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Montsalvat’s mission is to continue to be a “living, thriving, creative artistic community. Welcoming to the general public, it aims to educate and promote local, national and international cultural practice.”
The Board
Since last report, the Board has been increased in size in order to expand the range of professional skills and expertise available to Montsalvat. We sincerely welcome John Howie SC and Allan Willingham to the Board.

John, currently with Williams Winter, has broad legal experience, and a particular interest in the arts and philanthropic work. He has been chairman of Victorian Legal Aid and President of Film Victoria. John has now become a member of Montsalvat’s Fundraising Committee.

Allan brings architectural experience to the Board and a particular expertise in architectural history and preservation matters. Montsalvat will benefit particularly from Allan’s advice on conserving the unique buildings that are Montsalvat’s signature and heritage.

Meetings
Since 2009, the Montsalvat Board has met five times each year, and holds its Annual General Meeting in October, concurrently with the fourth meeting for the year.

In between Board meetings, the CEO seeks advice from Board members as needed. The Board has been particularly helpful in establishing contact with funding bodies, and in increasing Montsalvat’s range of institutional partnerships and connections.

Sub Committees
Formal subcommittees, which report to the Board, have been established during 2009-2010. They meet regularly to develop plans and oversee Montsalvat’s finances, fundraising, sustainability and Friends organisation.

CEO Review
The CEO’s mandated review was conducted by two members of the Board on 9 August 2010, and the results presented to the Board at the August 17 meeting. The chair, speaking for the Board, congratulated the CEO on what he had been able to achieve at Montsalvat in the first 15 months of his tenure and thanked him warmly both for his dedication and manifest managerial nous.

Montsalvat’s Arts Advisory Board
The members of the Arts Advisory Board have provided invaluable assistance to Montsalvat, the CEO and Artistic Manager throughout the year, aiding in ways as various as the purchase of the new Yamaha Grand piano for the Barn Gallery, chairing and participating in literary evenings, performing as part of our concert program, providing references and initiating institutional connections. The Board is profoundly grateful for the assistance they so generously provide.
Institutional Associations

During 2010 the CEO and members of the Board began formal negotiations with a number of institutions, among them the State Library of Victoria (with a view to managing Montsalvat’s extensive archives) and the University of Melbourne (curatorial assistance).

Philanthropy

Keen to diversify and extend Montsalvat’s funding sources, the Board, in April 2010, commissioned Christopher Menz, former director of the Art Gallery of South Australia and an experienced fund raiser, to prepare a briefing paper and to consult with Board members and the CEO on the most effective ways of establishing and managing a donor program and extending Montsalvat’s circle of ‘Friends’. The Fundraising Committee has since been set up to implement the programs and initiatives presented to the Board by Mr. Menz.

Montsalvat continues its own tradition of arts philanthropy and community building by sponsoring artists in many fields, providing studio and meeting spaces and opportunity for activities that give back to the local community and encourage a climate in which art, in all its forms, is made, valued, understood and enjoyed.

Morag Fraser AM
Chair

Over winter, Montsalvat was home to a group of enthusiastic knitters, women and men, who took part in the ‘Save the Children’ blanket drive. This is some of their handiwork.
Our new artist in residence program has attracted nine artists to Montsalvat. They have included sculptors, composers and writers, and have stayed and worked at Montsalvat for periods varying from two to six weeks.

The work of the artists in residence compliments the arts practice of fifteen artists and craftspeople who already live, work or teach at Montsalvat. Long-term residents include artists working on jewellery, painting, violin, guitar and shakuhachi flute making, sculpture and film making.

Exhibitions held in the Barn and Long Galleries included the Nillumbik Prize, and works of aboriginal artist Jack Dale, and Montsalvat founder Justus Jörgensen.

Concerts held during the year included performances by some of Australia's finest musicians, among them the Flinders Quartet, Seraphim Trio, Hamer Quartet, Yarra Trio, David Jones, Michael Kieran Harvey and Timothy Kain. Two exceptionally successful jazz concerts, presented by Ted Vining, demonstrated that jazz is alive and well at Montsalvat.

