

ANNUAL REPORT 1999 | SYDNEY OPERA HOUSE TRUST

CELEBRATING

*performance*





## SYDNEY OPERA HOUSE TRUST CONTENTS

Our Vision and Goals	02
Our Achievements	04
Chairman's and Chief Executive's Message	06
Our House	08
More Things for More People	08
Positioning the House for Performance	22
The Business of our Building	26
Our People	28
Staff	32
Trustees	34
Financial Report	36
Governance	50
Index	56
Site map	IBC



12 October 1999

**To the Hon. Bob Carr, MP**

Premier, Minister for the Arts, and Minister for Citizenship in New South Wales

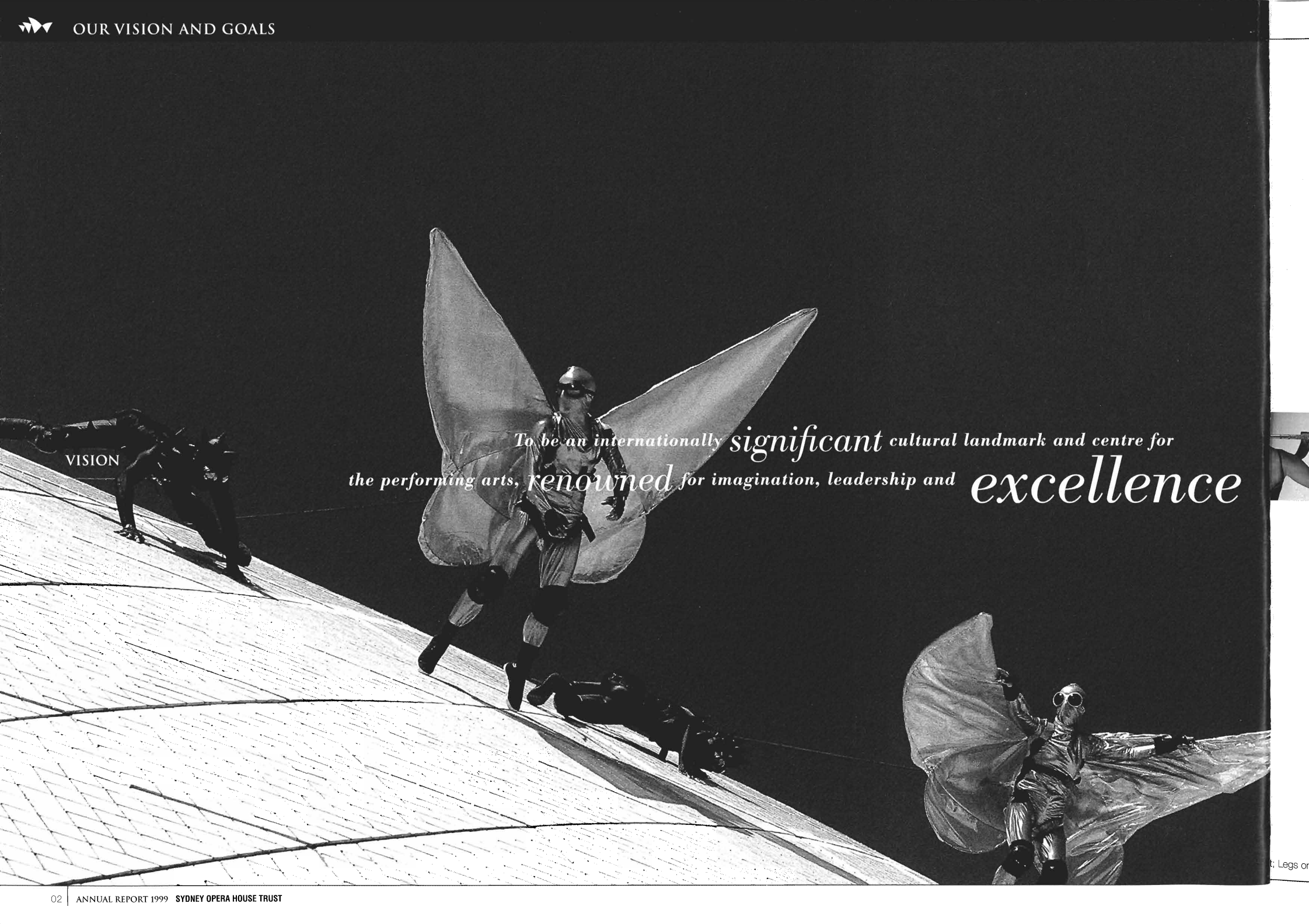
Sir, in accordance with the provisions of the Annual Reports (Statutory Bodies) Act 1984 and the Public Finance and Audit Act 1983, we submit for your presentation to Parliament a report on the work and activities of the Sydney Opera House for the financial year ended 30 June 1999.

**Joseph Skrzynski AM**, Chairman

**Michael Lynch**, Chief Executive

*“In the 25 years of its existence, the Sydney Opera House has been a marvellous and inseparable part of my life. I am gratified that it should be seen by its trustees, and by the government and people of New South Wales as a fitting symbol of ...creative excellence.”*

*Jørn Utzon  
on the launch of the  
Utzon Foundation*



VISION

To be an internationally *significant* cultural landmark and centre for  
the performing arts, *renowned* for imagination, leadership and *excellence*



**The vision and goals of the Sydney Opera House are an intrinsic part of the way we think and the way we work together. We are actively creating a workplace culture where performance excellence is encouraged and recognised.**

#### GOALS

Be a leader in the development and presentation of the performing arts and outstanding cultural events.

Provide first class venues, facilities and services.

Increase and diversify visitors to the House and exceed their expectations.

Be a leading, learning, innovative workplace.

Be an immaculately presented cultural landmark and architectural masterpiece.

Achieve outstanding business results.

Develop and leverage the Sydney Opera House brand.

#### CHARTER

The Sydney Opera House is operated and maintained for the Government of New South Wales by the Sydney Opera House Trust, which is constituted as a body corporate under the Sydney Opera House Trust Act, 1961.

Trustees of the Sydney Opera House are appointed for three-year terms by the Governor on the recommendation of the Minister for the Arts. No more than three consecutive terms may be served.

The Trust is charged with:

the administration, care, control, management and maintenance of the building and site;

the management and administration of the Sydney Opera House as a performing arts and conference centre;

the promotion of artistic taste and achievement in any branch of the musical, operatic, dramatic, terpsichorean, visual and auditory arts; and

scientific research into, and the encouragement of, new and improved forms of entertainment and methods of presentation.

The Sydney Opera House Trust reports annually to the Parliament of New South Wales through the Minister for the Arts.



These achievements span the breadth of our organisation and each can be measured against one or more of our goals. Along with the pride that we have taken in each of these achievements, we have gained key learnings that will help to shape a better future for the House.

#### **SYDNEY OPERA HOUSE'S 25TH BIRTHDAY**

One of the most ambitious programming initiatives undertaken by the House, the month long 25th birthday celebrations in October attracted more than 85,000 people. For almost 30% of these people it was their very first visit to the busiest performing arts centre in Australia. Research also showed that 38% were from the western and southern suburbs of Sydney – a 13% increase in representation of these areas compared to results identified through continuous tracking of our audiences.

#### **OPENING OF THE STUDIO**

The Studio, the Sydney Opera House's new venue for the contemporary performing arts, opened in March 1999. The Studio and the adjoining western foyer that spans the Drama Theatre and Playhouse have added a new vibrancy to the western side of the House. Since its opening there have been 62 performances including contemporary music, dance, comedy, music theatre, improvisation, world music and rock. The House, which is now able to take a more active role in programming, presented 52 of these events.

## THE UTZON FOUNDATION

To mark the House's 25th birthday and acknowledge the creative genius of Jørn Utzon, the House, in partnership with the State Government and the City of Sydney, established the Utzon Foundation. A biennial international prize to recognise creativity and excellence in the performing arts is the main focus of the Foundation, emphasising the House's commitment to providing stimulus and support for the arts in Australia and around the world.

## RE-ENGAGEMENT OF JØRN UTZON

A significant and symbolic achievement in our 25th year was the progress toward re-engaging Jørn Utzon to develop a set of design principles for use as a reference point in all future development of the building and the site. These design principles will ensure that the character, quality and significance of our remarkable House will be maintained and improved as we move into the new millennium.

## SUNDAYS 'ROUND THE HOUSE

The Sundays 'round the House series launched early in 1998 continued to draw new and different audiences to the House. More than 3,500 people attended the range of popular and accessible programs and events.

## TOURISM

The House established a new Tourism function to expand and develop business opportunities within the domestic and international tourist markets. A revitalised image for tourism based on the theme of Discover the House was launched and visitors are now being strategically targeted to participate in a whole of House experience through guided tours and performance packages.

## STAFF DEVELOPMENT

The House spearheaded CREATE Australia's new entertainment industry training package for technical, venue operations and front of house staff with a high profile industry and media launch in April 1999.

Left: The Hon. Bob Carr, MP and Michael Lynch.

In an Australian first, the new training package allows staff to gain nationally recognised qualifications based on their work experience, regardless of where and how they gained their skill and knowledge. Tailored for the dynamic nature of the performing arts industry, this important initiative furthers our goal to be a leading, learning and innovative workplace.

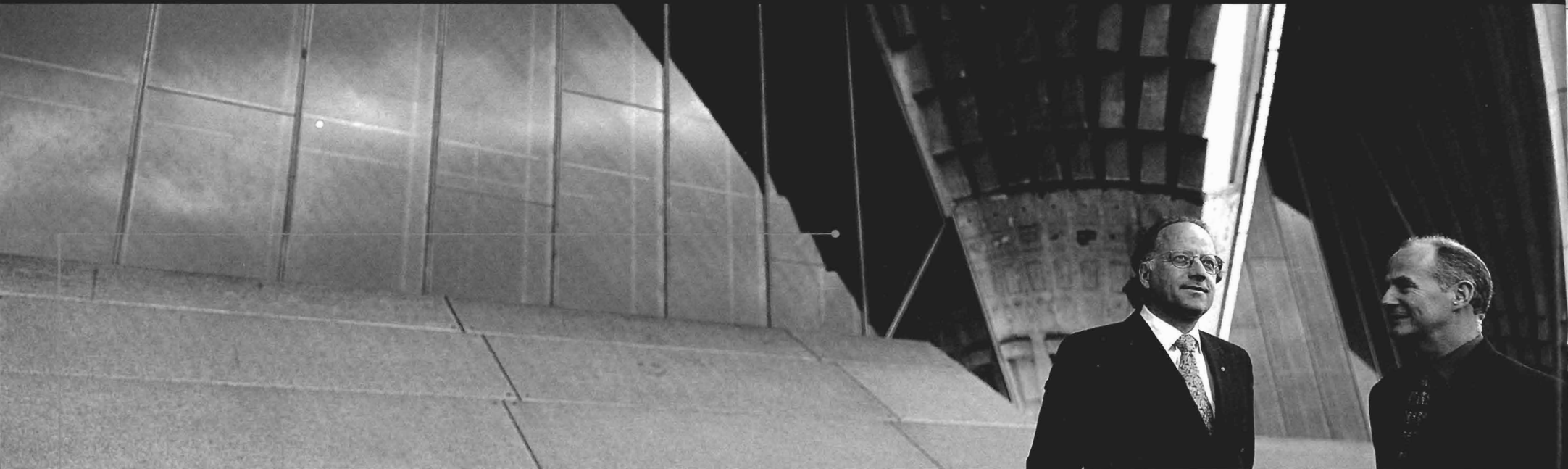
## Y2K COMPLIANCE

With plans well underway for the celebrations of New Year's Eve 1999 and the Sydney Olympic Games, the need for all our business systems to be fully Y2K compliant is essential. As at 30 June 1999, the House wide project team addressing this issue had ensured that 90% of our systems and processes were compliant. The Y2K team has also developed comprehensive contingency plans and full compliance is anticipated by September 1999 as the House prepares for the international spotlight in the year 2000.

## THE HOUSE ON-LINE

The House's new look web site went on-line in September 1998 providing up to date event and visitor information and facilities to reserve tickets on-line. The web site is now an essential marketing tool, tracking just under one million hits per month, almost 40% of which are from international visitors. The House also began planning for the introduction of e-commerce to allow direct purchasing of tickets through the web.





*creating the foundations for a future of p*

*We look forward to the challenge of maintaining the Sydney Opera House as Australia's premier performing arts centre in the new millennium.*

In October 1998 the House observed its 25th birthday as a working arts centre with a month long celebration of the past 25 years of performances, presenters, artists and audiences. The occasion also provided an opportunity to look to the future, through a wide ranging program of exciting and accessible performances and events designed to bring new audiences to the House. The Open House event was especially successful, welcoming visitors to explore all facets of the House, from backstage to front of house.

Above; Chairman Joseph Skrzynski, AM and Chief Executive Michael Lynch.



of *performance*

The highlight of the 25th birthday was the public reconciliation with Jørn Utzon through his specially taped video message for the occasion, and the launch of the Utzon Foundation, so named in recognition of his extraordinary contribution to Australian and world culture. The Foundation, supported by the State of NSW, the City of Sydney and the Sydney Opera House Trust, will offer an international biennial prize to acknowledge outstanding creativity in the performing arts and provide a forum for research and debate on the role of creativity and the arts in our society.

Subsequently Jørn Utzon accepted the invitation of the Premier, the Hon. Bob Carr MP, to prepare a statement of design principles which will document the core principles of his work and provide a master design framework for the building and the site. The re-engagement of Jørn Utzon by the Trust was a moving and symbolic means of reuniting the architect with his signature artistic achievement.

This year also saw the completion and opening of The Studio and the western foyer linking the Drama Theatre, The Studio and Playhouse. Since its opening The Studio has hosted a broad range of innovative performances of contemporary music, dance, cabaret and comedy and it has become central to the House's programming focus on art forms and events complementary to those of the major presenting companies.

Since Michael Lynch commenced as Chief Executive in September the senior management team has had a period of intense activity where, in addition to normal operations, we have managed unusually demanding special projects associated with the engagement of Jørn Utzon, the 25th birthday celebrations, the launch of The Studio, planning for the Millennium New Year's Eve events and negotiating the House's participation in the Olympic Games.

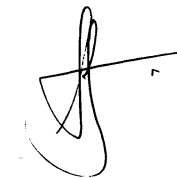
During the year there were a number of changes in the Trust and management team. Mr Edward Fardell resigned in February 1999 after a dedicated 7 years with the House, most recently as Director of Theatre Services. Mr John Caldon resigned as a Trustee in October 1998 and Mr John Della Bosca in April 1999 and we would like to thank all three for their contributions. We would also like to welcome Ms Barbara Ward as a new Trustee. Ms Diane Grady and Mr Dennis Watkins, together with the Chairman, had their appointments extended for a further three years from January 1999.

As a part of the ongoing development of our organisation and people our progress towards finalising the House's new Enterprise Development Agreement has reflected the House's commitment to involving staff from all levels in key organisation processes and to encouraging the development of a learning, growing work environment.

The financial result for the year was a surplus of \$2.208 million after abnormal items. This reflects increased revenue from catering services, theatre rentals and the retailing and merchandising program, and significant cost reductions from structural adjustments in the organisation, particularly in the facilities operations and safety and security areas.

The Trustees, management and staff of the Sydney Opera House have made a major contribution to the success of the House over the past year and we would like to take this opportunity to congratulate and thank them.

At the end of the first 25 years when the House has, in the words of Jørn Utzon, "surpassed the expectations of everyone who was associated with its inception", we look forward to the challenge of maintaining the Sydney Opera House as Australia's premier performing arts centre in the new millenium.



**Joseph Skrzynski AM**, Chairman



**Michael Lynch**, Chief Executive



## *developing new audiences through*

Doing more things for more people and doing them better was a catchcry that resonated through the organisation and was reflected particularly in our programming imperatives.

### **MORE THINGS FOR MORE PEOPLE**

The goal of increasing and diversifying audiences through innovative programming initiatives and improvement of services and products for all visitors to the House was the centrepiece of our activity and approach in 1998/99.

By developing our marketing department and initiating key market research projects the House has learnt more about our business than ever before.

*The Sydney Opera House provides a brilliant platform for students, bringing greater clarity not only to the classics, but depth of field to the contemporary.*

The knowledge and learning from our research is now used to inform our programming and commercial decisions.

Ongoing tracking of audiences and tourists throughout the year provided us with detailed demographic and customer satisfaction information informing our key business decisions and helping us evaluate our service performance. The tracking showed that the level of enjoyment of the whole Sydney Opera House experience has improved with 92% of visitors now rating their visit as enjoyable or very enjoyable.

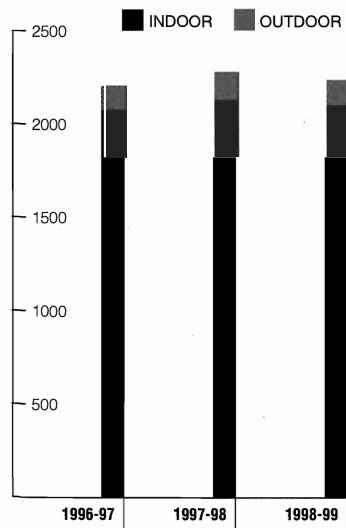
A population audit to measure site visitation, profile visitors and identify business opportunities tracked more than 80,000 visitors to the site in one week, equivalent to almost 4.4 million people each year. The study is part of ongoing business development research to identify ways to maximise revenue generation opportunities by providing sightseers and performance goers with products that suit their needs.

In 1998/99 there were 2,230 performances and other events at the House. A total of 1,860,307 people attended performances and other events.

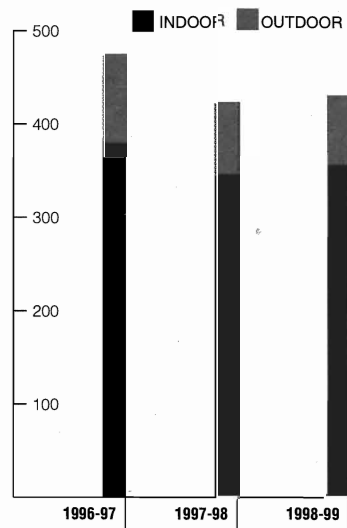
The overall number of tickets sold by our Box Office to all performances at the House during the year totalled 536,081, two percent higher than the previous financial year. The value of those tickets totalled \$19,717,988, a 14 percent increase compared to the previous year.

Performances and events at the House ranged from those of the major performing companies and the House's own programming to those of commercial and community hirers. Overall, the mix of programs represented a year of stimulating, entertaining and challenging programming.

# programming innovation



All Events



Trust Events

## SYDNEY OPERA HOUSE PROGRAMMING

The House's own programming is designed to complement the seasons of the major presenting companies by promoting and presenting a broad, appealing and diverse mix of high quality arts programming and cultural events.

In 1998/99 our programming activity increased with the opening of The Studio, the celebration of our 25th birthday, Sundays 'round the House and additional outdoor and single season events.

The programming strategy focused on the objective of reaching new and diverse audiences and fostering the Australian contemporary arts. The House presented or co-presented 429 events attracting more than 700,000 people.

