASSETS			
Financial assets	10	5,172,542	3,797,209
Property, plant and equipment	11	41,914,353	40,725,182
Collections assets	11	8,340,671	8,071,272
TOTAL NON-CURRENT ASSETS		55,427,566	52,593,663
TOTAL ASSETS		61,760,347	57,488,449
CURRENT LIABILITIES			
Trade and other payables	12	1,822,227	1,440,425
Borrowings	13	1,030,000	1,030,000
Short term provisions	14	1,017,726	981,342
TOTAL CURRENT LIABILITIES		3,869,953	3,451,767
NON-CURRENT LIABILITIES			
Long-term provisions	14	543,607	465,163
TOTAL NON-CURRENT LIABILITIES		543,607	465,163
TOTAL LIABILITIES		4,413,560	3,916,930
NET ASSETS		57,346,787	53,571,519
EQUITY			
Retained Earnings		43,021,870	40,599,203
Reserves		14,324,917	12,972,316
TOTAL EQUITY		57,346,787	53,571,519

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	Retained Earnings	Asset Revaluation Reserve ##
	\$	\$
Balance at 30 June 2012	38,064,113	(195,408)
Total comprehensive income for year	2,768,600	308,998
Transfers to reserves		
- General Reserve	207,035	
- The Sovereign Hill Foundation	(302,978)	
- Sir Henry Bolte Trust	(50,153)	
- Collections	(87,413)	
Transfers from retained earnings		
Balance at 30 June 2013	40,599,203	113,590
Total comprehensive income for year	3,369,706	405,562
Transfers to reserves		
- General Reserve	(245,007)	
- The Sovereign Hill Foundation	(352,837)	
- Sir Henry Bolte Trust	(79,794)	
- Collections	(269,399)	
Transfers from retained earnings		
Balance at 30 June 2014	43,021,870	519,154

This Reserve records the revaluation increment of shares, hybrid securities and floating notes in Corporations listed on a prescribed Stock Exchange.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

General Reserve	Sir Henry Bolte Trust	The Sovereign Hill Foundation	Collections Reserve	Total
\$	\$	\$	\$	\$
1,833,253	742,515	2,065,590	7,983,859	50,493,922
	3,077,598			
				207,035
				(302,978)
				(50,153)
				(87,413)
(207,035)	50,153	302,978	87,413	233,508
1,626,218	792,668	2,368,568	8,071,272	53,571,519
				3,775,268
				(245,007)
				(352,837)
				(79,794)
				(269,399)
245,007	79,794	352,837	269,399	947,038
1,871,225	872,462	2,721,405	8,340,671	57,346,787

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Sales from small businesses		7,294,211	6,512,749
Other revenues from operating activities		16,706,382	16,555,559
Interest and dividends received		360,564	344,980
Payments to employees		(12,641,390)	(12,112,037)
Interest paid		(44,732)	(51,902)
Payments for materials and contracts		(10,188,368)	(8,739,538)
Net cash generated from operating activities	19b	1,486,667	2,509,811
Cash flows from investing activities			
Capital receipts		2,594,448	2,089,793
Proceeds from sale of property, plant and equipment		217,494	19,740
Proceeds of disposal of investments		1,008,707	1,467,898
Purchase of investments		(1,964,262)	(1,788,102)
Purchase of property, plant and equipment		(3,156,302)	(5,163,568)
Net cash used in investing activities		(1,299,915)	(3,374,239)
Cash flows from financing activities			
Proceeds/(Repayment) of borrowings		-	580,000
Net cash used in financing activities		-	580,000
Net increase (decrease) in cash held		186,752	(284,428)
Cash and cash equivalents at the beginning of the year		1,696,980	1,981,408
Cash and cash equivalents at the end of the year	19a	1,883,732	1,696,980

NOTE 1 Statement of significant accounting policies

The financial statements are for The Sovereign Hill Museums Association as an individual entity, incorporated and domiciled in Australia. The Sovereign Hill Museums Association is a company limited by guarantee.

New revised or amended Accounting Standards and Interpretations adopted

The Association has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

The Association has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value.

The Association has applied AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011). The standard changed the definition of short-term employee benefits from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

Accounting policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the profit or loss when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor; otherwise, the grant is recognised as income on receipt.

The Association receives non-reciprocal contributions of assets from other parties at either a nil or a nominal value. These assets are recognised at fair values on the date of acquisition in the Statement of Financial Position with the corresponding value credited to the Collections Reserve.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive the dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Inventories

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

(c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

Property

The Association is an outdoor museum that represents Ballarat in the Victorian goldfields for the period 1851 to 1861. All the buildings exhibits have extensive on-going maintenance to ensure their standards are in keeping with this 11-year time period. Consequently, the Directors believe that buildings will have an estimated useful life of 150 years and therefore depreciation has been calculated at 0.67% pa.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and any accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amounts of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight-line basis over their useful life to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<u>Class of asset</u>	<u>Depreciation of asset</u>
Buildings	0.67%
Plant, equipment and vehicles	2.5 - 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset class's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss in the period in which they arise.