Partnerships with other arts organisations contributed significantly to artistic achievement at Montsalvat. These organisations include the Australian National Academy of Music, Koori Heritage Trust, Splash and Nillumbik Shire Council.

In partnership with Eltham Bookshop, Montsalvat was the venue for a variety of book launches and literary and political discussions by authors such as Peter Rose, Rodney Hall, Adrian Hyland, Maria Tumarkin, Robert Manne, Anne Manne, Waleed Aly, Stephanie Alexander and Ramona Koval.
The ‘Writing about Art and the Lives of Artists’, project funded by Copyright Agency Limited, enabled videos to be made of some of these events and utilised on the Montsalvat website.

A highlight of the year was the grant of $250,000 from Heritage Victoria. This grant will enable much needed restoration works to be undertaken on Montsalvat’s buildings.

Montsalvat is a not-for-profit company with an independent Board chaired by Morag Fraser AM. Income from its commercial operations is used to fund arts programs and to maintain and develop its historic buildings. Montsalvat is particularly fortunate to have had John Howie and Allan Willingham join the Board in 2009. Both John and Allan bring extensive knowledge and experience that will be of great benefit. I would like to thank all Board members, in particular Morag Fraser and Sigmund Jörgensen, for their commitment to Montsalvat during the year.

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

Rob Hauser
CEO
Concerts

2009/10 has not only seen growth in the number of events presented, but an overall increase in diversity. There has also been further development of web-based publicity and relationship development with external bodies. Concerts maintained a strong focus on chamber music, with presentations by the Flinders Quartet, Seraphim Trio, Hamer Quartet and The Yarra Trio, as well as the continuation of the Young Performers’ Series and Melbourne’s Star Performer Series.

March saw Michael Harvey launch the new Yamaha Grand Piano with the music of Frank Zappa, in the ‘Passions and Reflections’ series, which also featured the percussionist David Jones and classical guitarist Timothy Kain. The Ted Vining jazz concerts were very well received by the public. We also formed a creative partnership with the Australian National Academy of Music and there were several concerts presented in the ‘20 Series’ by talented young musicians.
Exhibitions

The Nillumbik Prize provided a pivotal point in the middle of the year for an exciting series of exhibitions. This year’s Nillumbik Prize winner was Chris Pittard, with the People’s Prize going to Penelope Aitken. Highlights among the year’s exhibitions included works by Indigenous artist Jack Dale, ‘For a Modern World’; ‘Quintessentially Ming’, which focussed on the work of Ming Bellamy Mackay 1918-2009; Nillumbik Artists’ Group Exhibition, and the Wildlife Art Society of Australasia.

Literary Events

Book launches and literary conversations are a feature of the cultural program presented in partnership with the Eltham Bookshop. June was a particularly busy month with intensive sessions presented by writers Peter Rose and Rodney Hall, Adrian Hyland and Maria Tumarkin, the latter session also featuring the Mobius piano and cello duo. Other authors included Robert Manne, Anne Manne, Waleed Aly, Stephanie Alexander and Ramona Koval. These sessions are very popular and continue to attract large audiences.
Resident artists are at the heart of the Montsalvat tradition. Their presence demonstrates Montsalvat’s strong commitment to a diversity of approaches to artistic practice, from painting and sculpture through to instrument making.

Luthier David Brown, after considerable acoustic research, is currently refining a new design for his violins. David is also in demand for his shakuhachi flutes, with orders currently in from Germany, North America and Japan. Jeweller Simon Baigent is working on several new commissions, including a range of gem-encrusted gold crosses. He is currently investigating the concept of obscurity to discover what it brings to the design process.

Montsalvat also houses an extremely popular onsite guitar-making course, where students come to work with Chris Wynne of Thomas Lloyd guitars, each making a personalised instrument, distinctive in both style and sound. A major factor in their design is the use of an unusual and broad range of Australian timbers.