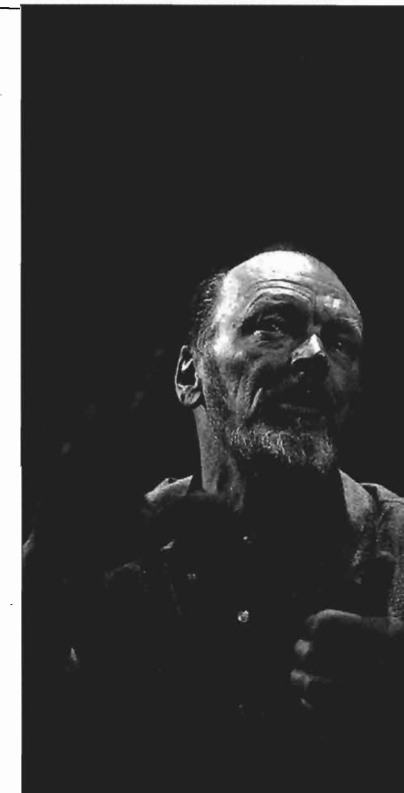
## THE HOUSE'S 25TH BIRTHDAY

The House's 25th birthday provided the opportunity to celebrate the achievements and milestones of our past and to set the stage for an exciting new era.

The month long series of events in October 1998 was designed to attract new and different audiences to the House.

More than 85,000 visitors joined us to celebrate our birthday. The House's market research showed that, for almost one third of these audiences, it was their first visit to the House. In addition to this, almost 40% of audiences came from the southern and western suburbs of Sydney, a significantly higher proportion than normal attendance at the House where they represent 25% of visitors.

At the heart of the celebrations was the Open House event when we threw open our doors to welcome Sydneysiders and visitors to a day of discovery that was packed with free entertainment, activities and tours.



*John Bell discusses Bell Shakespeare Company's production of King Lear.*



Events such as the Head to Head and Next Stage conferences reinforced the House's leadership role by encouraging discussion and debate on issues relating to the performing arts industry. Initiatives like the Good News Week and 2DAY FM broadcasts helped the House to forge new media relationships and co-presentations such as Opera on the House, The Four Seasons and the performance of Beethoven's Symphony No. 9 set the pattern for future collaborations with our major presenting companies.

The 25th birthday also brought together our managers and staff in dynamic project teams and provided them with the opportunity to gain valuable expertise and experience. It is therefore with great confidence that we as an organisation approach upcoming events such as the celebrations for New Year's Eve 1999, the Olympic Arts Festival in 2000 and the Centenary of Federation Celebrations in 2001.

#### THE OPENING OF THE STUDIO

The opening of The Studio on 4 March 1999 was an important milestone in the life of the Sydney Opera House. The House is now able to take a more active role in driving our artistic program at the House, with this innovative space to program and support contemporary performing arts.

Our programming in The Studio encouraged the development of emerging artists and art forms and provided the opportunity to forge stronger links with the industry. Of the 62 performances and events staged in The Studio since its opening, 52 were presented by the Sydney Opera House.

The programming policy for The Studio ensures that our commitment to providing support and stimulus to the arts industry in Australia continues.

Left; The Studio Opening Launch.

Highlights of the first season in The Studio have included a wide range of performances from Sprung Percussion through to Dance Exchange to comedian Judith Lucy. The Seymour Group presented the world premiere of Peter Sculthorpe's Love Thoughts; piano virtuosos Michael Kieren Harvey and his sister Bernadette Balkus played works by Messiaen, Xenakis and Richard Meale on the revolutionary Australian-made Stuart piano; electric string quartet Fourplay provided a spirited performance of an eclectic repertoire cheekily titled Catgut ya Tongue?.

The New Music Forum held over a weekend in March attracted contemporary musicians from across New South Wales. The Inaugural Peggy Glanville Hicks Memorial Lecture, delivered by James Murdoch, was an inspiring address on contemporary composition and was broadcast live through ABC Classic FM. Initiatives such as this continued to position the House as a leader in the performing arts in Australia and the world.

In May 1999, key industry representatives and hirers were involved in an evaluation of the opening season of The Studio from a programming, marketing and events and venue

management perspective. Encouraging open discussion and evaluation of this nature is helping us to refine our strategies and work closely with our presenters, hirers and artists to ensure the ongoing success of The Studio as a contemporary performing arts venue.

The House introduced a special Calendar of Events for The Studio for distribution to the ever growing 'No Strings' mailing list and through contemporary performing arts networks. Audience feedback forms show a strong correlation between ticket buyers and readers of the Sydney Opera House diary and The Studio calendar of events, with more than 23% nominating these as the information source.



## SUNDAYS 'ROUND THE HOUSE

The House launched the Sundays 'round the House series early in 1998 enlivening the Sundays experience at the House and attracting new audiences. The success of this series continued throughout the year with more than 3,500 people attending the range of popular and accessible programs and events.

Sundays 'round the House featured five series within it: Classic, Chorus, Jazz, Bang!, and Chat; each presenting top Australian artists in different venues around the House.

A variety of ticket packages and options were developed to ensure that price did not become a barrier to attendance. Performances, that were generally an hour long, were priced at \$20 (\$16 concession) with savings offered through the Sunday Sampler and Sunday Trio package options for more than three concerts.

## EVENTS FOR KIDS

The House continued its commitment to children's events through another successful year of Babies Proms and other programs for children from toddlers through to high school age. Holiday programs included Introduction to the Ballet and Introduction to Dance for primary and high school children.

During the year 200 children's events involving over 64,000 children and their carers were held.

Left; Dancing on the House.

Right; Little Red.

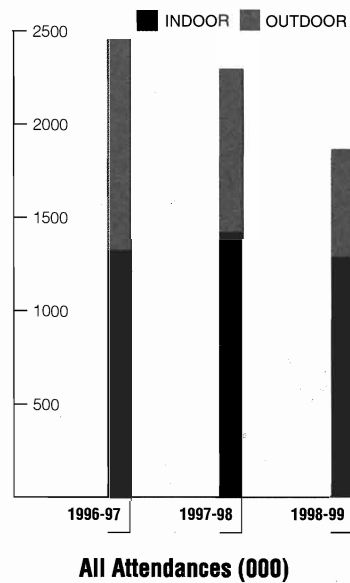


**SYDNEY OPERA HOUSE TRUST EVENTS  
INCLUDING CO-PRESENTATIONS**

25th Birthday Special Events included the 2Day FM Outdoor Broadcast and The Great Sydney Busk Off, Open House, Opera on the House with Opera Australia and the Sydney Morning Herald, Good News Week, Head to Head Conference, House & Garden Family Adventure with the Royal Botanic Gardens, The Four Seasons with Musica Viva Australia, Beethoven's Symphony No. 9 with the Sydney Symphony Orchestra, Secrets of the Sydney Opera House, and Next Stage – Performing Arts in the 21st Century.

A Christmas Story starred Simon Burke, Diane Smith and the Sydney Philharmonia Choirs. Written by Richard Glover and directed by Richard Wherrett, this special experience for all the family incorporated an Australian story with classic Christmas favourites from around the world.

Below; Surfing on the House.



Below; Umbilical Brothers.



**Bennelong Program**, Events for Kids presented high quality performing arts events for young audiences, including Babies Proms, Primary Proms, Polyglot Puppet Theatre's Granny and the Sea Monster, Arena Theatre Company's Oblong, Terrapin Puppet Theatre's Little Red, Impact by the Flying Fruit Fly Circus, Introduction to the Ballet with the Australian Ballet, Insights into Dance with the Sydney Dance Company, and Puppy Love with the Sydney Theatre Company.

**Copenhagen Royal Chapel Choir**, one of the most celebrated European cathedral choirs of boys and men, celebrated its 75th anniversary with a world concert tour which included a one-off performance at the Sydney Opera House.

**Dancing on the House**, the NSW Dancesport Championships 1999, was presented in association with the Combined Societies of Ballroom Dancing N.S.W. This spectacular free outdoor event included a day of diverse dance performed by some of Australia's finest dancers.

**Judith Lucy in The Show 2**, a sequel to her highly successful show, The Show, was a co-presentation in association with Token Management.

**Kathleen Battle**, acclaimed lyric soprano, performed a program of arias and duets from Handel, Mozart, Faure and Donizetti. This performance was a co-presentation in association with International Concert Attractions.

**The 1998 New Year's Eve Concert**, You're Gonna Love Tomorrow, was an evening of popular romantic songs from Sondheim musicals. The evening's entertainment included jazz in the Foyer before and after the show, while patrons enjoyed the best place in Sydney to watch the New Year's Eve fireworks.

**Reg Livermore**, performed as Leonard in his popular hit Home Sweet Home: Leonard's Last Hurrah.

**Romancing the Night**, starring Peter Cousens and Jane Rutter, was a co-presentation in association with Andrew McKinnon.

**Sundays 'round the House**, BANG! – Pablo Percusso, Graeme Leak, B'tutta and the outdoor spectacular Island Beat; CHAT – John Bell, Richard Wherrett, Jacki Weaver and Ruth Cracknell; CLASSIC – Chambermaids, Jane Edwards, Tommie Andersson, David Nuttal, Timothy Kain, Philip Arkinstall, Goetz Richter, Jeannel Carrigan; CHORUS – Southend Girls Choir, The Humming Birds, Martinitsa Choir, Sydney Gay and Lesbian Choir and the Song Company; JAZZ – Sandy Evans/Alister Spence project, Bernie McGann Quartet, Ten Part Invention, Sean Wayland Quintet and the Dale Barlow Trio.

**Surfing on the House** was a celebration of beach culture on the Forecourt, with stars from Channel 7's Home and Away and celebrity surfing legends, a fashion show, The All Star Surfadelic Funk Band and the latest surfing film phenomenon, Biggest Wednesday, on the big screen.

**Sydney Philharmonia Choirs** co-presentations this year included Bach's Christmas Oratorio, Brahms – A German Requiem, and a programme of Haydn and Larsson.

**Tarpeian Markets** continued to provide high quality Australian made arts and crafts on the Forecourt every Sunday.

**The Studio Opening Season** premiered works by internationally renowned composers such as Steve Reich and Peter Sculthorpe; performances by contemporary music groups The Song Company, Libra Ensemble, The Seymour Group and ground breaking Australian pianists Michael Kieran Harvey and Bernadette Balkus; New Music Network industry forum; Dance Exchange in Cassandra's Dance – a new work in Russell Dumas's dance and research project, The Oak's Café series; Laquiem, a world premiere of a new music-performance work composed by Andree Greenwell and based on Kathleen Mary Fallon's The Mourning of the Lac Women; Fourplay, who performed a farewell concert before their European Tour; Transylvaniacs, playing gypsy music from all over Hungary and Transylvania; the Martinez Brothers, a Latin guitar trio; and jazz from Sack O'Phones and Michael Nock.

**The Studio Unearthed**, two concerts in association with Triple J radio, profiled six of the hottest new bands to come from regional New South Wales and interstate.

**The Umbilical Brothers** presented Heaven by Storm.



*diversity* <sup>in performance</sup>  
*excellence*

The major presenters continue to be the backbone of programming at the House and presented a wide variety of performances and events. They include:

**AUSTRALIAN BALLET**

Cross Cultures  
 Don Quixote  
 Madame Butterfly  
 Trilogy One

**AUSTRALIAN CHAMBER ORCHESTRA**

**Director**  
 Richard Tognetti

**Soloists**

Wayne Marshall, Anthony Halstead, Claude Delangle, Melvyn Tan, Ole Edvard Antonsen

**BELL SHAKESPEARE COMPANY**

King Lear  
 Merchant of Venice

**MUSICA VIVA**

Brentano String Quartet, Europa Galante, Harding McDonald Munro Horn Trio, Choir of King's College, Shanghai String Quartet, Virtuosi of Prague

**OPERA AUSTRALIA**

Barber of Seville, Beatrice and Benedick, Billy Budd, Carmen, Cenerentola, Coronation of Poppea, Falstaff, Faust, Hansel and Gretel, Jenufa, La Traviata, Madam Butterfly

**SYDNEY DANCE COMPANY**

Parsons Dance Company – programs A, B & C  
 Salome

**SYDNEY SYMPHONY ORCHESTRA**

**Chief Conductor and Artistic Director**  
 Edo de Waart

**Guest conductors**

Justin Brown, Mark Elder, János Fürst, Gianluigi Gelmetti, Hans Graf, Christopher Hogwood, Hiroyuki Iwaki, Marek Janowski, Nicholas McGegan, George Pehlivanian, David Porcelijn, Ole Kristian Ruud, Christopher Seaman, Tommy Tycho, David Zinman.

**Soloists**

Robyn Archer, Simon Blount, Roger Brooke, Francesco Celata, Rebecca Chambers, Tamara Anna Cislowska, Peter Coleman-Wright, Judi Connelli, Paul Meyer, Jean-Philippe Collard, Elizabeth Connell, Lawrence Dobell, Michael Dauth, Andrew Day, Diana Doherty, Matte Ejsing, Till Felner, Julian Gavin, Hilary Hahn, Lynn Harrell, Robert Hale, Charlotte Hellekant, Stephen Isserlis, Louise Johnson, Robert Johnson, Donald Kaasch, Yvonne Kenny, David Kuebler,

Anna Larsson, Cynthia Millar, Viktoria Mullova, Jyrki Niskanen, Caroline O'Connor, Garrick Ohlsson, Alan Opie, Kun Woo Paik, Gil Shaham, Esther van Stralen, Daniel Sumegi, Bryn Terfel, Christian Tetzlaff, Jean-Yves Thibaudet, Louise Winter, Ekkehard Wlaschiha, Shu-Cheen Yu.

The Contemporary Singers, Melbourne Symphony Orchestra, Sydney Philharmonia Choirs, Taikoz Percussion, Tasmanian Symphony Orchestra.



## SYDNEY THEATRE COMPANY

A Delicate Balance, Corporate Vibes, Love for Love, Lyrebird, Macbeth, Navigating, She Stoops to Conquer.

## OTHER EVENTS

The 1998 ABC for Kids 'Christmas Spectacular' featured The Hooley Dooleys, Mister Whiskers, Pingu, Spot, Thomas the Tank Engine and Santa Claus.

The Australian Opera and Ballet Orchestra performed in concert conducted by Simone Young.

Billy Connolly returned to the Concert Hall platform.

Bryn Terfel, acclaimed Welsh Baritone, performed both in recital and in Opera Australia's production of Falstaff.

Carnivalé was launched on the Sydney Opera House Forecourt.

Ensemble Theatre presented productions of Blinded by the Sun and Laughter on the 23rd Floor.

Morrison Orpheus Choir, internationally acclaimed Welsh male choir, sang a selection of Welsh hymns and popular songs.

Parsons Dance Company presented three programs of short works.

The Red Army Choir and Dance Ensemble performed a program including everything from classic Russian songs to pop, rock and soul.

Siegfried by Wagner was staged in concert by the Sydney Symphony Orchestra.

The Sydney Festival staged a number of events at the House this year. These included Belshazzar's Feast, Campanas Flamencas, Els Comediants, Galina Gorchakova, Glory of the Baroque with Andreas Scholl, Monster, Nothing But Pleasure, Patti LuPone, Taikoz, Prince of West End Avenue, and Yvonne Kenny and Friends.

Yehudi Menuhin conducted the Sinfonia Varsovia and cellist Liwi Qin in a program of Elgar, Haydn and Beethoven.

Opposite; a range of our major presenters including Australian Chamber Orchestra, Opera Australia, Sydney Dance Company and Sydney Theatre Company.

*The Sydney Symphony Orchestra. During 1998/9 the major presenting companies presented an exciting and diverse range of programs.*

*...from around the world*



	Concert Hall			Concert Hall Foyer		Opera Theatre			Opera Theatre Foyer		Drama Theatre			Playhouse			**The Studio		
Venue Capacity	2679†					1547					544			398			220-324†		
	Events	Attend.	%	Events	Attend.*	Events	Attend.	%	Events	Attend.*	Events	Attend.	%	Events	Attend.	%	Event	Attend.	%
<b>Opera</b>	1	2,691	100.00%			191	244,772	82.84%									4	486	48.60%
<b>Ballet</b>						92	118,272	83.10%											
<b>Drama</b>											272	132,551	89.58%	345	112,638	82.03%			
<b>Contemporary Dance</b>						27	17,701	42.38%			43	16,475	70.43%				7	1,287	73.54%
<b>Orchestral Concerts</b>	125	245,211	73.22%	1	150														
<b>Chamber Music</b>	27	42,609	58.91%	4	655												7	1,350	77.14%
<b>Recitals</b>	7	12,519	66.76%											1	398	100.00%	3	495	66.00%
<b>Choral</b>	27	52,893	73.12%																
<b>Folkloric</b>	4	6,709	62.61%	1	200														
<b>Jazz/Popular/Light Music</b>	33	59,573	67.38%	2	401						8	3,847	88.40%				30	7,039	93.85%
<b>Schools Concerts</b>	3	6,558	81.60%																
<b>Exhibitions</b>				26	26000												1	350	N/A
<b>Conferences/Conventions</b>	12	15,068	N/A	99	25830	7	2,238	N/A	81	1685	4	1,753	N/A	4	550	N/A	5	529	N/A
<b>Talks/Demonstrations</b>				1	100														
<b>Workshops</b>						1	400	N/A			5	1,130	N/A	1	500	N/A			
<b>Meetings</b>	2	820	N/A	3	210				14	445							1	20	N/A
<b>Receptions/Functions</b>	1	30	N/A	75	16908	2	330	N/A	48	5115	1	30	N/A				4	130	N/A
<b>Wedding Ceremonies</b>				6	358				11	465									
<b>Speech Days</b>	9	15,500	N/A																
<b>Tv/Photoshoots/Filming</b>	2	4,135	N/A	2	56				1	50	3	221	N/A	2	120	N/A			
<b>Competitions</b>	14	16,427	N/A			1	700	N/A											
<b>Religious Ceremonies</b>				1	300														
<b>Outdoor/Sunday Ent'ment</b>																			
<b>Total</b>	<b>267</b>	<b>480,743</b>	<b>70.50%</b>	<b>221</b>	<b>71,168</b>	<b>321</b>	<b>384,413</b>	<b>79.39%</b>	<b>155</b>	<b>7,760</b>	<b>336</b>	<b>156,007</b>	<b>87.00%</b>	<b>353</b>	<b>114,206</b>	<b>82.08%</b>	<b>62</b>	<b>11,686</b>	<b>83.58%</b>

Reception Hall		Other Internal		Restaurants		Totals Indoor		Outdoor Activities		Total Attendance
Events	Attend.	Events	Attend.*	Events	Attend.	Events	Attend.	Events	Attend.*	
						196	247,949	1	12,000	259,949
						92	118,272			118,272
94	17,947					711	263,136			263,136
						77	35,463	1	1,500	36,963
						126	245,361	2	3,000	248,361
15	3,029					53	47,643	2	15,200	62,843
17	1,545					28	14,957	7	2,193	17,150
						27	52,893			52,893
						5	6,909			6,909
3	402			20	9,402	96	80,664			80,664
						3	6,558			6,558
8	4,150					35	30,500	1	100	30,600
10	1,585					222	49,238	1	500	49,738
6	817			2	350	9	1,267	6	1,870	3,137
						7	2,030	1	50	2,080
37	2,898	7	116	5	62	69	4,571	2	370	4,941
37	3,258	42	2,401	72	5,210	282	33,412	24	17,073	50,485
1	120			1	80	19	1,023	3	290	1,313
						9	15,500	2	400	15,900
4	280	1	60	1	200	16	5,122	9	5,860	10,982
						15	17,127	4	5,706	22,833
						1	300			300
								66	514,300	514,300
<b>232</b>	<b>36,031</b>	<b>50</b>	<b>2,577</b>	<b>101</b>	<b>15,304</b>	<b>2,098</b>	<b>1,279,895</b>	<b>132</b>	<b>580,412</b>	<b>1,860,307</b>

Right; Sack O'Phones.