(d) Assets held-for-sale

Assets held-for-sale are valued at the lower of cost and net realisable value. Profits are brought to account on the signing of an unconditional contract of sale.

(e) Collections assets

Collections assets controlled by the Association are works of art and other heritage assets, including the property Narmbool, which have been donated to the Association. They are anticipated to have very long and indeterminate useful lives. Their future economic benefits have not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

(f) Biological assets

From 1 July 2013, the control of Narmbool farm operations has transferred to the Association. Biological assets consist of the following categories of sheep: Dohne Merino, Cross-bred and Rams. All biological assets are carried at fair value less costs to sell.

(g) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date the Association commits itself to either purchase or sell the asset (i.e. 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 and loss' in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

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

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

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

(ii) 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 Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified current assets.

(iii) 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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Borrowings are classified as current liabilities unless the Association has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(v) Available-for-sale investments

Available-for-sale investments (i.e., shares, hybrid securities, fixed interest, convertible and floating notes) are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

(vi) Impairment of financial assets

At the end each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial assets, a significant or prolonged decline in the value of the instrument is considered to indicate that impairment has arisen. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

(vii) Derecognition

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

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(h) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either in the principal market or, in the absence of a principal market, in the most advantageous market. Fair value is measured using assumptions that market participants would use when pricing an asset or liability, assuming they act in economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(i) Impairment of non-financial assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

(j) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of the cash flows.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(k) Cash and cash equivalents

Cash and cash equivalents include 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.

(l) Goods and service 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. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a net basis.

(m) Income tax

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

(n) Provisions

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

(o) Comparative figures

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

(p) Trade and Other Payables

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

(q) Critical accounting estimates and judgements

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

(r) Key judgements

Available-for-sale investments

The Association maintains a portfolio of securities with a carrying value of \$5,172,542 at the end of the reporting period. These valuations are the current market value on the stock exchange as at reporting date. The Directors believe there is no impairment of these investments.

Note	2014 \$	2013 \$
Note 2 Revenue		
Revenue from Operating Activities		
- sale of goods	7,294,211	6,512,749
- interest and dividends received	360,564	344,980
- government grants	646,809	622,191
- entrance takings	13,223,775	12,487,335
- rents and commissions	895,980	985,009
- other revenue (including accommodation and memberships)	2,245,860	2,210,234
Revenue from Operating Activities	24,667,199	23,162,498
Other Income		
- gain on disposal of property, plant and equipment	3,288	10,128
- gain on disposal of available-for-sale financial assets	38,168	70,185
Other Revenue	41,456	80,313
Capital receipts includes donations and collections assets donated	2,594,448	2,089,793
TOTAL REVENUE	27,303,103	25,332,604

Note 3 Profit

Expenses

Depreciation		
- Land and Buildings	437,161	410,589
- Plant and Equipment	1,196,103	1,013,814
Total Depreciation	1,633,264	1,424,403
Auditor Remuneration		
- Audit Services - external	46,000	42,000
- Audit Services - internal	6,700	-
Employee benefits expense:		
- Contributions to defined contribution superannuation funds	1,023,972	941,620
Interest paid on borrowings	44,732	51,902

	Note	2014 \$	2013 \$
Significant Revenue and Expenses			
Net gain/(loss) on disposal of non-current assets			
Investments			
Proceeds on disposal		1,008,707	1,467,898
Disposals at written down value		(970,539)	(1,397,713)
Net profit (loss) on disposals as at 30 June 2014		38,168	70,1856
Property, Plant and Equipment			
Proceeds on disposal		217,494	19,740
Disposals at written down value		(214,206)	(9,612)
Net (loss)/gain on disposals as at 30 June 2014		3,288	10,128

Note 4 Cash and Cash Equivalents

CURRENT		
Cash at Bank	1,802,658	1,634,106
Cash on hand	81,074	62,874
	1,883,732	1,696,980

Note 5 Trade and Other Receivables

CURRENT		
Trade receivables	886,423	578,009
Other receivables	103,058	105,430
	989,481	683,439

The Association does not have any material credit risks exposure to any single receivable or group of receivables.
The Association does not have any impaired debtors past due.