Sculptor Matcham Skipper has completed a major commission for the Eltham Funeral Trust - a finely rendered male figure reaching up to touch Nillumbik’s famous copper butterfly.

In the various studios around Montsalvat one can witness Angela Abbott, Don James, Jenni Mitchell and David Moore teaching aspiring painters with a range of skill levels and backgrounds. These art classes are held throughout the year. Resident Peter Connolly has experimented with clay in his sculptural practice and has mentored young artists. Ric Nelson continues to develop his own work and is shooting film of Montsalvat’s artistic activities. Sue Thomas and Amy Skipper focus their work on couture dresses and an original range of clothing and furnishings.
Artist in Residence

The new Artist in Residence program is now in full swing, with three residential studios being used. Artists who have been in residence over the last year include:

Professor Graham Hair  composition
Bo Svoronos  interdisciplinary arts
Calvin Bowman  composition
Ilona Glastonbury  visual arts
Charly Harrison  composition and performance
Saara Lamberg  media and theatre
Tamara Dean  visual arts
Susan Reddrop  sculpture/mixed media
Vivian Hopkirk  literature
Dena Ashbolt  visual artist
Lachlan Plain  puppeteer, writer, producer, director
Barbara Long  writer

RMIT are currently looking at the development of a partnership with Montsalvat in this area to encourage their students, staff and international fellows to take up the opportunity.
"Out of daydreams an idea surfaces to write the narrative of the life of a New Zealand Australian artist Godfrey Miller. He is the archetype of the artistic aesthetic exploring a philosophical landscape through colour and shape. To delve into this life, Miller’s mind, the opportunity to access a haven like Montsalvat is a gift of time and milieu.

This gift provides a setting in keeping with the platonic ideals that obsessed Miller and allows me the freedom to pursue the writing time that so often eludes me in day to day life. In conjunction the residency is richly layered with connections to other artists and the opening of new literal and figurative grounds for dialogue and creative development. To enter Jörgensen’s vision for a six week residency means my dreams have the promise of coming into being."

Barbara Long, Artist in Residence, 2010

Montsalvat has strong relationships with existing arts organisations in the area, including Nillumbik Shire Council and several school art programs. Ongoing relationships are maintained with University art programs through their artists taking part in art prizes and exhibitions. Discussions are currently underway with the Shire Council to examine and realise the potential for collaborative projects between the two organisations. This collaboration now includes the Red Chair Artist Talks, which take place every month, nurturing relationships between artists and audiences.
To support its arts activities, Montsalvat generates income from:

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

The events team has been successful throughout the 2009/2010 financial year. This can be attributed to several factors, including a more targeted approach to our advertising, improvement in dissemination of information via our website, and a continuing improvement in our professionalism.

The total revenue from Functions was $1,133,858 as compared to $1,028,292 in the previous financial year - an increase of 10.26%.

Weddings remain the main financial strength of Montsalvat’s commercial operations. By comparison with our other commercial operations, weddings account for 92.9% of sales. This is an increase of 11.2% from the previous year.

Corporate functions were still below numbers for the 2007/2008 financial year. This is attributable to the flow-on effects of uncertainty in the global financial markets as most companies continue to curb discretionary spending.

The Meeting Pool restaurant was refurbished during the year and is now open on Thursday, Friday and Saturday nights. Income has increased significantly and continuing improvements to the menu, marketing and service will ensure its ongoing strength.

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

“... the food was exceptional and the venue was perfect... what really stood out for me was the willingness of the whole team to go a step further in their service... it was obvious that the team has real passion for their work and it has left all of us with a truly memorable experience.”

Amit Chandra, who has a hospitality background in fine dining and was wedding guest and MC at a Montsalvat wedding in March 2010
During 2009/2010 Montsalvat was visited by over 19,000 people.

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

The “Friends of Montsalvat” group has been very important in connecting our volunteers with the local community, and as a way of acknowledging the skills and enthusiasm that members of that community can contribute to Montsalvat.