Total average % capacity is for performances where there is a defined capacity.

\*\* The Studio opened 4th March 1999

† Variable Capacity

N/A Not Applicable

\* Estimated Attendance Figure





Venue Capacity	Concert Hall			Concert Hall Foyer		Opera Theatre			Drama Theatre			Playhouse			**The Studio			Reception Hall	
	Events	Attend.	%	Events	Attend.*	Events	Attend.	%	Events	Attend.	%	Events	Attend.	%	Events	Attend.	%	Event	Attend.
	2679†					1547			544			398			220-324†				
<b>25th Birthday Events</b>																			
2 Day FM Celebration Party				1	1,000														
2 Fat Ladies Promotion																			
Birthday Celebration Launch																			
Gala Party				1	800														
Good News Week	2	4,135	77.17%																
Head To Head Conference				1	70														
Home Movies												2	120	N/A					
Lin Utzon Cocktails				1	120														
Next Stage Forum – Debate									3	221	N/A								
Opera On The House																			
SOH House And Garden																			
SOH Open Day																			
SOH Secrets																			
Triple J Rocks The House	1	2,000	74.65%																
Utzon Prints Launch																			
<b>A Christmas Story</b>									8	3,847	88.40%								
<b>Australian Chamber Orchestra</b>	24	36,841	57.30%																
<b>Bennelong Program</b>																			
Baby Proms																		66	12,921
Granny And The Sea Monster																		18	3,778
Impact – Flying Fruit Fly Circus												19	7,411	98.00%					
Little Red												22	4,642	53.02%					
Oblong																		10	1,401
Primary Proms																		8	1,541
Puppy Love																		7	1,335
<b>Copenhagen Royal Chapel Choir</b>	1	1,675	80.14%																
<b>Heaven By Storm</b>												14	5,131	92.09%					
<b>Home Sweet Home</b>												5	1,014	50.95%					
<b>Kathleen Battle In Recital</b>	1	2,089	77.98%																
<b>New Year's Eve Concerts #</b>	2	3,775	70.46%																



Restaurants		Totals Indoor		Outdoor Activities		Total Attendance
Events	Attend.	Events	Attend.	Events	Attend.*	
		1	1,000			1,000
1	200	1	200			200
				1	250	250
		1	800			800
		2	4,135†			4,135
		1	70			70
		2	120			120
		1	120			120
		3	221			221
				1	12,000	12,000
				1	16,000	16,000
				1	50,000	50,000
				1	1,000	1,000
		1	2,000			2,000
1	150	1	150			150
		8	3,847			3,847
		24	36,841			36,841
		66	12,921			12,921
		18	3,778			3,778
		19	7,411			7,411
		22	4,642			4,642
		10	1,401			1,401
		8	1,541			1,541
		7	1,335			1,335
		1	1,675			1,675
		14	5,131			5,131
		5	1,014			1,014
		1	2,089			2,089
		2	3,775			3,775

# Includes rehearsal with audience  
 \*\* The Studio opened 4th March 1999  
 † Variable Capacity  
 N/A Not Applicable  
 \* Estimated Attendance Figure



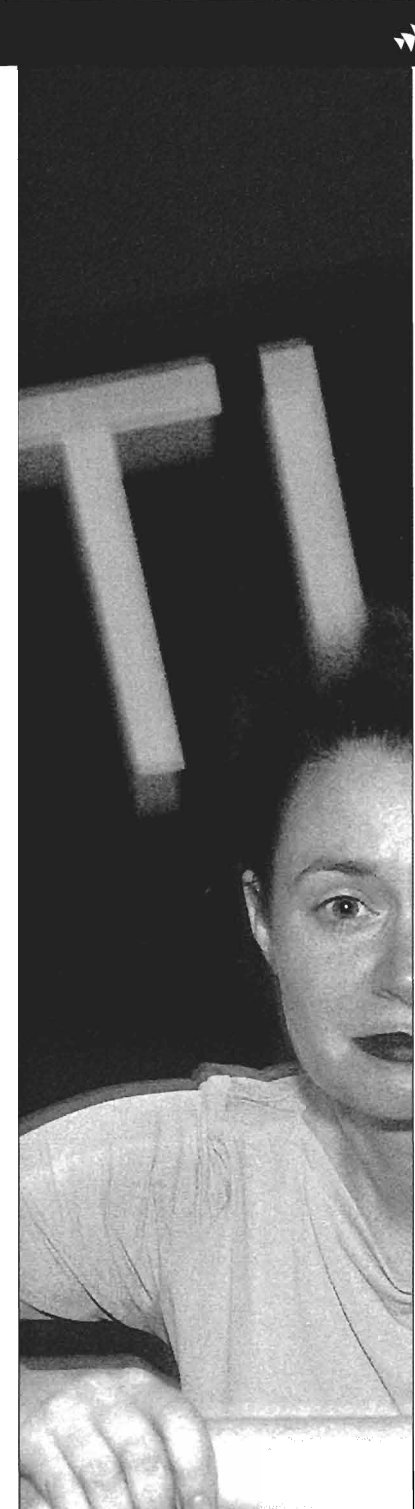


Venue Capacity	Concert Hall			Concert Hall Foyer		Opera Theatre			Drama Theatre			Playhouse			**The Studio			Reception Hall	
	Events	Attend.	%	Events	Attend.*	Events	Attend.	%	Events	Attend.	%	Events	Attend.	%	Events	Attend.	%	Event	Attend.
	2679†					1547			544			398			220-324†				
<b>Outdoor Events</b>																			
Dancing On The House																			
Markets																			
Outdoor Cinema																			
<b>Romancing The Night</b>	1	1,775	66.26%																
<b>Sundays 'Round The House</b>				6	1,056										3	622	94.24%	3	402
<b>Sydney Festival</b>																			
Belshazzar's Feast	2	4,571	85.31%																
Campanas Flamencas	8	12,791	59.68%																
Els Comediants																			
Galina Gorchakova						1	1,267	81.90%											
The Glory of the Baroque	2	3,429	64.00%																
The Gogmagogs Gogagain									5	2,741	100.00%								
Jails, Hospitals & Hip Hop												7	1,981	71.11%					
Monster									7	2,544	66.81%								
Nothing but Pleasure												7	2,605	93.50%					
Patti Lupone	2	2,911	54.33%																
The Prince West End Ave												11	3,623	82.75%					
Taikoz	3	2,017	86.86%																
<b>Sydney Philharmonia Choir</b>	4	5,972	55.72%																
<b>Sydney Symphony Orchestra</b>																			
Meet The Music	4	9,061	84.56%																
Meet The Composer				4	1,200														
Tea & Symphony	2	5,208	97.20%																
<b>The Studio Events</b>																			
Chamber Music															7	1,350	87.66%		
Conference/Seminar															3	529	N/A		
Contemporary Dance															5	717	65.18%		
Opening Performance															1	350	N/A		
Opera															4	486	55.23%		
Popular/Light Music/Recital															7	1,227	76.47%		
Variety/Comedy															22	5,537	89.89%		
<b>Total</b>	<b>59</b>	<b>98,250</b>	<b>57.62%</b>	<b>14</b>	<b>4,246</b>	<b>1</b>	<b>1,267</b>	<b>81.90%</b>	<b>23</b>	<b>9,353</b>	<b>74.75%</b>	<b>87</b>	<b>26,527</b>	<b>76.61%</b>	<b>52</b>	<b>10,818</b>	<b>83.91%</b>	<b>112</b>	<b>21,795</b>

Restaurants		Totals Indoor		Outdoor Activities		Total Attendance
Events	Attend.	Events	Attend.	Events	Attend.*	
				1	12,000	12,000
				53	418,000	418,000
				4	15,000	15,000
		1	1,775			1,775
4	417	16	2,497	6	5,093	7,590
		2	4,571			4,571
		8	12,791			12,791
				6	15,550	15,550
		1	1,267			1,267
		2	3,429			3,429
		5	2,741			2,741
		7	1,981			1,981
		7	2,544			2,544
		7	2,605			2,605
		2	2,911			2,911
		11	3,623			3,623
		3	2,017			2,017
		4	5,972			5,972
		4	9,061			9,061
		4	1,200			1,200
		2	5,208			5,208
		7	1,350			1,350
		3	529			529
		5	717			717
		1	350			350
		4	486			486
		7	1,227			1,227
		22	5,537			5,537
<b>6</b>	<b>767</b>	<b>354</b>	<b>172,606</b>	<b>75</b>	<b>544,893</b>	<b>717,499</b>

Right: Judith Lucy.

- # Includes rehearsal with audience
- \*\* The Studio opened 4th March 1999
- † Variable Capacity
- N/A Not Applicable
- \* Estimated Attendance Figure





*enhancing the visitor* **experience** *through business development*

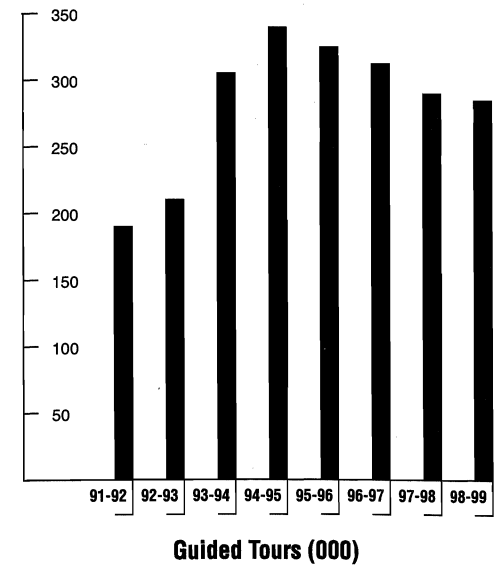
In positioning the House for commercial success and prime performance in order to ensure a secure future, we have focussed on developing our businesses. Intrinsicly linked to this are the relationships we have with industry, sponsors and business partners.

**POSITIONING THE HOUSE FOR PERFORMANCE**

*The House actively encourages visitors and patrons to participate in more than one activity when they visit the site to ensure they have a memorable experience that will translate into repeat visits.*

We have strengthened our relationships with the catering contractor Sodexho to ensure that our marketing of the House to tourists includes a range of food and beverage options, continued the development of our retail and merchandising program and been highly successful at attracting sponsorship support for activities.

In the lead up to New Year's Eve 1999 and the Sydney 2000 Olympics relationships with key government authorities, SOCOG and the media have also become an important aspect of our business. Regular communication with these organisations is now part of the routine, encouraging information sharing and co-ordination for these major events.





## DISCOVER – TOURISM AT THE HOUSE

As a working performing arts centre, the Sydney Opera House is unique in that it is also Australia's major tourist attraction drawing visitors from all over the world every day of the year.

The House established a new Tourism function to focus on the business of packaging and promoting our tourism products and services to inbound tourism operators, visitors to the site and the meetings, incentive travel, conventions and exhibition sectors.

A new, more user-friendly image of the House, along with a range of products and services based on the theme Discover, was introduced and it features complete services or package options such as a 'meet and greet service', tour, dinner and a performance at one of the five theatres.

We will continue to develop this part of our business through strategies for industry penetration, product enhancement and diversity and market expansion. The financial forecast for the next three years provides for an ambitious yet commercially responsible program of profitable growth.

## SPONSORSHIP

Our approach to sponsorship and corporate entertainment at the House was redefined to reflect the value of the Sydney Opera House brand.

The House's sponsorship function focused on building strategic partnerships with existing sponsors and attracting new support for programming and events throughout the organisation.

Our sponsorship function was successful in attracting 20 new sponsors and increased the support for the House by almost 50%, achieving over one million dollars in contra support and approximately \$600,000 in cash.

Contributions from the House's current sponsors increased significantly, the largest being from Lexus with their significant support for the opening of The Studio and the Premier Season which featured some of Australia's best contemporary artists.

To reinforce a positive sponsorship profile in the corporate marketplace, the House organised the successful ICON event in November 1998. Current and potential sponsors were invited to experience the world of performing arts, culture and international status that the Sydney Opera House offers at this imaginative event that was held in the Opera Theatre scenery dock.

A key achievement was the development of sponsorship relationships with media organisations to support marketing campaigns for major events such as the 25th birthday celebrations. The contra media support from Radio 2UE was a major contributor to successfully communicating with audiences and promoting the 25th birthday celebrations.

## SPONSORS DURING 1998/99

Compaq  
Lexus  
Radio 2UE  
Reader's Digest  
Mockridge Bulmer  
NSW Lotteries  
Sydney's Child  
The Sydney Morning Herald

### Corporate Players

EDS  
Maytag  
The Ladies Committee  
Unilever  
Westfield Foundation  
Yamaha Music Australia

### Supporters

Seven Network Limited  
ABC Enterprises  
CUB  
Enacon  
Finlandia Vodka  
Kids World Travel  
Kodak  
Lego  
National Foods  
New Moon Design  
Observatory Hotel  
Opera Australia  
Sodexo Australia Pty Ltd  
Surf Dive 'n' Ski  
Sydney Theatre Company

**COMPAQ**



*The Sydney Morning Herald*  
TOMORROW'S PAPER





## OLYMPICS PLANNING

The Sydney 2000 Olympics will turn the international spotlight on the House as the venue for a number of events including the Triathlon, Medal Presentation ceremonies for the Olympic Sailing, and as the principal venue for the Olympic Arts Festival.

Through our major events planning function the House progressed significantly towards developing a Memorandum of Understanding with the Olympic Coordinating Authority and SOCOG. This document will encompass the sporting, cultural, hospitality, security and media involvement of the House with the events of the Olympic Games.

It is envisaged that the increased level of foreign media visitation and interest in the House will continue as we approach the year 2000. The House is also working closely with our precinct and Olympic partners to ensure that our planning is in line with City wide celebrations and events.

## MERCHANDISING AND RETAIL SERVICES

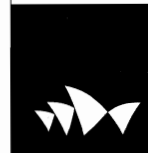
As with many of our products and services, the approach to merchandising, licensing and retail services at the House was refined to reflect the significance of the Sydney Opera House brand and its value.

A thorough evaluation of the Sydney Opera House licensing program, which expired in April 1999, was conducted. This resulted in an intensive review to identify potential business partners to assist the House in positioning itself for business success in the new millennium.

## PROTECTING OUR BRAND

As an internationally recognised icon and symbol of architectural and performance excellence we need to be constantly vigilant with respect to the use and misuse of our brand.

During 1998/99 the Sydney Opera House began the process of defining and establishing its brand. This will lead to a more proactive brand protection program to maintain the integrity of the House and manage the commercial use of its brand, image, range of registered trademarks, design registration and copyright material.



## CATERING FOR OUR PATRONS

A five star food and beverage service is essential to the whole of House experience of our patrons and visitors and we learnt from our customer satisfaction tracking in 1997/98 that we needed to improve in this area.

To achieve this the House took a more partnership-based and consultative approach to working with our contracted caterer Sodexho Australia in 1998/99. Together we have reviewed how catering fits into the various businesses and the visitor experience of the House to ensure that we are more in tune with the food and beverage needs of our audiences and tourists. Sodexho has developed a three-year business plan, which sets clear goals to broaden food and beverage services and increase patron and visitor satisfaction

As a result of the strengthened partnership, food and beverage patronage has boomed at the House with a 14 percent increase in gross revenue compared to the previous year. Revenue to the House increased from \$1.1 million in the previous financial year to approximately \$1.35 million during 1998/99.

Major changes introduced during the year included the relaunching of the Bennelong Restaurant in August 1998 following a renovation and the establishment of the Concourse Bar as a part of the Concourse Restaurant. The hub of the House, the Green Room, was renovated by both the House and Sodexho so that all users – staff, presenters and artists – can enjoy improved amenities and a more enjoyable environment.

## THE SYDNEY OPERA HOUSE WEB SITE

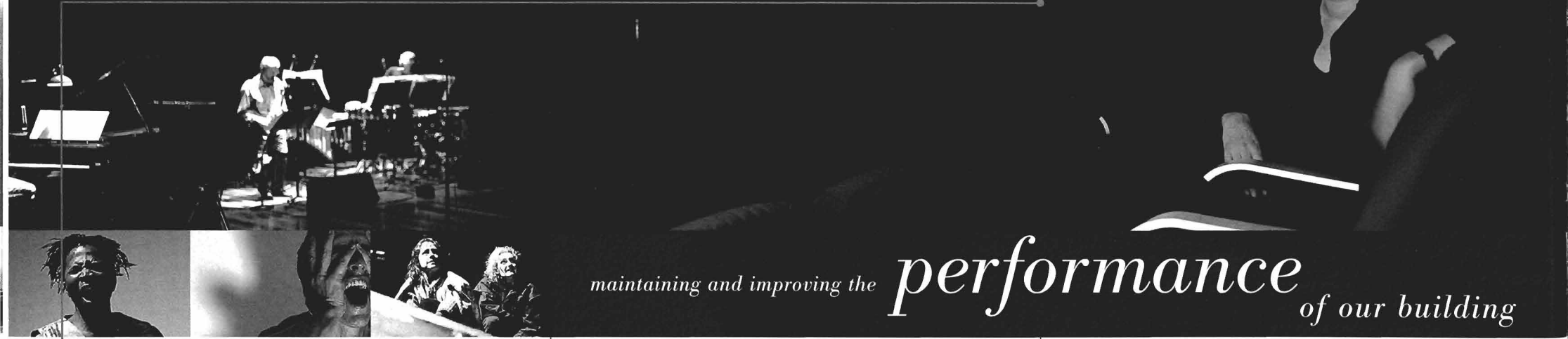
Launched in September 1999, the new Sydney Opera House web site promotes all aspects of the House's activities. Visitors to the site can use the calendar of events section to search by art form, date and venue to find out about the different types of performances and activities at the House.

Tickets can currently be reserved on-line. The next phase of the web site will involve the development of an e-commerce facility to allow direct purchasing on-line.

The average 'hits' per month is presently just under one million, 60 percent of which are local or domestic, and the rest international.

**web site address:** [www.soh.nsw.gov.au](http://www.soh.nsw.gov.au)





*maintaining and improving the* **performance** *of our building*

*The benefits of working with a dedicated team of professionals has realised the aspirations of a new breed of performers. It has also provided a launch pad for more innovative programming for the House.*

The Sydney Opera House is one of the great architectural masterpieces of the world as well as a dynamic and busy performing arts centre. A core business of the House is ensuring that the masterpiece is maintained and that the building excels as a performing arts centre.