Note 6 Inventories

CURRENT		
At lower of average cost and net realisable value		
Stock	1,321,595	1,187,749

Note	2014	2013
	\$	\$

Note 7 Biological Assets

CURRENT

At fair value less cost to sell

Sheep

Balance at the beginning of the year

- -

Donated livestock

829,550 -

Net movement in valuation during year

(193,238) -

Fair value movement of biological assets

349,718 -

Balance at end of year

986,030 -

Note 8 Other Assets

CURRENT

Pre-payments

311,344 360,233

Note 9 Assets held-for-sale

Assets are presented as held-for-sale following the commitment of the Association's management to sell the assets. A conditional contract-for-sale has been executed with settlement expected in 2015.

At 30 June 2014, the assets for sale comprised:

Property

Balance at the beginning of the year

560,369 -

Allocation from Land & Buildings

- 560,369

Additions at cost

9,819 -

Disposals

(159,558) -

Carrying amount at end of year

410,631 560,370

Note 10 Financial Assets

CURRENT

Held-to-maturity investments

429,968 406,016

NON CURRENT

Available-for-sale financial assets

5,172,542 3,797,209

Available-for-sale financial instruments comprise shares, hybrid securities, convertible and floating notes in Corporations listed on a prescribed Stock Exchange at market value. There are no fixed returns or fixed maturity dates attached to these investments. Held-to-maturity investments comprise cash accounts with financial institutions.

Note	2014	2013
	\$	\$

Note 11 Property, Plant and Equipment

LAND AND BUILDINGS

At cost	42,475,625	41,141,025
Less accumulated depreciation	(5,950,733)	(5,512,568)
Total land and buildings	36,524,892	35,628,457

PLANT AND EQUIPMENT

At cost	20,313,815	19,264,127
Less accumulated depreciation	(14,924,355)	(14,167,402)
Total plant and equipment	5,389,461	5,096,725

PROPERTY, PLANT AND EQUIPMENT	41,914,353	40,725,182
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COLLECTIONS ASSETS

At fair value	8,340,671	8,071,272
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Movements in Carrying Amounts	Land and Buildings \$	Plant and Equipment \$	Collections Assets \$	TOTAL \$
2013				
Balance at the beginning of the year	32,421,027	5,222,386	7,983,859	45,627,272
Additions at cost	4,178,388	897,765	54,668	5,130,821
Additions at fair value	-	-	32,745	32,745
Disposals	-	(9,612)	-	(9,612)
Assets held-for-sale	(560,369)	-	-	(560,369)
Depreciation expense	(410,589)	(1,013,814)	-	(1,424,403)
Carrying amount at end of year	35,628,457	5,096,725	8,071,272	48,796,454
2014				
Balance at the beginning of the year	35,628,457	5,096,725	8,071,272	48,796,454
Additions at cost	1,198,314	1,298,319	204,884	2,701,517
Additions at fair value	-	-	64,515	64,515
Donated additions	135,282	245,168	-	380,450
Disposals	-	(54,648)	-	(54,648)
Depreciation expense	(437,161)	(1,196,103)	-	(1,633,264)
Carrying amount at end of year	36,524,892	5,389,461	8,340,671	50,255,024

Note	2014	2013
	\$	\$
CURRENT		
Trade payables	1,205,227	1,016,200
Other current payables	617,000	424,225
	1,822,227	1,440,425

Note 12 Trade and Other Payables

Note 13 Borrowings

CURRENT		
Interest-only loan	1,030,000	1,030,000

Loan liability is secured by assets of the Association.

The total bank loans of \$1,030,000 is categorised in current liabilities as a result of a paragraph in the business letter of offers that states that the Bank can, at any time, reduce any limit, including a Facility Limit, Debtor Limit and a Component Limit. This is on the basis of a strict interpretation of the relevant accounting standard which requires that a liability is current where the Association does not have the unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

It should be noted, however, that the facilities with the Bank are on an interest only basis for the next 12 months.

While the Association notes the requirement of the Accounting Standard, in reality the loan from the bank is considered by the Association to be of a longer-term nature.

Note	2014 \$	2013 \$
Note 14 Provisions		
CURRENT		
Provision for employee benefits: annual leave	608,646	586,402
Provision for employee benefits: long service leave	409,080	394,940
	1,017,726	981,342
NON-CURRENT		
Provision for employee benefits: long service leave	543,607	465,163
	1,561,333	1,446,505
Analysis of Total Provisions		
Opening balance at 1 July 2013	1,446,505	1,417,591
Additional provisions raised during year	218,168	169,894
Amounts used	(103,340)	(140,980)
Balance at 30 June 2014	1,561,334	1,446,505

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect to long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

Note 15 Capital Commitments

Commitments for uncompleted capital projects at 30 June (matched by government grant and private fundraising)	115,746	641,688
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Note 16 Events after the Reporting Period

At the date of signing the Directors' Report, a conditional contract for sale of assets classified as held for sale at 30.6.14 has been executed with settlement anticipated in 2015 and as such a reliable estimate of the financial effect cannot be made.