A grant of $250,000 from Heritage Victoria will enable much needed restoration work to be undertaken. The focus of these works will be on maintain and protecting the fabric of Montsalvat’s heritage buildings. The work will primarily include roofing, drainage and fire protection.
Branding
A new design was developed and applied to the Montsalvat website and monthly e-newsletters, to enhance access and impact.
New branding was created for the launch of The Meeting Pool restaurant, with a new logo appearing on signage and stationery.

Arts Calendar
A new printed brochure detailing each upcoming 6-month period was developed in order to showcase the diverse range of concerts, exhibitions and events held at Montsalvat. Concert and lunch / dinner packages were developed and promoted via the calendar.

Database
The number of unique e-mail addresses, including media contacts, on our database increased from 1,720 in July 2009 to 2,339 in June 2010. This vital marketing tool allows us to send e-newsletters and press releases to our contacts quickly and efficiently.
Marketing

Website

This continues to be a strong marketing tool, allowing us to describe upcoming arts events in detail and attract audiences by showcasing Montsalvat through stunning photographs. New sections for “Artists in Residence” and “Employment” have been added. The website has received over 64,000 visits during the 2009-2010 financial year.

Advertising


Public Relations

Montsalvat was featured on TV shows Coxy’s Big Break, Better Homes & Gardens and Huey’s Cooking Adventures. Photo-shoots in The Age monthly Melbourne Magazine the Herald Sun (both appeared in September 2009) also increased our public profile, along with articles in local newspapers.

Weddings

A new strategy regarding wedding advertising was put in place, with an 18-month plan used to source strong discounts with both on-line and print media.

In Jan 2010, we ran a Montsalvat stand at the Australian Bridal Expo. This was followed up with a Bridal Open Day at Montsalvat later the same month. We received very positive feedback and 5 wedding bookings as a result.
Montsalvat Annual Report 2009/2010

Montsalvat Foundation

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

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

Private donations totalling $11,303 were received during the year.

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

Montsalvat Partnerships

Montsalvat's primary partnership during 2009/2010 was with Arts Victoria. The funding and support provided through this partnership has funded the Artistic Manager and Marketing Manager positions.

Partnerships with the following organisations have also been very valuable.

- **Heritage Victoria** - building restoration funds
- **Nillumbik Shire Council** - Nillumbik Prize and Red Chair Artist Talks
- **Copyright Agency Limited** - Writing about Art and the Lives of Artists project
- **Eltham Bookshop** - book launches, literary discussions and festivals
- **Koori Heritage Trust** - exhibitions and workshops
- **Splash Art Studio** - exhibitions by artists who have a mental illness
- **Australian National Academy of Music** - concerts
- **Flinders Quartet** - concerts
- **Universities** - ongoing relationships are maintained with University art programs through their artists taking part in art prizes and exhibitions.
Montsalvat Limited Board

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

Morag Fraser AM (Chair)  Chair of Australian Book Review, Miles Franklin Judge, writer and former editor of Eureka Street magazine

Phillip Adams AO  Australian broadcaster, film producer, writer, and social commentator

Peter Connolly  Managing Director of an innovative technology company

Catherine Dale  CEO City of Boroondara, Board Member State Library of Victoria

John Howie  Special Counsel, Williams Winter Solicitors

Barry Jones AO  Professorial Fellow at the University of Melbourne, Board member of Victorian Opera

Max Jörgensen  Company Director, farmer and inventor/developer of ideas

Sigmund Jörgensen  Montsalvat Arts and Heritage Advisor

Allan Willingham  Heritage Architect
Arts Advisory Board

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

- **Rick Amor**: Artist, winner of the 2007 McClelland Sculpture Prize
- **Geraldine Barlow**: Curator and collections manager at the Monash University Museum of Art
- **Tony Gould**: Pianist/composer, winner of the 2009 Don Banks Music Award from the Australia Council for the Arts
- **Rodney Hall**: Writer, Miles Franklin winner, former chair of the Australia Council
- **Sigmund Jörgensen**: Montsalvat Ltd Board Member
- **Genevieve Lacey**: Recorder virtuoso and artistic director
- **Michael Shmith**: *The Age* reviewer and leader writer
- **Amanda Smith**: ABC arts broadcaster
- **Peter Wegner**: Artist, winner of the 2006 Moran Portrait Prize