**THE BUSINESS OF OUR BUILDING**

An important event during the last year has been the re-engagement of the House's original architect Jørn Utzon who will develop a set of design principles for the building. This reunion was not only symbolic but also practical because the design principles will be used as a reference point for all future developments. Richard Johnson of Denton Corker Marshall, engaged earlier in the year, will guide this project and provide ongoing advice to the House on any future development works.

Above: Fiona Allan, Programming Department.

## DEVELOPING FACILITIES TO SUPPORT PROGRAMMING

The House has developed a range of new facilities for artists, companies, patrons and staff and carried out essential maintenance works. These works are part of the Sydney Opera House's ongoing program of ensuring that it meets the developing requirements of performing arts companies and audiences.

### **The Studio and Concert Hall assembly area**

The construction of The Studio and work to improve the Concert Hall assembly area have provided a new performance space and improved facilities, including an artists' assembly area for the Concert Hall. The new western foyer has improved amenities for patrons as it has opened up the foyer space between the Drama Theatre, The Studio and the Playhouse into one continuous, easily accessed area.

The Studio project and its components were completed and opened in March 1999. It presented a number of challenges, particularly the difficulty of constructing a new venue in an active performing arts centre without disrupting schedules in the other venues, but it was achieved without major upheaval through the dedication of a hard-working team of staff and contractors.

## IMPROVING FACILITIES, IMPROVING PERFORMANCE

A wide range of improvements was made during the year to ensure the best possible facilities for companies, patrons and staff.

A number of major improvements were made to backstage facilities including new automated flying systems installed in both the Opera Theatre and Drama Theatre. Preparations took place to install the system in the Concert Hall.

A state of the art stage manager's desk and public address system, designed by an in-house team, was also installed. It has improved the communication facility throughout the House, particularly for performers.

Two materials handling hoists were installed in the central passage during the year. This equipment assists stage crews in loading and unloading scenery set pieces.

Improvements to staff and performers' facilities included the renovation of the Green Room which comprised an upgrade of the servery and bar, new carpet and reupholstery of the lounge chairs.

A number of major projects was undertaken to ensure continued public comfort and safety. They included improvements to the air conditioning system in the Concert Hall to improve performance and reduce energy consumption,

replacement of the emergency lighting and exit signs (on schedule for completion by the end of 1999), and the installation of an emergency warning intercommunication system.

Energy saving measures introduced during the year included the installation of a light dimming system in the Opera Theatre supplementing a similar system in the Concert Hall which was installed during the previous financial year. The House lights are dimmed at those times of the day when the theatres are not in use.

Work was suspended on the edge tile replacement project for some time during the year due to manufacturing difficulties. Tile manufacture recommenced towards the end of the year and on-site installation is progressing.

Increased public debate took place regarding the acoustic qualities of the Concert Hall with the Sydney Symphony Orchestra in particular raising concerns. The issue is recognised as an important and complex one with major cost and operational implications. Funds have been set aside in the 1999/2000 Total Asset Management program for the study of the acoustics in the Concert Hall and the Opera Theatre orchestra pit and the development of recommendations for improvement.





*working together in better ways to* **achieve** *our goals*

*Our people are recognised as the foundation for a future of top organisational performance. By thinking creatively and imaginatively we are now working together in smarter and better teams to achieve mutual goals.*

Our focus has been on developing strong and varied teams that think outside of their departmental boxes to deliver goals for the House. Through extensive organisational consultation and the introduction of cross-functional project teams and learning teams involving staff from all levels, we have achieved many milestones towards our goal of first class organisational performance.

From left to right; Barbara Tiernan, Michael Lynch, Kathie Massey and John McWhinney.

**OUR EXECUTIVE**

**Michael Lynch**

Chief Executive

Michael Lynch commenced as Chief Executive of the Sydney Opera House in September 1998. Michael has had a long career in arts administration and film and television. He was formerly General Manager of the Australia Council, the Federal Government's arts funding and advisory body, from August 1994 to August 1998. Prior to this he was the General Manager of the Sydney Theatre Company from 1989 to 1994. In his earlier working life he was a casting director with his own agency Forecast, an agent for the performing arts and film and television, and produced the feature film 'Raw Nerve' in 1988. He was the casting director on both Crocodile Dundee films during the 1980s. He began his career at the Australia Council for the Arts in 1973 and was a former manager of the Nimrod Theatre and Administrator of the Australian National Playwrights Conference.

**Kathie Massey BA, MBA**

Director, Finance and Management Services

Kathie Massey was the Victorian Arts Centre's assistant general manager – corporate resources from 1993 to the time of her appointment to the Sydney Opera House in 1996. Born in New York, she came to Australia when she was 19 and began her career as a teacher. She has since worked in the corporate world, and for Melbourne State College from 1975 to 1982, first as personnel manager and then executive officer. Between 1982 and 1993, she was the executive director of a large autonomous agency providing services for disabled children and their families in Victoria.

**John McWhinney MIE Aust, CP Eng**

Director, Property and Facilities Services

John McWhinney joined the Sydney Opera House in August 1997 from the University of New South Wales where he had been Manager, Works and Maintenance since 1992. Before this, he had been the Australian Army's Chief Engineer for NSW after a 26-year career which commenced at the Royal Military College, Duntroon, and spanned a wide range of managerial, engineering, instructional, personnel management and diplomatic appointments.

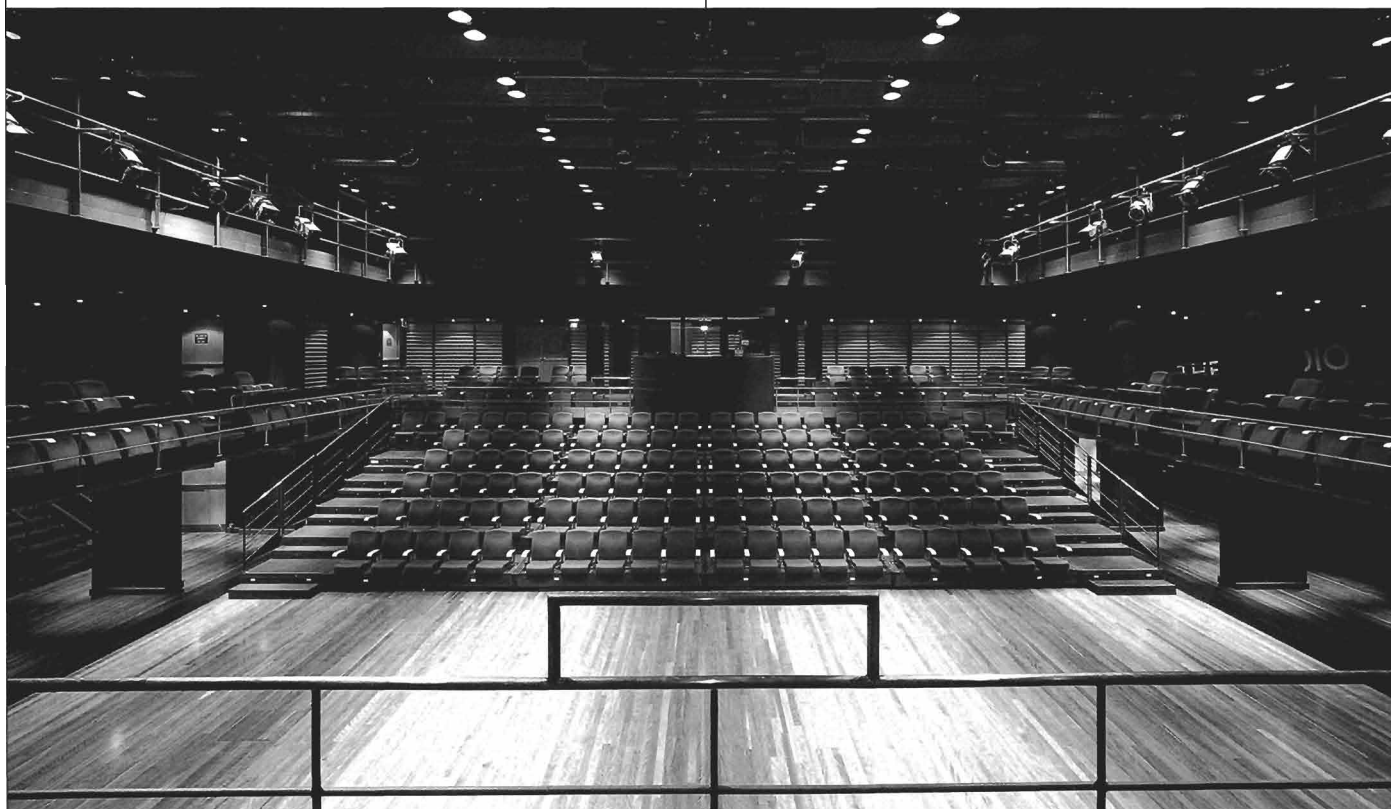
**Barbara Tiernan**

Director, Programming and Commercial Services

Barbara Tiernan had the experience of a varied 20 year career in arts management, theatre producing and venues management around Australia when she was appointed to this position in 1997. Between 1987 and 1990 she was director of Araluen Arts Centre in Alice Springs, and from 1991 to 1996 she was director of Sydney's Glen Street Theatre. She has been president of the Australian Performing Arts Centres Association (APACA); chair of Company B Belvoir; chair of the Performing Arts Touring Fund of the NSW Ministry for the Arts and a member of the NSW Arts Advisory Council.

**ORGANISATIONAL REALIGNMENT**

At the end of the 1998/99 financial year, the House underwent an organisational realignment from which four new performance portfolios were created: Programming and Venue Performance, Commercial Performance, Facilities and Precinct Performance and Organisation Performance. The portfolios better recognise the complexity of the House's businesses. They will support the move to a project management based work culture that draws together teams from across the House to work on key projects. An example, which commenced in 1998/99, was the establishment of a large team of people from across the House who will deliver an exciting New Year's Eve celebration for the new millennium.





## **BUILDING A LEARNING ORGANISATION**

The House is working with the Media Entertainment and Arts Alliance to develop a new and innovative Enterprise Development Agreement (EDA), designed to build a learning organisation. It will be put in place during the next financial year.

Learning teams from across the House are currently researching and exploring issues that will build a better understanding of the House and identify issues for inclusion in the EDA. The process is managed by a concept team comprising management and staff representatives.

A House-wide performance planning review scheme was also developed and implemented to help set performance standards and development plans for staff. The scheme dovetails with the Learning Education Development Program.

## **A LEADER IN THE PERFORMING ARTS INDUSTRY**

In March 1999 CREATE Australia's Entertainment Industry Training Package for technical, venue operations and front of house staff was launched by Michael Lynch, Chief Executive of the House and Jan Stoneham, Chief Executive of the Entertainment Industry Employers' Association, in The Studio. With over 150 industry and media guests, the launch included a sound, light and audiovisual display, and a live performance. CREATE Australia's new training package allows, for the first time, employees to gain qualifications regardless of where and how they gained their skill and knowledge and will enable them to be awarded nationally recognised qualifications based on their work experience.

The House has played a significant role in the development of the package, and is represented on the CREATE board. Together with the Victorian Arts Centre and the Adelaide Festival Centre, the House will play a leading role in the piloting of the package over the next 12 months. Briefing sessions for Theatre Technical Services and Front of House staff will be conducted early in the new year, and a project team will be formed to oversee the implementation of the package.

The House hopes to increase employment opportunities for Aboriginal and Torres Strait Islander people in the future and, with the necessary funding, will offer ten traineeships over a three year period commencing in the year 2000.

Left; Japan Festival.



## **SAFETY AND SECURITY**

The House enjoyed a significant reduction in the accident rate during 1998/99 (373 accidents as opposed to 491 the previous year). This result was mainly due to increased occupational health and safety training and a greater awareness of safety responsibility by staff across the House.

The Occupational Health and Safety Unit, staffed by a team of occupational health nurses, continued its excellent service to employees, hiring companies and patrons. They treated just over 5,000 people during the year.

The fire, occupational health and safety and security areas were combined into one department which has resulted in considerable upskilling and cross-training of personnel. Another project undertaken during the year was the scoping of a comprehensive security upgrade project that will go out to tender during August 1999 and is due for completion in early 2000.

## **IMPROVING BUSINESS SYSTEMS, PROCESSES AND PRACTICES**

Over the past year the House has continued to make significant progress in improving its business systems and processes.

## **IT&T STRATEGIC PLAN**

The Information Technology and Telecommunications (IT&T) strategic plan was developed to identify IT&T systems, services and strategies necessary to achieve the goals and objectives of the House in the most cost effective way.

Major systems improvements during the year included standardising the server technology and the upgrading of the server and LAN. The following systems were moved to the Windows NT platform: Event Business Management System (from AS400 platform), Sun Financial System (from UNIX platform), Mail and MS-Exchange Server (from Novell) and intranet server.

The moving of the payroll system and rostering system to the NT platform is in progress, and testing of the new systems and data conversion will be performed early in 1999/2000. Both systems will be implemented by September 1999.

The e-mail and scheduling systems were replaced with MS Outlook 98. The new system provides a user friendly, flexible and integrated e-mail and diary system for the House.

## **CORPORATE INTRANET**

The corporate intranet is a key strategy in the IT&T strategic plan and the development of phase one is underway. The intranet will provide an integrated network system that will allow users to access information from corporate systems and the internet including e-commerce facilities through the House's web site.

Infrastructure for the intranet – software and hardware – has been installed. Development of content, policies and procedures for the intranet is in progress. Controlled and limited business oriented internet access has been provided to users.

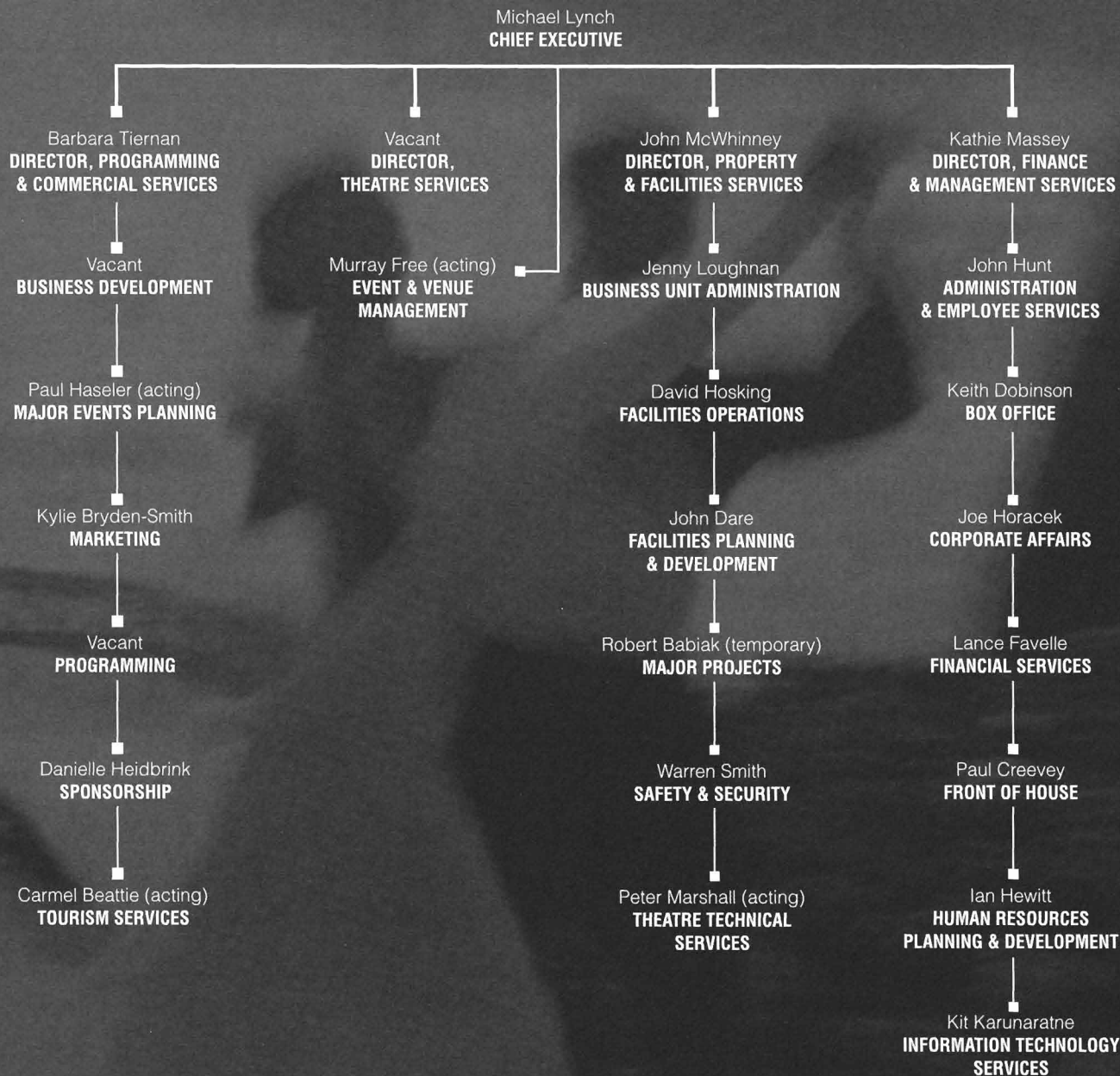
## **ACTIVITY-BASED COSTING**

A major improvement to financial information reporting has been the introduction of activity-based costing (ABC).

ABC provides a more strategic approach to financial planning and management by focusing on the outputs, outcomes and activities of the business rather than on the input costs. Its immediate benefit will be to identify the true costs of running the various components of the business and to determine the application of the endowment.

Right; Machine for Making Sense.





Departments attached to each business unit are listed alphabetically, with the name of the manager.

**SYDNEY  
OPERA HOUSE  
TRUST STAFF**

at 30 June 1999

Staff have been listed alphabetically with indications made as to those employed in permanent positions as distinct from casual, seasonal or contract staff who worked regularly and directly for the Sydney Opera House Trust over the past year.

The constantly changing requirements of events at the Sydney Opera House involve a large number of casual staff, especially in the theatre production and front of house areas.

Total Permanent Staff, including Management **214**

Total Casual, Seasonal or Contract Staff, including Management **378**

\* Casual, seasonal or contract staff.