A conditional contract for sale of assets classified as held for sale at 30.6.14 has been executed with settlement anticipated in 2015.

Note 17 Key Management Personnel Compensation

Key management personnel compensation	1,375,537	1,330,731
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Note	2014	2013
	\$	\$

Note 18 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year: a Board member was the senior manager of a company that provided insurance services to the Association totalling \$766,949; and a Board member was the Director of a company that provided mine consultancy services to the Association totalling \$10,638.

Note 19 Cash Flow Information

a Reconciliation of Cash

Cash at bank	1,802,658	1,634,106
Other cash	81,074	62,874
	1,883,732	1,696,980

b Reconciliation of Cash Flow from Operations with Profit after Income Tax

Operating Profit	775,258	678,807
Non-cash flows		
Depreciation	1,633,264	1,424,403
Increase in employee entitlements	114,829	28,913
(Profit)/Loss on sale of non-current assets	(41,456)	(80,313)
Changes in assets and liabilities		
(Increase)/decrease in inventories	(1,119,876)	81,417
Increase in receivables	(306,042)	250,791
(Increase)/decrease in other assets	48,888	(90,766)
Increase/(decrease) in trade and other payables	381,802	216,559
Cash flows provided by operating activities	1,486,667	2,509,811

The Association has a bank overdraft facility available to the extent of \$500,000.

Note	2014	2013
	\$	\$

Note 20 Financial instruments

Financial risk management

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	1,883,732	1,696,980
Loans and receivables	989,481	683,439
Held-to-maturity investments	429,968	406,016
Available-for-sale financial assets	5,172,542	3,797,209
Total financial assets	8,475,723	6,583,644

Financial liabilities

Financial liabilities at amortised cost:

- trade and other payables	1,822,227	1,440,425
- borrowings	1,030,000	1,030,000
Total financial liabilities	2,852,227	2,470,425

Fair Values

- (i) For listed available-for-sale financial assets and financial assets at fair value through profit or loss, the fair values have been based on closing quoted bid prices at the end of the reporting period.
In determining the fair values of the unlisted available-for-sale financial assets, the Directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).
- (ii) Fair values of held-to-maturity investments are based on quoted market prices at the ending of the reporting period.

Note 21 Fair Value Measurement

The company measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets
- Biological assets

- (i) Fair value hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value at 30 June 2014:

Recurring fair value measurements	Level 1	Level 2	Level 3
Available for sale financial assets	\$5,172,542		
Biological assets	\$ 986,030		

Fair value of the biological assets is based on valuation performed by independent, professionally-qualified valuers as at 30.6.14.

(ii) Transfers between levels of the hierarchy

There were no transfers between levels of the fair value hierarchy

(iii) Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

Note 22 Reserves

The Sovereign Hill Foundation Reserve was established to grow the corpus to underpin Sovereign Hill's long-term financial viability.

The Sir Henry Bolte Trust Reserve is used as the main acquisitive fund for collections.

The General Fund Reserve exists to provide a major financial underpinning of Sovereign Hill's operations.

The Collections Reserve recognises collections assets controlled by the Association. They include works of art and other heritage assets which have been donated to the Association.

The Asset Revaluation Reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available-for-sale.

Note 23 Entity Details

The registered office of the Association is:

The Sovereign Hill Museums Association
39 Magpie Street
Ballarat Vic 3350

The principal place of business is:

The Sovereign Hill Museums Association
39 Magpie Street
Ballarat Vic 3350

Note 24 Members' Guarantee

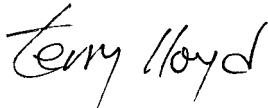
The Association is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Association is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the Association. At 30 June 2014, the number of members was 1,122.

The Directors of the Association declare that:

1. The financial statements and notes, as set out on pages 68 to 87 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position of the Association as at 30 June 2014 and of the performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors

Dated this fourth day of September 2014.

A handwritten signature in black ink, appearing to read 'Terry Lloyd', is written in a cursive style.

T M Lloyd
President

Report on the Financial Report

We have audited the accompanying financial report of The Sovereign Hill Museums Association (the Association), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the 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 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 directors, 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.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of The Sovereign Hill Museums Association, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

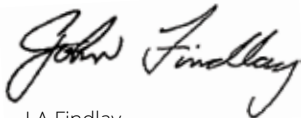
In our opinion, the financial report of The Sovereign Hill Museums Association is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Association's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Regulations 2001*.

Dated this fourth day of September 2014

CH

Crowe Horwath West Vic



J A Findlay
Audit Partner
21 Armstrong Street, Ballarat 3350

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Publisher

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