“Languide Line”
Jenny Rodgerson
Staff

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

Chief Executive Officer  Rob Hauser
Business and Finance Manager  Helen Sheldon
Arts and Heritage Advisor  Sigmund Jörgensen
Artistic Manager  Simone de Haan
Arts Officer  Sarah McLeish
Marketing Manager  Claire Crawford
Events
  Lynda Kappadais
  Vennesza Soosai
  Casey Schotterlein
Reception
  Sana Kojicin
  Miriam White
  Katie Gierer
Building and Grounds  Veronica Dapiran
  Sandro Donati
  Dean Warner
  Broderick Carr
Restaurant  Andrew Procter
  Stephen Shing
  Dan Jesser
Volunteers

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

- Simon Baigent
- Fabienne Hayes
- Joan Pickard
- David Brown
- Naomi Hauser
- Kristian Rasmussen
- Don Brown
- Rob Hauser
- Mike Ridley
- Di Bullen
- Jill Holmes
- Bob Rusling
- Sarah Chapman
- Sue Hopwood
- Adam Skipper
- Ted Clohesy
- Cliff Howard
- August Skipper
- Peter Connolly
- Maurice Hurry
- Lena Skipper
- Helen Costello
- Rhiannon Jörgensen
- Doug Spoor
- Simone de Haan
- Saxon Jörgensen
- Tony Strachan
- Sandro Donati
- Sandy Kilpatrick
- Leonie Thomas
- Blossom Foenander
- Katherine Kingsbury
- Sue Thomas
- Gwen Ford
- Sana Kojicin
- Jane Trikojus
- Brady Freeman
- Ruth Leaming
- Irene Trusinkis
- Michael G
- Frances McAlister
- Dennis Warren
- Vincent Galante
- Ric Nelson
- Morriss Watson
- Michelle Gaudion
- Pauline Ng
- Jenny Wegner
- John Graty
- Scott Nye
- Lydia Wegner
- Maddy Hakins
- Anne Padgham
- Josh Wood
- Ed Harris
- Mac Page
- Jennifer Woodgate

In 2009/2010, volunteers contributed 1136 hours of their time to Montsalvat.
## Profit and Loss Statement

**For the Year Ended 30 June 2010**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cafe</td>
<td>608,610</td>
<td>533,169</td>
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<tr>
<td>Functions</td>
<td>1,137,003</td>
<td>1,028,292</td>
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<tr>
<td>The Arts</td>
<td>102,526</td>
<td>117,820</td>
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<tr>
<td>Tourism &amp; education</td>
<td>122,320</td>
<td>125,311</td>
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<tr>
<td>Rent received</td>
<td>63,138</td>
<td>62,193</td>
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<tr>
<td><strong>Total Sales</strong></td>
<td>2,033,597</td>
<td>1,866,785</td>
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<tr>
<td><strong>Less: Cost of Goods Sold</strong></td>
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<td></td>
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<tr>
<td>Cafe / functions</td>
<td>496,227</td>
<td>473,052</td>
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<tr>
<td>The Arts</td>
<td>72,392</td>
<td>78,818</td>
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<tr>
<td>Tourism &amp; education</td>
<td>2,923</td>
<td>3,210</td>
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<td><strong>Total Less</strong></td>
<td>571,541</td>
<td>555,081</td>
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<td><strong>Gross Profit from Trading</strong></td>
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<td>1,311,704</td>
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<td><strong>Other Income</strong></td>
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<td>Interest received</td>
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<td>1,875</td>
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<tr>
<td>Donations</td>
<td>16,303</td>
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<tr>
<td>Arts Victoria funding</td>
<td>100,000</td>
<td>175,000</td>
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<tr>
<td>Other funding</td>
<td>40,250</td>
<td>26,000</td>
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<tr>
<td>Other income</td>
<td>2</td>
<td>7,866</td>
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<tr>
<td><strong>Total Other Income</strong></td>
<td>156,558</td>
<td>210,741</td>
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<td><strong>Total Expenses</strong></td>
<td>1,618,613</td>
<td>1,522,445</td>
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<td><strong>Operating Profit (Loss) before abnormal items</strong></td>
<td>1,263</td>
<td>16,289</td>
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<tr>
<td><strong>Abnormal Items</strong></td>
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<tr>
<td>Employee expenses</td>
<td>(77,949)</td>
<td>-</td>
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<tr>
<td><strong>Total Abnormal Items</strong></td>
<td>(77,949)</td>
<td>-</td>
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<tr>
<td><strong>Profit (Loss) after Abnormal Items</strong></td>
<td>(76,686)</td>
<td>16,289</td>
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### Montsalvat Trust and Controlled Entities