Paul Abraham  
Ross Adams  
Kristian Agus  
David Aiken  
Katherine Akerman  
Katherine Albury\*  
Fiona Allan  
Olga Andrich\*  
Nicholas Angelicas  
David Apelbaum\*  
Valentino Arico\*  
Anthony Arnold\*  
William Bader\*  
Richard Badolati\*  
Sita Bala\*  
Kenneth Bartlett\*  
John Bassett  
Anthony Bastic  
Susan Baylis  
Camel Beattie\*  
Gaya Beaumont\*  
Michael Beazley\*  
Michael Bentley\*  
Michael Berridge  
Shelley Bezuidenhout  
Leonie Bishop\*  
Alan Blackman\*  
Jonathan Blake\*  
Andrew Bliss\*  
Christopher Blume  
Jodie Boehme\*  
Kevin Booiharut  
Natasha Borg\*  
Ivan Boros\*  
Ralph Bott  
Kathryn Botting  
James Brassil  
Seamus Brennan\*  
Craig Brighton  
William Briscoe  
John Brown  
Robert Brown  
Talulah Brown\*  
Anthony Brown\*  
Kate Browne  
Anne Bruce  
Alina Brymora\*  
Dianna Buchanan\*  
Kate Buchanan  
Graham Buck\*  
Ivan Buhinjak  
Jill Bull\*  
Donald Bullard  
Mieke Burggraaf\*  
Shirley Burton\*  
Gabriela Cabral  
Damienne Cahalan\*  
Stephanie Cahalan\*  
Remigio Cajés  
John Calvi\*  
Maryann Camilleri\*  
Ross Campbell  
John Campiaco\*  
Mary Cannataci\*

Jane Capon\*  
Lynette Carey\*  
Alexander Caroly\*  
Gavin Carragher\*  
Jess Halford  
Gloria Carson\*  
Valarie Carter\*  
Cherene Casinader\*  
Michael Cassidy  
Kerri Cavanagh\*  
Andrew Chandler\*  
Pratish Chandra  
Shirley Charles\*  
Richard Cheng\*  
Sita Bala\*  
Kenneth Bartlett\*  
John Bassett  
Anthony Bastic  
Susan Baylis  
Camel Beattie\*  
Gaya Beaumont\*  
Michael Beazley\*  
Michael Bentley\*  
Michael Berridge  
Shelley Bezuidenhout  
Leonie Bishop\*  
Alan Blackman\*  
Jonathan Blake\*  
Andrew Bliss\*  
Christopher Blume  
Jodie Boehme\*  
Kevin Booiharut  
Natasha Borg\*  
Ivan Boros\*  
Ralph Bott  
Kathryn Botting  
James Brassil  
Seamus Brennan\*  
Craig Brighton  
William Briscoe  
John Brown  
Robert Brown  
Talulah Brown\*  
Anthony Brown\*  
Kate Browne  
Anne Bruce  
Alina Brymora\*  
Dianna Buchanan\*  
Kate Buchanan  
Graham Buck\*  
Ivan Buhinjak  
Jill Bull\*  
Donald Bullard  
Mieke Burggraaf\*  
Shirley Burton\*  
Gabriela Cabral  
Damienne Cahalan\*  
Stephanie Cahalan\*  
Remigio Cajés  
John Calvi\*  
Maryann Camilleri\*  
Ross Campbell  
John Campiaco\*  
Mary Cannataci\*

Thomas Dixon  
Jennifer Dowd\*  
Gillian Doyle\*  
Colin Doyle  
Catherine Draheim\*  
Fiona Drew\*  
Phillip Dunesky  
Robert Dunn  
Dean Durber\*  
Sarah Duthie\*  
Michael Hall  
Andrew Hall\*  
Sharon Hamilton  
Elizabeth Hamilton\*  
William Hanak  
Nicole Harlon\*  
Eleanor Clark  
Gerard Collins\*  
Christopher Colwell  
Bruce Cook  
Darryl Cooper\*  
Craig Cooper\*  
Patricia Copeland\*  
Sonia Corona\*  
Nick Costa\*  
Kevin Coultter  
Anthony Cray\*  
Elizabeth Croaker\*  
Peter Crompton\*  
Adam Crossley  
Walter Cummins  
Martin Curtis  
Peter Dale\*  
Thomas Dalton  
Hazel Dalton\*  
Shawn Darling\*  
Anne Davey  
Carol Davies\*  
Justin Davies\*  
Bernie Davis  
Heather Davis\*  
Kim Davis\*  
Christopher Day\*  
Timothy Dayman\*  
Monique De Haan\*  
Myra De Vries\*  
Antony Deary  
Joan Debnam\*  
Jessica Demeny\*  
Con Despinidic  
Timothy Dexter  
Luisa Dick  
Raymond Dick  
James Dickson  
Julie Dimond\*

Mylene Gregory  
Timothy Greig  
Julie Grice  
Lana Habe\*  
Jess Halford  
Warren Hall  
Joanne Hall\*  
Robert Hall  
Andrew Hall\*  
Sharon Hamilton  
Elizabeth Hamilton\*  
William Hanak  
Nicole Harlon\*  
Eleanor Clark  
Gerard Collins\*  
Christopher Colwell  
Bruce Cook  
Darryl Cooper\*  
Craig Cooper\*  
Patricia Copeland\*  
Sonia Corona\*  
Nick Costa\*  
Kevin Coultter  
Anthony Cray\*  
Elizabeth Croaker\*  
Peter Crompton\*  
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Anne Davey  
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Heather Davis\*  
Kim Davis\*  
Christopher Day\*  
Timothy Dayman\*  
Monique De Haan\*  
Myra De Vries\*  
Antony Deary  
Joan Debnam\*  
Jessica Demeny\*  
Con Despinidic  
Timothy Dexter  
Luisa Dick  
Raymond Dick  
James Dickson  
Julie Dimond\*

Stephen Klinder\*  
Peter Knight  
Catherine Knox\*  
Levan Kocass  
Debbie Kohler  
Veronika Kristensen\*  
Peter Krygsman\*  
George Kwok  
Stamatios Ladikos  
Nina Lam\*  
Mirah Lambert\*  
Margaret Landon-Jones\*  
Robyn Lang\*  
Friedel Lang\*  
Anthony Langshaw\*  
John Langton  
Barry Laphorne\*  
Siiri Lass\*  
John Lavery  
Anthony Lawrence  
Lana Lazareff  
Steve Le Roux  
Christopher Leahy\*  
Andrew Lee\*  
Kit Lee\*  
Karen Lee\*  
Ignatios Leontios\*  
Trudy Letts\*  
Tracey Lewis\*  
John P Lewis  
John R Lewis  
Milorad Linjakovic\*  
Mark Linnegar  
Michael Linney\*  
Peter Lipman\*  
Chloe Little  
Edward Lloyd\*  
Melanie Lobendahn\*  
Peter Lockwood  
Phillip Lormer  
Patricia Loughnan  
Jerry Luke  
Hendrawan Lukito  
Daniel Luxton\*  
Brian Lynch\*  
Alisdair Mackellar\*  
Fraser Mackenzie\*  
Colleen Macmurray\*  
Sharon Magee  
Anne Mair\*  
Maldon Mallory\*  
Menlyn Mamone\*  
Paul Manitsas\*  
John Manson  
Frances Marinkovic\*  
Justin Marley\*  
Anne Marsh\*  
Chris Marshall\*  
Sean Marshall\*  
Sharon Matthews\*  
Louise May\*  
Margaret McCall\*  
Jinny McCallister\*

Peter McDonald\*  
Neil McGarry  
Hayley McGeoch  
Pamela McGowan\*  
Peter McGrath  
Iain McGregor  
Elizabeth McGregor\*  
Jason McHattan  
Sandra McIntosh  
Kate McKay\*  
Arnie McKinney-Green\*  
Ronald McLean  
Les McLean  
Mark McLeod  
David McNair\*  
Caitrina McNaughton\*  
Kenneth McSwain  
Eric McWilliams  
Richard Mead\*  
Catharine Middleton\*  
Tom Millane\*  
Ian Millard  
Kay Millican\*  
James Minogue  
Paul Miskin\*  
Kit Lee\*  
Karen Lee\*  
Ignatios Leontios\*  
Trudy Letts\*  
Tracey Lewis\*  
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Anne Mair\*  
Maldon Mallory\*  
Menlyn Mamone\*  
Paul Manitsas\*  
John Manson  
Frances Marinkovic\*  
Justin Marley\*  
Anne Marsh\*  
Chris Marshall\*  
Sean Marshall\*  
Sharon Matthews\*  
Louise May\*  
Margaret McCall\*  
Jinny McCallister\*

Soo-Eng Pang  
Vicki Parish\*  
Anthony Paterson  
Gavin Pawsey\*  
Frederick Pearson\*  
Elizabeth Peddie  
William Peers\*  
Catherine Pegrum\*  
John Pengelly  
Leonie Penhall\*  
Dorothy Pereira\*  
Louis Perrine  
Sean Peter  
William Pidgion  
Margaret Piech\*  
Mark Pierson\*  
Robin Piggot\*  
Marc Pillay\*  
Della Pin\*  
Jerzy Pniewski\*  
Judith Potts\*  
Jamie Powell\*  
John Power\*  
Alynn Pratt  
Paula Prentice\*  
Ricky Price  
James Prior\*  
Steven Prodanovski  
Bruce Puckeridge\*  
Virginia Purcell\*  
David Rashleigh\*  
Warrick Rayward  
Judith Reardon  
Lynda Redfern\*  
Peter Reece\*  
Roy Rees\*  
Bridget Reilly\*  
Mark Reisman\*  
Nicole Rencoret\*  
Patricia Restuccia\*  
Gary Rev\*  
Ole Ribers\*  
David Robertson\*  
Damian Robinson\*  
Gary Rodgers\*  
Gabriella Rooney\*  
Dawn Rose\*  
Marie Roskam\*  
James Ross  
Katharine Rossmarinit\*  
Geoffrey Rowe\*  
Elizabeth Rummery\*  
Marie Rushton\*  
Adrienne Rutherford\*  
Sean Ryan\*  
Virginia Ryan-Kane\*  
Derek Rye  
Arthur Samuel  
Jan Sayer\*  
Michael Schell  
Kirsten Schuman\*  
Juli Scott\*  
Thomas Scott\*  
Robert Scott

Kärölyn Searle\*  
Vicki Seaton\*  
Mark Selmon  
Matthew Serventy\*  
Pablo Sevehon\*  
Isabel Sevehon\*  
Sandra Seymour  
Stephen Sharp  
Natalie Shea\*  
Mark Shedden\*  
Anthony Shelley  
Oonagh Sherrard\*  
Martin Shipton  
Vivien Showylin\*  
Severin Sleben\*  
Shona Simpson  
Helena Sindelar\*  
John Skouras\*  
Paul Sliogierski\*  
Mark Small  
Brian Smith  
Dorn Smith\*  
Adam Smith  
Jonathan Speer\*  
Ian Spence\*  
Catharine Squelch  
Kylie Staniland\*  
Glenda Steel\*  
Marjorie Steffel\*  
Spencer Steiner\*  
Shanie Stern\*  
Ian Stevens\*  
Carolyn Stewart-Smith  
Ricky Subritzky\*  
Mark Sutcliffe  
Bradley Sutton\*  
Kerri Sutton  
Christopher Sweeney\*  
Gregory Tapp\*  
Brooke Taylor  
Lisa Taylor  
Gregory Taylor\*  
Stephen Teather\*  
Colin Telfer\*  
James Temen  
Paul Terrett\*  
Linda Thompson\*  
Graham Thompson\*  
Duncan Thompson\*  
Stephen Thomson  
Susannah Thorne\*  
Alan Thorpe\*  
Paul Tilley\*  
Janet Timberg\*  
John Tindall  
Sally Tingle  
Derek Tye\*  
David Tong\*  
Timothy Toohy\*  
Josephine Townsend\*  
Judith Trainer\*  
Daniel Tresoglavic\*  
Iolanda Trovatello\*  
Hazel Trudgen\*

Peter Tucker  
Gillian Tucker\*  
Pailato Turaga  
Danielle Turbit\*  
David Turnbull\*  
Deborah Turner\*  
John Turner  
Margaret Turner  
Glenda Tuttlebee  
Jann Tuxford\*  
Simon Tye\*  
Susan Tyrer\*  
Christopher Upjohn\*  
Michael Usherwood  
Christopher Vern  
Bernadette Vincent\*  
Daniel Vucetich  
Andrej Vujicic\*  
Joanna Walker\*  
Simon Walton  
Paul Waterhouse\*  
Gregory Webb  
Leesael Wegner\*  
Amanda Werner  
Tammara West\*  
John West  
Anne West\*  
Rebecca Weston\*  
Michael Wheeler\*  
James Wheeler\*  
Kim Wheeler\*  
Magdalena Whipper\*  
Jennifer White\*  
Christopher White\*  
Mary Whitehouse  
Graham Whyte  
Ann Wilkins  
Neville Williams  
Brett Williams  
William Williams  
David Williams\*  
Timothy Williamson\*  
Adrian Wills\*  
Lyle Wilson  
Gary Wilson\*  
David Winch  
Derek Wood\*  
Jeffrey Wood\*  
Merida Woods\*  
Ted Woreta  
Hugh Worrall\*  
Michael Wren\*  
Gavin Wright\*  
Paul Zanella  
Ric Zaric



partners in imagination, *leadership* and excellence

*The Trust works in partnership with the executive of the House to develop strategic directions and manage major issues while meeting its governance accountabilities. Trustees also have a mentoring role to fulfill in developing the executive.*

#### **SYDNEY OPERA HOUSE TRUST**

**Joseph Skrzynski AM**, Chairman, appointed 1996, is managing director of the development capital investment funds manager Australian Mezzanine Investments Limited (AMIL), and a director of several portfolio companies in which AMIL has invested. He was a founding director of and is past president of the Australian Venture Capital Association Limited and has been a member of the National Investment Council. He is deputy chairman of the Major Organisations Fund of the Australia Council and has chaired the Australian Film, Television and Radio School, the Broadcast Council and the National Capital Planning Authority. He has also served on the boards of the Sydney Dance Company, Belvoir Street Theatre, Company B, Seymour Centre and Aboriginal Arts and Crafts Pty Ltd. From 1980 to 1984, he was chief executive and commissioner of the Australian Film Commission.

From left to right; Dennis Watkins, Barbara Ward, Patricia Boggs, Tim McFarlane, Joseph Skrzynski, Diane Grady and Robert Whyte.

**Patricia Boggs**, appointed 1996, a box office consultant since 1989 for the Cameron Mackintosh Australia and Asian company, was general manager of Sydney's Theatre Royal between 1975 and 1989. She is strongly committed to broadening and extending audiences for the performing arts, particularly school children and students who she sees as tomorrow's audience.

**Diane Grady**, appointed 1996, is a director of Lend Lease Corporation Limited, Woolworths Limited and Wattyl Limited. She is also chairman of the Lend Lease Australia Property Group which includes Civil and Civic and Lend Lease Development. Previously she was a partner of McKinsey & Company for which she assisted clients in a variety of industries on strategic and organisational issues. Since leaving McKinsey in 1994, she has worked as an independent consultant in the areas of business strategy, marketing, people management and organisation design. Now an Australian citizen, she was born in Arizona and has an MBA from Harvard Business School, an MA in Chinese studies and an honours degree in history.

**Tim McFarlane**, appointed 1997, is managing director of The Really Useful Company, the Australian subsidiary of Andrew Lloyd Webber's Really Useful Group. He is also regional director, responsible for Asia, New Zealand and South Africa. From 1986 to 1994, he was general manager of the biennial Adelaide Festival and the Adelaide Festival Centre for which he co-produced musicals such as South Pacific and The King and I, which transferred to Broadway and won four Tony Awards in 1996. He was the president of the Entertainment Industry Employers' Association from 1991 to 1994 and now sits on the executive council. He is also on the national councils of Musica Viva and the Adelaide Festival.

**Rhoda Roberts**, appointed 1998, was artistic director of the Festival of the Dreaming, the first of Sydney's Olympic arts festivals. She maintains her association with the Sydney Organising Committee for the Olympic Games as indigenous cultural adviser. Currently reporter and presenter for the nationwide radio program Deadly Sounds, she is also completing her first novel and working as a consultant. She was the first Aboriginal journalist to host a national TV prime time current affairs program, Vox Populi on SBS, and she has worked for Network 10 and ABC TV, as well as producing, directing and writing several documentaries. Other board appointments are the Darling Harbour Authority, the Australia Day Council and the National Performance Conference Inc.

**Barbara Ward**, appointed 1999, is chairman of HWW limited, a director of the Commonwealth Bank of Australia, Delta Electricity, Rail Services Australia and Data Advantage Limited. She is also a member of the Board of Allen Allen and Hemsley and the Australia Day Council of NSW. From 1993 to 1997 she was chief executive of Ansett Worldwide Aviation Services, prior to which she held various positions with the TNT Group. She was previously employed as a senior ministerial adviser to Paul Keating, MP. She has a Bachelor of Economics and a Masters in Political Economy from the University of Queensland.

**Dennis Watkins**, appointed 1996, is a writer, producer, director, broadcaster and actor. He is currently artistic director for Fox Studios Australia Backlot and is directing the Titanic Experience. He was previously commissioning editor of ABC TV comedy and wrote the libretto for the opera about the Sydney Opera House, The Eighth Wonder, and musicals including Beach Blanket Tempest, Pearls Before Swine and Dingo Girl. He has produced family concerts for the Sydney Symphony Orchestra and was associate director of the Sydney Theatre Company in 1989 and 1990. He was the originating producer and director of Theatresports and has been festival director of the Sydney Gay and Lesbian Mardi Gras.

**Robert Whyte**, appointed 1995, is executive chairman and majority shareholder in the investment management group, Audant Investments Pty Ltd, with holdings in a diverse range of Australian companies and industries. Appointed non-executive director of AGSM Limited on 4 February 1999, he is also a member of the AGSM Advisory Council.

### **Trust Committees, memberships, attendances**

Membership of committees, frequency of meetings and attendance figures for the year under review are set out below. The figure following the Trustee's name is the number of meetings attended and the figure in brackets indicates the number of possible attendances.

The Trust met 11 times. Attendance figures were Joseph Skrzynski 11 (11), Patricia Boggs 11 (11), John Caldon 1 (3), John Della Bosca 4 (8), Diane Grady 8 (11), Tim McFarlane 10 (11), Rhoda Roberts 4 (11), Barbara Ward 5 (5), Dennis Watkins 11 (11) and Robert Whyte 5 (11).

The Trust Risk Management Committee met 10 times. Attendance figures were Joseph Skrzynski 10 (10), Patricia Boggs 10 (10) and Tim McFarlane 9 (10).

All absences were formally noted and Trustees were excused from attending the specific meetings.

The Sydney Opera House Appeal Fund, whose membership is the same as the Trust, met twice.

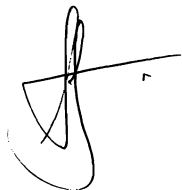
### **Sydney Opera House Trustees**

During the year ended 30 June 1999, John Caldon resigned on 6 October 1998 followed by John Della Bosca on 8 April 1999. Barbara Ward was appointed to the Trust from 1 January 1999.

Pursuant to Section 41C (1C) of the Public Finance and Audit Act, 1983, and in accordance with a resolution of the Sydney Opera House Trust, we being members of the Trust, state that:

1. In our opinion, the accompanying financial statements exhibit a true and fair view of the financial position of the Sydney Opera House Trust as at 30 June 1999, and transactions for the year then ended.
2. The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Public Finance and Audit (General) Regulation, 1995, and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



**JOSEPH SKRZYNSKI**  
Chairman



**TIM McFARLANE**  
Trustee

SYDNEY 27 September 1999



To Members of the New South Wales Parliament and Members of the Sydney Opera House Trust

## SCOPE

I have audited the accounts of the Sydney Opera House Trust for the year ended 30 June 1999. The Members of the Sydney Opera House Trust are responsible for the financial report consisting of the accompanying balance sheet, income and expenditure statement and statement of cash flows, together with the notes thereto and the information contained therein. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament and the Members of the Sydney Opera House Trust based on my audit as required by sections 34 and 41C(1) of the Public Finance and Audit Act 1983.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

In addition, other legislative and policy requirements, which could have an impact on the Sydney Opera House Trust financial report, have been reviewed on a cyclical basis. For this year, the requirements examined comprised compliance with: core business activities being in accordance with Sydney Opera House Trust Act 1961; and the Public Authorities (Financial Arrangements) Act 1987.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the Public Finance and Audit Act 1983, Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with my understanding of the Trust's financial position, the results of its operations and its cash flows.

