

**The Trustees focus this year was on the long-term viability and future of The Johnston Collection. With visitation declining for general attendance, and TJC continuing to draw down on its investments to meet operational expenses, this is the most significant long-term issue facing TJC.**

Whilst there is no immediate concern the Trustees are cognisant that they have a responsibility for the long-term future of TJC. We set aside a day in January to discuss future operating models though this was, to some extent, frustrated by not having the results of our application to the Melbourne City Council to extend our opening hours. Associated with this we also sought a legal opinion on aspects William Johnston's gift.

Of course, whilst this was playing in the background the work of TJC continued and considerable progress was made on a number of matters.

## Planning Permit

We made application to the Melbourne City Council to change the opening hours which we believe will result in more flexible operating hours and a resultant increase in attendance. This application required considerable material to be prepared including some minor change to our Management Plan which is bedded into our Council approval to operate as a museum.

## Trustees

Having previously adopted a set of guidelines for trustee appointments and tenure, and the appointment of three new Trustees last year, we developed a plan for the orderly retirement of several longer serving Trustees.



## Program

The program of exhibitions and events maintained a very high standard thanks to the hard work of our Director and staff whose networking skills enable such a rich and diverse program. We are seeing a shift in attendance with declining visitation for *Fairhall* visits corresponding with a rise in attendance at lecture and other events which, if it continues, will be reflected in future operations.

## Fundraising and Bequests

We continued the *OPENING DOORS* program and are very grateful to Lisa Arrowsmith for her leadership of this fundraising program.

We were delighted to be advised of a future bequest from Tony Preston and are very gratified that he has advised us in advance of a very generous gift.

## Finance

The TJC Balance Sheet remains very strong. Whilst TJC had a net deficit of \$177,240 for the year ended 30 June 2019 which was higher than the same period last year (2017/18 deficit of \$143,483) and significantly due to lower Museum visitations, the deficit was within our operating budget.

The Investment portfolio made a strong contribution of \$262,085 which was largely higher than previous year (2017/18 \$69,225) and reflected the recovery in the equity markets over the last 12 months. TJC's retail SHOP made a net income of \$23,155 for the Collection. The *OPENING DOORS* fundraising activities continued to perform well and contributed \$45,251 to the Museum's financial performance. Another net positive contribution came from The Friends' membership and activities which added a net \$39,225 in support of TJC to help fund the Museum's programs.

A number of strategies were adopted this year to reduce the deficit including leasing 150 Hotham Street for residential use, increasing fundraising, and upgrading our technology, especially the online booking system which has freed-up staff time enabling staff to work on other tasks. The Trustees remain committed to reducing the annual deficit so as to ensure the long-term sustainability of TJC.



## Ethical Investment Policy

The Trust is reliant on its investment portfolio for much of its funding and the management of the fund, with the advice of Credit Suisse, is kept under constant review. This year we adopted a new policy to ensure our funds are invested in companies involved in ethical, environmentally sustainable and socially responsible entities.

## Museum Accreditation Program (MAP)

TJC is seeking accreditation within this program operated by Museums Australia. MAP ensures that institutions are operated at a high standard and accreditation requires a range of governance, policy and operational issues to be embedded into institutions in order to qualify. Accreditation gives confidence to those associated with the organisation that it has proper standards and checks and balances in place to ensure an institution will operate at a high professional standard. A number of changes were made to the Acquisitions Policy to make it more acceptable to the Museum Accreditation Program.

## Website Review

A number of new policies were developed as a result of a review of the website and anticipation of it being upgraded to allow ticketing and other functionalities. As a consequence we adopted the following – Privacy Policy, Terms and Conditions, and a Refund Policy.

## Ambassadors

The Trustees were delighted that Dorothy Morgan accepted our invitation to become an Ambassador in recognition of the outstanding and dedicated service to TJC. Dorothy Morgan commenced as a volunteer guide in 2005, has been a contributor, guest curator of and writer for exhibitions, and works with collection management. In all cases Morgan's work adds to the body of knowledge that we can share with our volunteers and wider audiences.



## Honorary Treasurer

Since the retirement of Joe Groher as Honorary Treasurer the Trustees have been seeking an appropriate person to undertake this role, but without success. I am very grateful to Dr Graeme Blackman AO for his astute Chairmanship of the Finance Sub-committee as well as being a Trustee. During the year Trustee Jane Scott was also appointed to the Finance Sub-committee.

## Thanks

As ever I offer my sincere thanks, on behalf of the Trustees, to all those who make TJC what it is – volunteers, The Friends of TJC, Ambassadors, the *OPENING DOORS* Fundraising Committee, donors, and staff. Without your support and contributions, we would not be able to achieve what we do. I pay a special tribute to our Director, Louis Le Vaillant, who sits at the centre of all activity at TJC.

**Peter Watts AM**

2019