**Trustee: Montsalvat Ltd**

**A.B.N. 80 726 654 249**

**Balance Sheet**

**As at 30 June 2010**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
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</tbody>
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#### Share Capital and Reserves / Trust Funds

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<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 Fully Paid Ordinary Shares of $1</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Trust corpus</td>
<td>109,205</td>
<td>109,205</td>
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<tr>
<td>Reserves</td>
<td>8,377,505</td>
<td>8,377,505</td>
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<tr>
<td>Retained earnings (Accumulated losses)</td>
<td>(440,175)</td>
<td>(363,489)</td>
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<td><strong>Total Share Capital and Reserves</strong></td>
<td>8,046,535</td>
<td>8,123,221</td>
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Represented by:

#### Current Assets

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<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>144,361</td>
<td>22,547</td>
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<tr>
<td>Trade and other receivables</td>
<td>38,073</td>
<td>126,576</td>
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<td>Inventories</td>
<td>34,617</td>
<td>27,116</td>
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<td>Other current assets</td>
<td>28,614</td>
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<td><strong>Total Current Assets</strong></td>
<td>245,665</td>
<td>177,208</td>
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#### Non Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
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</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>4,494,196</td>
<td>4,452,219</td>
</tr>
<tr>
<td>Antiques and artwork</td>
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<td>4,308,171</td>
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<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>8,802,367</td>
<td>8,760,390</td>
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<tr>
<td><strong>Total Non Current Assets</strong></td>
<td>8,802,367</td>
<td>8,760,390</td>
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<tr>
<td><strong>Total Assets</strong></td>
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<td>8,937,598</td>
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#### Current Liabilities

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<tr>
<th>Description</th>
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<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan - M. Jorgensen</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Trade and other payables</td>
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<td>153,085</td>
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<tr>
<td>Employee entitlements</td>
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<td>79,083</td>
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<tr>
<td>Income received in advance</td>
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<td>155,058</td>
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<tr>
<td>Government grants received in advance</td>
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<td><strong>Total Current Liabilities</strong></td>
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#### Non Current Liabilities

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<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee entitlements</td>
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<tr>
<td>Borrowings</td>
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<td>390,000</td>
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<tr>
<td>Australian Securities Limited Mortgage</td>
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<tr>
<td><strong>Total Non Current Liabilities</strong></td>
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<td><strong>Total Liabilities</strong></td>
<td>1,001,497</td>
<td>814,377</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>8,046,535</td>
<td>8,123,221</td>
</tr>
</tbody>
</table>
Long term resident Peter Connolly died on 22 December 2010. Peter was a Trustee of Montsalvat, a Board Member, a friend and mentor to resident artists and a great supporter of Montsalvat’s vision. We mourn his passing and extend our sincere condolences to Peter’s family.