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

## AUDIT OPINION

In my opinion, the financial report of the Sydney Opera House Trust complies with section 41B of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Sydney Opera House Trust as at 30 June 1999 and the results of its operations and its cash flows for the year then ended.



**P. J. BOULOUS, CA**  
Principal Auditor

(duly authorised by the Auditor-General of New South Wales under section 41C(1A) of the Act)  
SYDNEY 18 October 1999



**SYDNEY OPERA HOUSE TRUST  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 1999**

	NOTE	1998/99 \$000	1997/98 \$000
Operating income	3	58,016	59,487
Operating surplus before abnormal items	3	1,514	902
Abnormal items	3 15	694	11,734
Operating surplus after abnormal items	3	2,208	12,636
Transfers	26	(54)	-
Accumulated funds at beginning of the financial year	26	191,753	179,117
Accumulated funds at close of the financial year	26	193,907	191,753

The accompanying notes form part of these statements.

**BALANCE SHEET  
AS AT 30 JUNE 1999**

	NOTE	1998/99 \$000	1997/98 \$000
<b>CURRENT ASSETS</b>			
Cash	17	144	442
Receivables	18	1,859	1,250
Investments	19	15,712	16,634
Inventories	20	409	276
<b>TOTAL CURRENT ASSETS</b>		<b>18,124</b>	<b>18,602</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	18	14,301	13,560
Land, building, improvements	21	513,657	505,623
Plant and equipment	21	29,979	36,330
Work in progress	21	2,677	2,350
Collections	21	1,115	1,150
<b>TOTAL NON-CURRENT ASSETS</b>		<b>561,729</b>	<b>559,013</b>
<b>TOTAL ASSETS</b>		<b>579,853</b>	<b>577,615</b>
<b>CURRENT LIABILITIES</b>			
Creditors	22	4,623	3,276
Provisions	23	1,675	3,068
<b>TOTAL CURRENT LIABILITIES</b>		<b>6,298</b>	<b>6,344</b>
<b>NON-CURRENT LIABILITIES</b>			
Creditors	22	586	-
Provisions	23	1,608	2,063
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,194</b>	<b>2,063</b>
<b>TOTAL LIABILITIES</b>		<b>8,492</b>	<b>8,407</b>
<b>NET ASSETS</b>		<b>571,361</b>	<b>569,208</b>
<b>CAPITAL AND RETAINED EARNINGS</b>			
Trust funds	24	105	106
Accumulated funds	26	193,907	191,753
Asset revaluation reserve	27	377,349	377,349
		<b>571,361</b>	<b>569,208</b>

The accompanying notes form part of these statements.


**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 1999**

	1998/99 \$000	\$000	1997/98 \$000	\$000
	Inflows/ (Outflows)		Inflows/ (Outflows)	
<b>Cash flows from operating activities</b>				
Payments to suppliers and employees	(48,550)		(49,574)	
Receipts from operations	25,322		25,221	
Interest received	806		862	
Net cash used in operating activities		(22,422)		(23,491)
<b>Cash flows from investing activities</b>				
Receipts from investments	922		(2,196)	
Payments for improvement works and plant and equipment	(9,222)		(6,203)	
Proceeds from sale of plant and equipment	96		46	
Net cash used in investing activities		(8,204)		(8,353)
Cash flows from Government grants		30,328		33,086
Net increase in cash held		(298)		1,242
Cash at beginning of year		442		(800)
CASH AT END OF YEAR		144		442

**NOTE TO THE STATEMENT OF CASH FLOWS  
RECONCILIATION OF CASH**

For the purpose of the statement of cash flows, cash comprises cash on hand, at bank and at call deposits. Cash at 30 June as shown in the statement of cash flows is reconciled to the related items in the balance sheet.

	1998/99 \$000	1997/98 \$000
Cash	144	442
At call	-	-
	144	442

The accompanying notes form part of these statements.

**RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES  
TO OPERATING RESULT**

	1998/99 \$000	1997/98 \$000
Operating surplus	2,208	12,636
Depreciation	5,375	6,370
Increase in provision – leave and redundancy	-	2,018
Decrease in provision – leave and redundancy	(1,848)	-
Increase in provision – doubtful debts	-	5
Increase in creditors	1,933	-
Decrease in creditors	-	(9,036)
Increase in receivables	(1,347)	(3,017)
Government grant	(30,328)	(33,086)
Increase in inventories	(133)	-
Reduction in inventories	-	68
Net loss on sale of plant	1,969	777
Decrease in trust funds	(1)	(1)
Capital in-kind sponsorship	(250)	(225)
NET CASH USED IN OPERATING ACTIVITIES	(22,422)	(23,491)

The accompanying notes form part of these statements.





**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND METHODS**

**1.1.1 HISTORICAL COST**

The financial statements have been prepared in accordance with the historical cost convention and, unless otherwise stated, do not reflect changing money values or the current valuation of non-current assets.

**1.1.2 BASIS OF ACCOUNTING**

The financial statements, which are a general purpose financial report, have been prepared on an accrual basis and in conformity with current Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), with the exception of non-charging of depreciation on the building (Note 1.6), industry practice and the requirements of the Public Finance and Audit Act, 1983 and Regulations and Treasurer's Directions.

The Trust has kept proper accounts and records in relation to all of its operations in accordance with Section 41(1) of the aforementioned Act.

Unless otherwise specified the accounting policies are consistent with those of the previous year.

Figures shown in the financial statements have been rounded to the nearest \$1,000.

**1.1.3 CHANGE IN ACCOUNTING POLICY**

Prior to the 1998/99 financial year Trust policy was to allocate a portion of cash sponsorship to relevant Trust presentations (Note 10) and Bennelong program (Note 11) income. In line with revised Trust policy, commencing 1998/99, this method no longer applies and cash sponsorship is accounted for and reported upon as a discrete item within Miscellaneous Income in the Statement of Income and Expenditure, in the sum of \$540,500 (Note 8). The amount of cash sponsorship allocated in 1997/98 favourably impacted Trust presentations income by \$217,913 and the Bennelong program by the sum of \$22,750.

**1.2 DOUBTFUL DEBTS**

Following a review of debtors accounts, it is considered that adequate provision has been made for doubtful debts.

**1.3 EMPLOYEE ENTITLEMENTS**

The balance of these provisions at 30 June 1999 is categorised for balance sheet purposes as either non-current or current liabilities, the latter component representing an estimate of the extent to which payment is likely to be made within the next 12 months.

**1.3.1 ANNUAL LEAVE, LONG SERVICE LEAVE AND REDUNDANCY PROVISIONS**

Full provision has been made for the Trust's employees in respect of annual leave and long service leave in terms of Australian Accounting Standard AAS30 and also for redundancy payments.

**1.3.2 SUPERANNUATION PREPAYMENT AND LIABILITY**

Prepaid superannuation contributions and liabilities are recognised in the balance sheet as required by Treasury policy.

The funding position at 30 June 1999 in respect of the three defined benefits schemes, namely the State Authorities Superannuation Scheme (SASS), the State Superannuation Scheme (SSS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) has been advised by State Super as follows:

Fund	Estimated Reserve		Accrued Liability		Prepaid/(Net Liability)	
	Account Funds				Contributions	
	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98
	\$000	\$000	\$000	\$000	\$000	\$000
SASS	1,533	2,049	1,809	1,848	(276)	201
SSS	33,739	31,462	19,788	18,529	13,951	12,933
SANCS	827	1,065	1,137	1,060	(310)	5
	36,099	34,576	22,734	21,437	13,365	13,139

The last triennial review was performed by the Government Actuary as at 30 June 1997.

The 1999 actuarial assessment is based on AAS25 – Financial Reporting by Superannuation Plans. The key assumptions adopted by the actuaries were:

	1999/2000	2000/2001	Thereafter
	%	%	% pa
Rate of interest return	7.0	7.0	7.0
Rate of general salary increase*	4.0	5.0	5.0
Rate of increase in CPI	2.5	3.25	3.25

\* A promotional scale also applies.



**1.4 VALUATION OF ASSETS**

**1.4.1 INVENTORIES**

Main store and main hall tour wallets inventories are valued at the lower of cost or net realisable value. Cost is determined using the first in, first out basis for the main store inventory and current cost for the main hall tour wallets inventory.

**1.4.2 INVESTMENTS**

Investments comprising term deposits are shown at cost value which is also deemed to be market value.

**1.4.3 LAND, SYDNEY OPERA HOUSE BUILDING, FORECOURT IMPROVEMENTS, COLLECTIONS, PLANT AND EQUIPMENT**

The Sydney Opera House building and forecourt were revalued by the Valuer-General of New South Wales for the 1995/96 financial year at replication cost.

Land was revalued in 1994/95 by the Valuer-General of New South Wales, whilst most classes of non-current physical assets were also revalued in 1994/95 by external expert consultants.

**1.5 INSURANCE**

Adequate insurance cover is held by the Trust in respect of the following risks:

- i) Property and consequential loss
- ii) Workers' compensation
- iii) Public liability
- iv) Motor vehicles
- v) Travel, voluntary workers, fidelity and other identified risks.

The Trust is a member of the NSW Treasury Managed Fund which is a government self insured scheme administered by GIO Australia Limited in respect of the abovementioned risks. Premiums paid into the managed fund are designed to fully fund costs and expenses.

**1.6 DEPRECIATION**

Depreciation is calculated on a straight line basis in order to write off the carrying amounts of fixed assets over their expected useful life. Depreciation rates are shown hereunder:

Category of Assets	Rate of Depreciation %
Computer hardware	33.3
Plant and equipment	10.0
Office machines	20.0
Photographic equipment	33.3
Communications equipment	33.3
Theatrical equipment	20.0
Tools and test equipment	20.0
Safety equipment	33.3
Computer software	20.0
Motor vehicles	20.0
Grand Organ	1.0

As the Sydney Opera House building and forecourt are considered by the Valuer-General of New South Wales and Sydney Opera House Trust to be very long-lived assets and given the amount of annual maintenance funds expended on the building and forecourt, depreciation has not been charged on those assets. This is consistent with Treasurer's Directions as referred to in Note 1.1.2.

**1.7 RECOGNITION OF REVENUE**

**1.7.1 GOVERNMENT GRANTS AND CONTRIBUTIONS FROM OTHER BODIES**

Government grants and contributions from other bodies are recognised as revenues when the Trust obtains control over the assets comprising the grants and contributions. Control over grants and contributions are normally obtained upon the receipt of cash.

**1.7.2 OTHER REVENUE**

Revenues from Trust operations as a performing arts centre are recognised on provision of goods sold and services rendered.

**2. SYDNEY OPERA HOUSE APPEAL FUND**

As the Sydney Opera House Appeal Fund is a controlled entity of the Trust, the operations of the Appeal Fund are incorporated into the Trust's financial statements. The objectives, operations and activities of the Fund relate to the appeal for, and receipt of, gifts of money or other property to be used for works and acquisitions of items related to the performing arts and to the production, presentation, publication, promotion, preservation or housing of, or training in the performing and other branches of the arts. See Note 28.

### 3. OPERATING SURPLUS

Operating surplus is arrived at after charging and crediting the following items:

	NOTE	1998/99 \$000	1997/98 \$000
<b>INCOME</b>			
State Govt grants	4 14	30,328	33,086
Catering	7	1,342	1,093
Rentals – theatres, halls etc.	5	4,636	4,112
Costs recovered	6	10,480	10,483
Trust presentations	10	1,410	2,842
Bennelong Program	11	218	409
Guided tours		2,333	2,261
Tourism packages		577	–
Booking fees		1,396	1,328
Merchandising and licensing	25	1,104	991
Rental of shops		524	469
Interest		824	850
Miscellaneous income	8	1,309	655
In-kind benefits	12	1,064	499
Program sales commission		133	127
Publicity income		338	282
		<b>58,016</b>	<b>59,487</b>

	NOTE	1998/99 \$000	1997/98 \$000
<b>EXPENDITURE</b>			
Salaries and related expenses	9	21,154	23,579
Trust presentations	10	2,276	2,647
Bennelong Program	11	323	441
Electricity		885	882
Depreciation	21	5,375	6,370
Administrative expenses		2,516	2,252
Repairs and maintenance		11,814	9,940
Cleaning		1,069	970
Publicity and advertising		2,297	1,183
Minor stores		721	1,022
Merchandising and licensing	25	638	579
Tourism packages		487	–
Telephone and postage		412	376
General insurance		367	359
Fees for services rendered		1,282	855
Audit fees	13	125	108
Doubtful debts	18	3	5
Upgrade program	4 14	2,789	6,231
Loss on disposal of assets		1,969	786
		<b>56,502</b>	<b>58,585</b>
Operating surplus before abnormal items		1,514	902
Abnormal items	15	694	11,734
Operating surplus		<b>2,208</b>	<b>12,636</b>

**4. STATE GOVERNMENT GRANTS**

Grants credited to income were:

	1998/99 \$000	1997/98 \$000
Statutory endowment	9,037	8,867
Maintenance endowment	5,843	5,717
Upgrade program grant	5,959	7,092
Total asset management grant	7,665	2,630
Assembly area grant	-	470
The Studio grant	550	6,859
Disabled lift grant	-	427
Canopies grant	774	774
Security surveillance system grant	500	250
	<b>30,328</b>	<b>33,086</b>

**5. RENTALS**

This item represents earnings derived from the hire of the Concert Hall, Opera Theatre, Drama Theatre, Playhouse, The Studio, Reception Hall, foyers, rehearsal rooms, outdoor facilities and office areas.

The sources of income were:

	1998/99 \$000	1997/98 \$000
Opera Theatre	1,804	1,729
Concert Hall	1,790	1,441
Drama Theatre	508	475
Playhouse	261	229
The Studio	18	-
Other	255	238
	<b>4,636</b>	<b>4,112</b>

**6. COSTS RECOVERED**

Hiring agreements provide that the Trust be reimbursed for technical and other costs incurred in relation to performances.

Recoveries comprise:

	1998/99 \$000	1997/98 \$000
Salaries and related costs	5,670	5,530
General recoveries	1,961	1,720
Internal recoveries:		
Total Asset Management (TAM)	2,622	2,854
Trust presentations	227	379
	<b>10,480</b>	<b>10,483</b>

Recoveries for TAM projects and Trust presentations represent the internal charges that were attributable to these areas of activity.

**7. CATERING**

Results, excluding the Green Room operations, were as follows:

	1998/99 \$000	1997/98 \$000
Income	1,342	1,093

The sum of \$50,000 was paid to the catering contractor in 1998/99 as a subsidy towards financing the renovation of the Green Room servery and is included under administrative expenses. The sum of \$6,250 was paid to the catering contractor in 1997/98, in terms of the catering contract, for the Green Room.

**8. MISCELLANEOUS INCOME**

This item comprises:

	1998/99 \$000	1997/98 \$000
Sponsorship expenses recouped	154	363
Ticket printing	100	103
Sponsorship income	541	-
New South Wales Treasury Managed Fund rebate	338	-
Other	176	189
	<b>1,309</b>	<b>655</b>

## 9. SALARIES AND RELATED EXPENSES

This item comprises:

	1998/99 \$000	1997/98 \$000
Salaries, wages and allowances	16,379	16,972
Penalty rates	978	1,006
Overtime	567	544
Meal money	36	33
Workers' compensation insurance	516	358
Payroll tax	1,264	1,323
Employer superannuation contribution	1,311	1,461
Parking reimbursement	27	28
Redundancy costs	76	1,854
	<b>21,154</b>	<b>23,579</b>

## 10. TRUST PRESENTATIONS

Financial operations, excluding the Bennelong Program, were:

	1998/99 \$000	1997/98 \$000
Income	1,410	2,842
Expenditure	2,276	2,647
(Deficiency) Surplus	(866)	195

Refer to note 1.1.3 regarding change in accounting policy relating to cash sponsorships.

## 11. BENNELONG PROGRAM

The Bennelong Program is the Trust's educational and arts access activity for the community in general and for students and special groups in particular. Financial operations were:

	1998/99 \$000	1997/98 \$000
Income	218	409
Expenditure	323	441
Deficiency	(105)	(32)

Refer to note 1.1.3 regarding change in accounting policy relating to cash sponsorships.

## 12. IN-KIND BENEFITS

Sponsorships in the form of goods and services were received for the following purposes:

	1998/99 \$000	1997/98 \$000
Trust presentations	403	58
Other purposes	1,064	499
	<b>1,467</b>	<b>557</b>

In-kind sponsorship related to Trust presentations has been included within income and expenditure amounts shown at Note 10, whilst other purposes in-kind sponsorship has been included within other appropriate income and expenditure classifications in the Statement of Income and Expenditure and in terms of capital benefits, totalling \$250,300, within appropriate asset classifications.

## 13. AUDIT FEES

The fee payable to the Auditor-General's Office was \$30,700 (\$30,100 in 1997/98). The Auditor-General received no other benefit. Fees in respect of the Internal Audit Bureau were \$94,644 (\$77,773 in 1997/98).

## 14. UPGRADE PROGRAM EXPENDITURE

The funding received in 1998/99 represents the final grant for this program, which commenced in 1988/89 (Note 4). The expenditure for 1998/99 was \$3,116,271, of which \$2,788,958 is accounted for in the Statement of Income and Expenditure and \$327,313 of which was work in progress (Note 21).

## 15. ABNORMAL ITEMS

This item comprises:

	1998/99 \$000	1997/98 \$000
Superannuation prepayment (see Notes 1.3.2 and 18)	1,279	3,565
Prior period Government grants	-	8,169
Superannuation liability (see Notes 1.3.2 and 18)	(585)	-
	<b>694</b>	<b>11,734</b>



**16. TRUSTEES' REMUNERATION**

Trustees' remuneration is based on the following rates:

	Per Annum
Chairman	\$2,465
Trustees	\$1,460

**17. CASH AND BANK**

This item comprises:

	1998/99 \$000	1997/98 \$000
Cash on hand	27	26
Joint venture cash	98	106
Appeal Fund cash	16	5
Sydney Opera House management account	3	305
	<b>144</b>	<b>442</b>

**18. RECEIVABLES**

This item comprises:

	1998/99 \$000	1997/98 \$000
Catering contractor	420	490
Trade debtors, less provision for doubtful debts	890	409
Accrued income	578	440
Prepayments	152	104
Joint venture	2	4
Other receivables	167	223
Prepaid superannuation	13,951	13,140
	<b>16,160</b>	<b>14,810</b>

The sum of \$420,000 represents the balance receivable upon transfer of catering equipment to the catering contractor as provided for in the catering contract and is receivable over the next 6 years at the rate of \$70,000 per annum.

Receivables are classified in the balance sheet as:

	1998/99 \$000	1997/98 \$000
Current assets	1,859	1,250
Non-current assets	14,301	13,560

Transactions on the Provision for Doubtful Debts Account for the past two years were:

	1998/99 \$000	1997/98 \$000
Balance 1 July	15	54
Provision for year	3	5
	<b>18</b>	<b>59</b>
Debts written off	3	44
Balance 30 June	15	15

**19. INVESTMENTS**

This item comprises short term interest bearing deposits:

	1998/99 \$000	1997/98 \$000
Sydney Opera House Trust	15,369	16,302
Foster Bequest	105	106
Appeal Fund	238	226
	<b>15,712</b>	<b>16,634</b>

**20. INVENTORIES**

Comprises:

	1998/99 \$000	1997/98 \$000
Main store stock	212	204
Main hall tour wallets	119	1
Joint venture	78	71
	<b>409</b>	<b>276</b>

**21. LAND, BUILDING, IMPROVEMENTS,  
COLLECTIONS, PLANT AND EQUIPMENT**

Comprises:

	1998/99 \$000	1997/98 \$000
Land – valuation	50,000	50,000
Sydney Opera House building – revaluation	420,300	420,300
Building improvements – cost	11,657	3,623
	<b>431,957</b>	<b>423,923</b>
Forecourt improvements – revaluation	31,700	31,700
<b>Total – Land, Building and Improvements</b>	<b>513,657</b>	<b>505,623</b>
Computer hardware – cost and valuation	3,016	2,776
Less depreciation	2,679	2,277
	<b>337</b>	<b>499</b>
Computer software – cost	913	913
Less depreciation	614	431
	<b>299</b>	<b>482</b>
Motor vehicles – cost	156	146
Less depreciation	44	35
	<b>112</b>	<b>111</b>
Office machines – cost and valuation	200	170
Less depreciation	62	64
	<b>138</b>	<b>106</b>
Fixed plant – cost and valuation	17,202	19,534
Less depreciation	6,643	5,645
	<b>10,559</b>	<b>13,889</b>
Photographic equipment – cost and valuation	322	322
Less depreciation	322	319
	<b>-</b>	<b>3</b>
Communications equipment – cost and valuation	698	698
Less depreciation	626	493
	<b>72</b>	<b>205</b>

**21. LAND, BUILDING, IMPROVEMENTS,  
COLLECTIONS, PLANT AND EQUIPMENT (CONTINUED)**

	1998/99 \$000	1997/98 \$000
Theatrical items – cost and valuation	27,467	27,653
Less depreciation	10,013	7,715
	<b>17,454</b>	<b>19,938</b>
Tools and equipment – cost and valuation	206	324
Less depreciation	165	194
	<b>41</b>	<b>130</b>
Safety equipment – cost and valuation	5	5
Less depreciation	5	5
	<b>-</b>	<b>-</b>
Capital stocks – cost and valuation	967	967
<b>Total – plant and equipment</b>	<b>29,979</b>	<b>36,330</b>
<b>Collections – works of art – cost and valuation</b>	<b>1,115</b>	<b>1,150</b>
<b>Work in progress</b>	<b>2,677</b>	<b>2,350</b>
	<b>547,428</b>	<b>545,453</b>

Ownership of the Sydney Opera House site is vested in the Minister for Public Works and Services but as the Trust has statutory responsibility for the care, control and management of the Sydney Opera House building and site, these assets are included in the financial statements of the Trust.

The work in progress figure of \$2,676,884 relates to the design and construction of stage managers' consoles and paging systems for the theatres.

The Trust holds assets which have been fully depreciated but which still provide service potential and economic benefits. The nature and quantum of these fully depreciated assets is as follows:

	1998/99 \$000	1997/98 \$000
Computer hardware	1,705	-
Photographic equipment	322	-
Communications equipment	303	-
	<b>2,330</b>	<b>-</b>



**22. CREDITORS**

This item comprises:

	1998/99 \$000	1997/98 \$000
Advance ticket sales	1,727	1,156
Hirers' deposits	307	328
Accrued expenses	979	1,162
Income in advance	65	70
Trade and other creditors	1,526	555
Joint venture	19	5
Superannuation liability	586	-
	<b>5,209</b>	<b>3,276</b>

Creditors are classified in the balance sheet as:

	1998/99 \$000	1997/98 \$000
Current liabilities	4,623	3,276
Non-current liabilities	586	-

The superannuation liability of \$585,602 relates to the State Authorities Superannuation Scheme (\$276,171) and the State Authorities Non-Contributory Superannuation Scheme (\$309,431). See Note 1.3.2 for details.

**23. PROVISIONS**

This item represents the amount available to meet the Trust's accrued liability in respect of employees' accrued leave entitlements and redundancy payments comprising:

	1998/99 \$000	1997/98 \$000
Annual leave – Trust employees	1,048	1,023
Long service leave – Trust employees	2,108	2,603
Long service leave – employees of contract caterer	-	11
Sick leave – employees of contract caterer	-	5
Redundancy payments	127	1,489
	<b>3,283</b>	<b>5,131</b>
Classified in the balance sheet as:	<b>\$000</b>	<b>\$000</b>
Current liabilities	1,675	3,068
Non-current liabilities	1,608	2,063

In applying Australian Accounting Standard AAS30, Accounting for Employee Entitlements, the Trust has continued to use the nominal method in calculating the liability and expense for employee leave entitlements. This practice has been adopted because the difference arising from using the nominal method compared to the present value method would not result in a material difference in the financial statements.

As in previous years, the long service leave provision has been calculated on the basis of entitlements of all employees who have completed five or more years of service. To comply with AAS30, an estimate was made of the liability for employees with less than five years service. The estimate was based on the proportion of those employees who are expected to remain employed by the Trust long enough to be entitled to long service leave. As the liability was not of material amount it has not been brought to account.

Payroll tax payable on employee entitlements has been estimated and the liability recognised. Workers' compensation has not been recognised as this expense is based on actual premiums paid, determined from past claims history, and not as a general percentage raised on salaries and wages.

Sick leave accrued by employees of the Trust is all non-vesting, and as the total amount of sick leave taken in any year has been less than the annual entitlement, no past service liability for sick leave has been recognised.

The value of 1997/98 leave provisions in respect of the contract caterer's employees reflected the contractual arrangements relating to the caterer's employees employed at date of commencement of the current catering contract. These provisions were paid out by the Trust to the catering contractor in 1998/99.

The provision for redundancy payments relates to a present obligation of the Trust to make voluntary redundancy payments to certain eligible employees following decisions made and agreements reached with the union and staff in 1998/99.

**24. TRUST FUNDS – FOSTER BEQUEST**

The Trust Deed relating to this bequest provides that income derived from investment of the funds may be applied to an award for study in fields relating to the training for, and performances of, the art of opera.

An award of \$5,000 was made in 1998/99.



## 25. MERCHANDISING AND LICENSING

### 25.1 Interest in Joint Venture

The Trust holds a 50% interest in a joint venture with International Management Group of America Pty Ltd in the operation of a souvenir merchandise shop located in the box office foyer.

The Trust's share of the operating profits in 1998/99 was \$345,790 (\$320,777 in 1997/98). At 30 June 1999 the Trust's equity in the joint venture was:

	1998/99 \$000	1997/98 \$000
Furniture fittings and equipment (less depreciation)	7	14
Inventory	78	71
Receivables	2	4
Cash	98	106
	185	195
Less creditors	19	5
	166	190

These amounts have been included with the assets and liabilities of the Trust within the appropriate classification.

### 25.2 Licence Agreement

Licences have been granted to a number of organisations for the use of the registered Sydney Opera House trademark and designs. The Trust's share of earnings in 1998/99 was \$85,041 (\$90,815 in 1997/98).

## 26. ACCUMULATED FUNDS

	NOTE	1998/99 \$000	1997/98 \$000
Balance 1 July		191,753	179,117
Operating surplus	3	2,208	12,636
Transfers		(54)	-
		193,907	191,753

The transfer of \$54,000 relates to the prior period deaccessioning of the South Pacific Collection artwork to the Australian Museum in August 1997. The transfer of related artworks was recorded as a direct downward adjustment against accumulated funds in the 1996/97 financial year.

## 27. ASSET REVALUATION RESERVE

This account represents revaluation increments credited in previous financial years in respect of Sydney Opera House building, land, forecourt and plant and equipment.

## 28. SYDNEY OPERA HOUSE APPEAL FUND

As a controlled entity the financial statements of the Sydney Opera House Appeal Fund have been incorporated into the Trust's financial statements.

Financial operations were:

	1998/99 \$000	1997/98 \$000
Income	21	11
Expenditure	-	18
Surplus (Deficiency)	21	(7)

The assets and liabilities of the Appeal Fund as at 30 June were as follows:

	1998/99 \$000	1997/98 \$000
Cash	15	5
Investments	238	226
Accumulated Funds	253	231

These amounts have been included within the assets and liabilities of the Trust under appropriate classifications.

## 29. COMMITMENTS FOR GOODS AND SERVICES

	1998/99 \$000	1997/98 \$000
Goods and services contracted for at 30 June and not otherwise accounted for in the balance sheet are estimated.		
Payable:		
- not later than one year	4,730	2,131
- later than one year and not later than two years	1,685	-
- later than two years and not later than five years	2,324	-
	8,739	2,131

**30. OUTSTANDING CAPITAL COMMITMENTS**

	1998/99 \$000	1997/98 \$000
Capital expenditure contracted for at 30 June and not otherwise accounted for in the balance sheet is estimated.		
Payable not later than one year	338	5,809

**31. CONTINGENT LIABILITIES**

The Trust is not aware of the existence of any contingent liabilities.

**32. MATERIAL ASSISTANCE PROVIDED AT NO COST OR AT NOMINAL COST**

All material assistance has been accounted for in the financial statements.

**33. PAYMENTS TO CONSULTANTS**

In the year ending 30 June 1999, consultants were paid a total of \$485,011 (1997/98 – \$544,912). In addition, Public Works received \$3,116,271 for the management and execution of the upgrade program (1997/98 – \$8,496,325).

**34. FINANCIAL INSTRUMENTS**

Australian Accounting Standard AAS33, Presentation and Disclosure of Financial Instruments, has application to the Trust's financial statements.

The classes of instruments included in the Trust's financial statements are set out below along with the terms, conditions and accounting policies applicable to these instruments which are recorded at cost as at 30 June 1999 (balance date).

**Cash**

Cash is recorded at nominal values and consists of cash on hand and cash held in bank accounts. Interest is earned on daily bank balances, based on an agreement with the Trust's banker, calculated on money market rate movements.

**Receivables**

All trade debtors are recognised as amounts receivable at balance date. Receivables are carried at the nominal value of amounts due, less a provision for doubtful debts. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provision for doubtful debts). Invoices are issued on 30 day terms.

**Investments**

The Trust's investments are restricted to short term fixed deposits predominantly with NSW Treasury Corporation and similar investments with major bankers. Investments were predominantly for periods between 30-40 days during 1998/99 (30-33 days in 1997/98). The investments were earning an average interest rate of 4.88% per annum at 30 June 1999 (5.19% at 30 June 1998).

**Accounts Payable and Accruals**

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers are settled in accordance with the policy set out in Treasurer's Direction 219.01. If payment terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

**Credit Risk Exposures**

The credit risk on financial assets of the Trust is represented by the carrying amounts of the financial assets recognised on the balance sheet net of any provision for doubtful debts, at balance date.

**Interest Rate Risk**

All Trust investments, totalling \$15,712,368 at balance date (\$16,633,805 at 30 June 1998), are for fixed specified periods and interest rates.

Cash at bank, totalling \$3,273 at balance date (\$304,852 at 30 June 1998), is subject to an arrangement with the Trust's banker whereby interest rates paid are in line with money market rate movements and are set weekly.

Interest rate risk exposure on other financial assets and liabilities is not considered applicable.

**Net Fair Value**

The net fair value of all financial assets and liabilities of the Trust approximates their carrying value.

**END OF AUDITED FINANCIAL STATEMENTS**

FIRST DETAILED BUDGET FOR THE YEAR ENDING 30 JUNE 1999

INCOME	\$000
Rentals and recoveries	14,515
Trust presentations	2,430
Guided tours	2,424
Booking fees	1,379
Catering income	1,360
Merchandising and licensing	1,191
Interest	675
Rental of shops	510
Miscellaneous	2,617
Endowment and capital grants	29,778
<b>TOTAL</b>	<b>56,879</b>

EXPENDITURE	\$000
Salaries and related expenditure	22,629
Repairs and maintenance	12,069
Trust presentations	2,981
Administrative expenses	2,439
Minor stores	1,044
Electricity	860
Fees for services rendered	1,484
Publicity and advertising	1,379
Cleaning	1,041
Licensing and merchandising	630
Miscellaneous	1,050
Upgrade program	8,957
<b>TOTAL</b>	<b>56,563</b>

Surplus before depreciation	316
Depreciation	6,600
Deficit after depreciation	6,284

OUTLINE BUDGET FOR THE YEAR ENDING 30 JUNE 2000

REVENUE	\$000	\$000
Government grants		
* Endowment	9,100	
* Maintenance	5,902	
* Total asset management	9,070	24,072
Revenue from operations		30,630
<b>TOTAL</b>		<b>54,702</b>

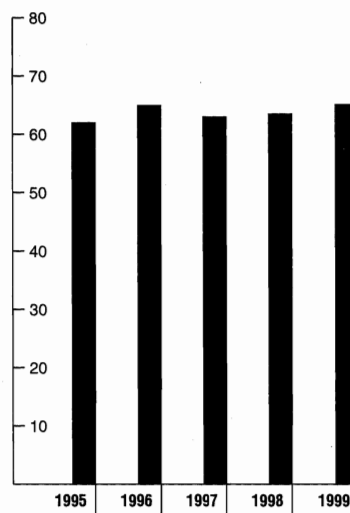
  

EXPENDITURE	\$000	\$000
Salaries and related expenditure		23,439
Other operating expenditure		15,847
Capital grants @		18,967
<b>TOTAL</b>		<b>58,253</b>

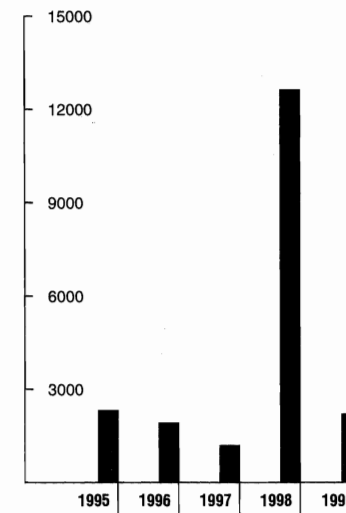
  

Deficit before depreciation	3,551
Depreciation	5,700
Deficit after depreciation	9,251

@ Includes expenditure of capital grant funds unspent at the end of June 1999.



Earned Income to Total Expenditure %



Five Year Comparison - Operating Surplus after Abnormals



## ACCOUNT PAYMENT PERFORMANCE INDICATORS

The schedule of accounts payable for the final quarter of 1999, and the amounts involved, are as follows:

	\$000
Current (i.e. within due date)	6,125
Less than 30 days overdue	626
Between 30 and 60 days overdue	209
Between 60 and 90 days overdue	20
More than 90 days overdue	1
<b>TOTAL FOR THE QUARTER</b>	<b>6,981</b>

The number of accounts paid on time was 88 percent. Trust policy is to ensure that all payments are made promptly and in line with State Government guidelines. Delays occur on occasions due to the need for clarification of charges and rates claimed on some invoices.

## AGEING ACTION PLAN

The Sydney Opera House Access Strategic Plan 1998-2007 aims to improve facilities and services for older people as tourists, patrons, business partners and performers (refer to Disability Action Plan for facilities improvements). Australian Seniors' card and Social Security concession card holders can obtain discounted guided tours' rates which include a free cup of coffee, tea or soft drink at the Concourse Restaurant.

## CONSULTANTS

In accordance with NSW Government guidelines, projects for which consultants received more than \$30,000 are listed individually. Those that involved payments of \$30,000 or less are grouped under a total figure. The following list notes the major projects undertaken by consultants during the 12 months ending 30 June 1999 and the payments involved. In addition, 15 consultancies of \$30,000 or less cost a total of \$163,393.

- Cannings – Corporate Communications – \$75,167.
- Denton Corker Marshall – Architectural Consultancy Services – \$98,800.
- Ford Associates Pty Ltd – Cultural Change Process Facilitators – \$76,500.
- Public Works and Services – Execution and management of upgrade program – \$3,116,271.
- Woolcott Research – Market Research – \$71,150.

## CUSTOMER RESPONSE

### THE STATISTICS

Over the past 12 months 421 people provided feedback on a range of issues. As a percentage of attendance figures the instances of negative feedback were less than .025 of one percent. A breakdown of the feedback is as follows:

322	Negative feedback	[340 in 1997/98]
84	Positive feedback	[90 in 1997/98]
15	Suggestions	[28 in 1997/98]

Of the negative feedback received 101 responses were related to two special guided tours planned involving the Sisters of Perpetual Indulgence where 67 people were opposed to the tours and 34 were opposed to the cancellation of the tours.

Of the suggestions, two were adopted, three were taken into account for future planning, five were passed on to other responsible organisations, and five were considered but not implemented.

A breakdown of the feedback by category is as follows:

	Negative	Positive	Suggestions
Presentations	48%	6%	20%
Customer service	16%	66%	13%
Venue services	5%	12%	13%
Access	7%	4%	13%
Site/venue presentation	6%	0%	13%
Quality and value	11%	1%	0%
Other	7%	11%	28%

## MAJOR PRESENTER SURVEY

The House surveyed major presenters' satisfaction levels with front of house, backstage facilities, amenities, the Green Room and car park against four key service standards, i.e., responsiveness, reliability, professionalism and empathy.

Satisfaction with service standards was very high with all areas rating over 90 percent. Typically, 64 to 75 percent of respondents advised that the service delivered exceeded their expectations.

Satisfaction with the amenities and facilities generally did not match the level of service delivery. An action plan has been developed to address issues that were raised.

## REVIEW OF PUBLIC CUSTOMER FEEDBACK SYSTEM

The House undertook a review of the public customer feedback system, implemented in July 1997, including a survey of people who had provided feedback. The House would like to sincerely thank everyone who participated in this survey which had a 64 percent response rate.

A summary of the outcomes shows that 58 percent of people said that they received a quick response to their feedback; 55 percent thought the response was courteous and positive; and 24 percent said the issues raised were resolved to their satisfaction.

The House has since revised its customer feedback policy to ensure a direct link to business improvement and customer service strategies. Procedures continue to be included in staff training, and were highlighted in the 'Managing Challenging Situations' customer service training that was delivered to all staff and managers.

The House's commitment to customer service is set out in its guarantee of service and reinforced by the goals and strategies in its business plan. The House welcomes and values all feedback.

## DISABILITY ACTION PLAN

The purpose of the House's Access Strategic Plan 1998-2007 is to ensure that the House is recognised as a leader and innovator in providing mainstream access to make the building, site and services accessible to all people.

The House is also committed to providing productive employment and career development opportunities for people with disabilities.

### ACCESS GOALS

Two primary access goals have been identified to achieve the purpose of the House's access plan:

#### Goal 1 – Improved facilities

The House will provide world class building and site facilities to create a welcoming and hospitable environment so that activities can be enjoyed by everyone. They will include mainstream paths of travel to and within theatres, performance spaces, foyers, function areas, restaurants, shops and employee work areas.

#### Goal 2 – Improved services

Patrons will enjoy world class services at the Sydney Opera House including an exemplary standard of customer service and an expanded range of mainstream accessible attractions and services so that activities can be enjoyed by everyone.

#### Achievements

Since the development of the Access Strategic Plan the House has improved facilities as part of The Studio redevelopment. Accessible toilet facilities are now available in The Studio, Drama Theatre and Playhouse. The Studio is fully accessible and includes an infra red system installed to assist people with hearing impairments.

As part of the 25th birthday celebrations a new web site was launched which provides information on events and services at the House, including disability access.

The House is in the process of reviewing its Access Strategic Plan. Due for completion in December 1999, it will involve further consultation with disability groups and organisations. The plan will be reviewed in early 2000 to ensure alignment with Utzon's design principles.

## ENERGY MANAGEMENT PLAN

The House commenced a five year contract with Advance Energy for the supply of electricity with five percent 'green power' content. A new building management system will be implemented by December 1999 that will allow for the development of energy saving programs for plant and equipment.

## EQUAL EMPLOYMENT OPPORTUNITY

The House continues to pursue a range of strategies aimed at improving workforce equity and diversity. A comprehensive orientation policy was designed and implemented to welcome new staff members and enable them to perform confidently and safely in their new roles using the expertise for which they were employed.

Once again management and staff strongly supported the Spokeswomen's Program and a number of its activities and events.

For further equal employment opportunity (EEO) achievements and strategies, see the sections on Disability Action Plan, Ethnic Affairs, Indigenous Initiatives and Women's Action Plan.

### TABLE A – PERCENT OF TOTAL STAFF BY LEVEL

Subgroup as Percent of Total Staff at each Level

Level	Total Staff (number)	Staff responding to EEO data form (respondents)	Men	Women	Aboriginal & Torres Strait Islander people	People from Racial, Ethnic, Religious Minority Groups	People whose language first spoken as a child was not English	People with a disability	People requiring adjustment at work
\$23,339	0	0%	0%	0%	0.00%	0%	0%	0%	0.00%
\$23,339-\$34,269	398	62%	51%	49%	0.00%	13%	7%	4%	1.00%
\$34,270-\$43,366	115	71%	72%	28%	0.87%	12%	8%	3%	1.74%
\$43,367-\$56,080	41	78%	68%	32%	0.00%	20%	7%	15%	2.44%
\$56,080 (non SES)	19	84%	68%	32%	0.00%	16%	16%	5%	0.00%
SES	3	100%	33%	67%	0.00%	33%	0%	33%	0.00%
Total	576	66%	57%	43%	0.17%	13%	7%	5%	1.22%
Subgroup Total		383	329	247	1	77	41	27	7



TABLE B – PERCENT OF TOTAL STAFF BY EMPLOYMENT BASIS

Subgroup as Percent of Total Staff at each Level

Level	Total Staff (number)	Staff responding to EEO data form (respondents)	Men	Women	Aboriginal & Torres Strait Islander people	People from	People	People with a disability requiring adjustment at work	People with a disability
						Racial, Ethnic, Religious Minority Groups	whose language first spoken as a child was not English		
Permanent/FT	195	78%	77%	23%	0.00%	15%	9%	7%	2.05%
Permanent/PT	16	69%	31%	69%	0.00%	6%	6%	6%	6.25%
Temporary/FT	54	52%	70%	30%	0.00%	12%	28%	6%	0.00%
Temporary/PT	1	0%	100%	0%	0.00%	0%	0%	0%	0.00%
SES	3	100%	33%	67%	0.00%	33%	0%	33%	0.00%
Casual	307	62%	44%	56%	0.37%	13%	6%	3%	0.65%
Other	0	0%	0%	0%	0.00%	0%	0%	0%	1.00%
Total	576	66%	57%	43%	0.17%	13%	7%	5%	1.22%
Subgroup Total		383	329	247	1	77	41	27	7

Note: Cell percentages are calculated by expressing the number of staff in each subgroup at each level as a percentage of total staff at the same level.

## ETHNIC AFFAIRS

This year the Sydney Opera House continued its commitment to multicultural programming. Events included the Martenitsa Choir (141 attended), Island Beat! (approx. 4000), Transylvaniacs (228) and the Martinez Bros (237). The Sydney Opera House forecourt was the venue for the launch of Carnivale.

Events planned for 1999/2000 include co-presenting with Carnivale a series of six concerts in The Studio entitled World Without Borders. Other planned initiatives include concerts by Tiddas and by Ruby Hunter and Archie Roach.

The House has continued its commitment to assisting multicultural community organisations through its program of community hirings. This year the Greek community received assistance for various celebrations of Greek National Day and community organisations received subsidised rental of the forecourt. The program will continue next year, subject to venue availability.

The House has held a number of organisation-wide training courses that included a multicultural component, two major initiatives of which were 'Introduction to Customer Service' and 'Managing Challenging Situations'. Both courses contained detailed discussion of multicultural awareness and equity issues as an integral part of customer service and conflict resolution skills. These programs were also extended to the staff of the Sydney Opera House car park (Enacon Parking Pty Ltd).

The House is committed to ensuring that all future learning and development initiatives will incorporate multicultural and equity awareness components. This will include learning and development initiatives for New Year's Eve 1999 and the Olympics, foreign language training for front-line staff, and the management and executive development program for staff at supervisor level and above.

During 1999/2000 the House information brochures will be redesigned and printed in seven community languages: Spanish, Italian, German, Japanese, French, Mandarin and modern Chinese.

## FREEDOM OF INFORMATION

No Freedom of Information applications were received during the year under review. In the previous year only one application was received which dealt with the inspection of tender documentation to which access was granted in full.

Requests under the Freedom of Information Act for access to Sydney Opera House documents must be made in writing, accompanied by a fee of \$30, and addressed to the Manager, Administration and Employee Services, Sydney Opera House. Enquiries can be made by telephone on 61 2 9250 7444 between 10.00 am and 4.00 pm Monday to Friday.

## HUMAN RESOURCES

A number of new human resource and employee relations policies and programs were implemented during the year. They included an orientation policy, an enhanced management enterprise development agreement, performance planning and learning plans.

A pilot training session was conducted titled 'Managing Unsafe Behaviour in the Workplace', which focussed on employees affected by drugs and alcohol and customer service training took place across the organisation during the year.

The House continued its indigenous trainee program and achieved accreditation as a registered training organisation.

The CREATE National Training Standards were also launched on behalf of the industry which involved hosting the pilot of the first technical training modules over the next 12 months.

The House is moving away from a traditional industrial relations approach to an employee relations ethos by carrying out extensive consultation and involving staff in the organisation change process.

Organisation restructuring was finalised in a number of areas. One notable area was the Property and Facilities Services Business Unit where there has been an extensive consultation and negotiation process with the Media Entertainment and Arts Alliance (MEAA) which included managing displaced staff through the processes of redeployment and voluntary redundancy.

The House is currently working with the MEAA to simplify the 1992 Sydney Opera House Award on 20 matters as required by the 1996 Workplace Relations Act. The development of the next Enterprise Development Agreement has commenced.

## INDIGENOUS INITIATIVES

The Sydney Opera House Trust seeks to represent indigenous culture in an appropriate and sensitive way. It acknowledges the recommendation of the Royal Commission into Aboriginal Deaths in Custody that many Aboriginal people wish to record and make known aspects of their history, traditions and contemporary culture.

This year the Island Beat! event included a focus on indigenous culture. Planning is well underway for upcoming events as part of Sundays 'round the House 1999 featuring Tiddas, Archie Roach and Ruby Hunter.

In May 1999 the Sydney Opera House Appeal Fund Committee approved the donation of \$55,283 to fund the staging of the Aboriginal and Torres Strait Islander Entertainment Industry Employment Forum on 22 and 23 September 1999.

An initiative of the Sydney Opera House, the forum aims to improve industry employment and training opportunities for indigenous people in the arts and entertainment industry. An employee who successfully completed an indigenous traineeship in 1998/99 at the House is coordinating this project.

In June 1999 the House was the venue for the launch of the Draft Document for Reconciliation. The Council for Aboriginal Reconciliation will again launch its final proposals in May 2000 at the House.

## INSURANCE

Adequate insurance is held by the Sydney Opera House Trust for all identified risks. The House is a member of the NSW Treasury Managed Fund under a managed fund scheme administered by GIO Australia Ltd.

A table showing the total cost of premiums, arriving at the cost per employee over the past five years, is set out below.

	1998/99 \$	1997/98 \$	1996/97 \$	1995/96 \$	1994/95 \$
Motor Vehicle	2,407	4,459	3,136	2,955	3,085
Property	246,056	246,425	298,000	298,000	298,000
Public Liability	115,540	105,552	94,787	84,960	84,960
Workers' Comp.	520,917	366,442	666,383	527,831	534,965
Miscellaneous	2,996	2,645	2,150	2,150	2,150
<b>TOTAL COST</b>	<b>887,916</b>	<b>725,523</b>	<b>915,896</b>	<b>923,160</b>	<b>526,889</b>
Total Employees	576	604	578	632	629
<b>COST PER EMPLOYEE</b>	<b>1,542</b>	<b>1,201</b>	<b>1,835</b>	<b>1,449</b>	<b>1,468</b>

## INVESTMENT PERFORMANCE MEASURE

Interest rate quotes are obtained from the NSW Treasury Corporation, the benchmark organisation for investment performance, prior to placement of investments at comparable or higher interest rates.

## LEGAL

Following the development of a regulatory impact statement and public consultation, minor amendments were made to the Sydney Opera House By-law. They included a broader definition of 'auditorium' to incorporate outdoor areas, and the smoking clause was modified to reflect enclosed areas – indoor or outdoors. The revised By-law was proclaimed on 2 September 1998.

## KEY TARGETS AND PRIORITIES

Key targets for the year ending 30 June included:

- Broader range of audiences attracted through the House's 25th birthday experience;
- The Studio completed, opened and developed as a new venue for contemporary music and other innovative artforms;
- Masterplan reviewed;
- Significant progress made towards the new enterprise development agreement for the House;
- New control systems commissioned for over-stage flying and under-stage machinery in the Drama and Opera Theatres;
- New stage manager's desks installed;
- Work commenced on the revision of the Conservation Plan.



Priorities for the year ending 30 June 2000 include:

- Ensure a successful New Year's Eve 1999 program;
- Ensure innovative programming of The Studio;
- Develop and commence implementation of the commercial vision for the Sydney Opera House;
- Develop a brand management strategy;
- Utzon's Design Principles for informing further development of the Sydney Opera House prepared;
- Implement a new Enterprise Development Agreement as a catalyst for cultural change;
- Achieve GST preparedness;
- Assess alternative business models as the basis for a review of relationships with major presenters; and
- Y2K preparedness will be achieved and the rollover from 1999 to 2000 will occur without disruption to the House.

## OCCUPATIONAL HEALTH AND SAFETY

Statistics for work-related staff injuries at the Sydney Opera House are as follows:

1996/1997	-	549
1997/1998	-	491
1998/1999	-	373

The House received a worker's compensation hindsight adjustment rebate which is a measure of the relative success of Government claims against WorkCover benchmarks.

The House successfully defended the WorkCover prosecution under the Occupational Health and Safety Act 1983, referred to in the 1997/1998 annual report.

## OVERSEAS TRAVEL

**Keith Dobinson**, Manager, Box Office

20 February – 6 March 1999

Attended the BOC User Group (Europe) Annual General Meeting and visited performing arts centres in England.

**Kathie Massey**, Director, Finance and Management Services

28 October – 8 November 1998

Attended the Performing Arts Centers Consortium fall meeting and visited performing arts centres in North America.

**Michael Lynch**, Chief Executive

25 November – 2 December 1998

Participated in the Association of Asia Pacific Performing Arts Centres 4th Executive Council Meeting and Annual General Meeting and attended the International Theatre Festival and Conference on World Theatre in the 21st Century in Manila.

**Paul Haseler**, Acting Manager, Venues and Client Services

7 – 21 October 1998

Attended the EBMS User Group meeting and visited multi-venue arts centres in North America.

**Peter Marshall**, Technical Manager (Lighting)

3 – 20 September 1998

Attended the Professional Lighting and Sound Association convention and trade show in London and visited various performing arts centres in Britain and on the west coast of the USA.

## PUBLICATIONS

Published this year were:

- Bi-monthly diary of House events
- The Studio calendar of events – quarterly
- Events for Kids diary
- Sundays 'round the House diary and flyers
- 25th Anniversary Celebrations Promotional Materials and Flyers
- 25th Anniversary Gala Party Invitation
- SOH Welcome Brochures
- Schools Program Brochure
- Sydney Opera House Trust Event Brochures and Flyers
- Opening of The Studio program
- SOH Markets Postcard Series
- Tourism Discover and Discover More Brochures

Two thousand copies of the Sydney Opera House 1998/99 annual report were printed at a unit cost of \$30.

## RECYCLING

Since 1990, the House has maintained a recycling program. Clean paper waste, glass and aluminium containers are collected, and scrap copper, steel and oil are recycled through the appropriate agencies, as recommended by the Environment Protection Authority.

## RISK MANAGEMENT

The Sydney Opera House Trust Risk Management Committee ensures that obligations are met with respect to financial reporting, internal controls and risk management, along with compliance with all laws, regulations and ethics. The committee, consisting of three Trustees and assisted by management, met ten times during the last financial year.

## AUDITS

Performance and compliance audits were carried out by the Internal Audit Bureau on a variety of business processes and systems including: the Total Asset Management Plan; Property and Facilities – planning and development; plant and equipment – fixed assets; investments; sponsorship, fundraising, protocol and hospitality; catering licence fees; the Sun Finance System and NT Operating System; Theatre Production Services; workers' compensation management; accounts payable; accounts receivable; income collection and banking; personnel and payroll procedures; CHRIS Payroll; EBMS pre-implementation; and guided tours.

Business process and system improvement recommendations were implemented during and following the audits and progress was monitored by the Trust Risk Management Committee.

## Y2K

A project team has been working on the Y2K issue since September 1997. As at 30 June 1999, 90 percent of the organisation's systems and processes were compliant and contingency plans were in place to deal with the remainder. Y2K progress has been monitored by the Trust Risk Management Committee. Detailed information on progress is contained in the House's Y2K Strategy.



## SENIOR EXECUTIVE SERVICE

There are four senior executive service positions at the House, three of which were filled as at 30 June 1999. Two are held by women.

## VISITORS

Notable visitors to the House in the past year included The Hon. Madeleine K Albright, Secretary of State, United States of America; The Hon. William S Cohen, Secretary of Defence, United States of America; The Hon. Niels Helveg Petersen, Foreign Minister, Denmark; His Excellency Professor Evangelos Venizelos, Minister of Culture, Greece; Her Excellency Mary McAleese, President of Ireland; M Jaques Dominati, Deputy Mayor of Paris; The Hon. Rodolfo Severino, Secretary General of ASEAN; His Excellency Mr Wei Jianxing, Member of the Standing Committee of the Politburo, Member of the Secretariat Central Committee, People's Republic of China; His Excellency Mr Kris Lund-Jensen, Ambassador, Royal Danish Embassy; His Excellency Mr Árpád Göncz, President of the Republic of Hungary; and Ms Mary Harney Tánaiste, Deputy Prime Minister and Minister for Enterprise, Trade and Employment, Ireland.

The House also hosted the Association of Asia Pacific Performing Arts Centres Executive Council Meeting which included chief executives from a number of performing arts centres including: Aichi Arts Centre, Nagoya, Japan; Seoul Arts Centre, Korea; National Chiang Kai Shek Performing Arts Centre, Taipei; The Esplanade, Theatres on the Bay, Singapore; Cultural Centre of the Philippines, Manila; Adelaide Festival Centre and Victorian Arts Centre.

## WOMEN'S ACTION PLAN

The Spokeswomen of the House played a major role this year in raising the awareness of women's issues and coordinating events to support women. They prepared two foundation documents, a strategic plan and communication strategy, both of which were launched by the Chief Executive, Michael Lynch.

More than 136 staff participated in events leading up to International Women's Day. The highlight was the Spokewomen's Inaugural Annual Breakfast which included a presentation on 'How women have tried to change their image in the workforce in Australia'.

The Spokeswomen's Program also supported the fundraising efforts of the House by being active organisers of Australia's Biggest Morning Tea, which raised money for the Cancer Council.

Throughout the year information sessions were held, including:

- Technically Speaking – tours and talks on the technical areas of the House by women mechanists, lighting and sound professionals;
- General Information Health Session – focussed on women's health and health issues in the workplace; and
- Distance Education Information Session – information on over 100 courses available by distance education was collected and presented.

A joint initiative was carried out with the spokeswomen of the Royal Botanical Gardens. Spokeswomen from both organisations arranged a women specific self defence course.

A survey was distributed to determine exactly what women wanted from the Spokeswomen's Program on site, female facilities were audited and research commenced to assess the need for childcare at the House.

A bulletin board was established which is regularly updated with relevant information for women, along with a resource centre which stocks large quantities of brochures and pamphlets on a variety of topics. Forty seven women sought information, advice and referral from the spokeswomen.

The spokeswomen were also actively involved outside of the House through network meetings, information days and annual conferences.

There is much planned for the upcoming year including information sessions on finance for women, stress management and pay equity. The annual breakfast will also be continued next year.

## Y2K STRATEGY

A major focus for the year was Y2K testing and remediation of critical business systems. The range of systems analysed in terms of hardware and software compliance included the building management systems, ticketing systems, rostering, timekeeping and payroll systems, event management systems, staging and lighting systems, and communication systems. All personal computers were also tested.

As at 30 June 1999, some systems still required final testing and/or compliance work, including the Box Office Ticketing System, the PABX system and the lighting dimmer racks system.

The cost of Y2K consultancy work in the year under review was \$188,000 and other expenses totalled \$16,672. The Y2K budget for 1999/2000 is \$50,000. Reports were submitted to the Office of Information Technology on a monthly basis and progress was managed by a Y2K Steering Committee and monitored by the Trust Risk Management Committee.



The Sydney Opera House is open daily except for Christmas day and Good Friday.

**Box Office** – open from 9.00am to 8.30pm

Monday to Saturday, and two and a half hours before a performance on Sunday.

Telephone 61 2 9250 7777

TTY 61 2 9250 7347

Facsimile 61 2 9251 3943

**Guided Tours** – Take about one hour, daily from 9.00am to 4.00pm, except Christmas day and Good Friday.

Telephone 61 2 9250 7111

TTY 61 2 9250 7347

Facsimile 61 2 9247 8349

The Sydney Opera House Car Park is opened from 6.30am to 1.00am, seven days a week.

Telephone 61 2 9247 7599

Administration hours are from 9.00am to 5.00pm weekdays.

Telephone 61 2 9250 7111

Facsimile 61 2 9221 8072

**Sydney Opera House Trust**

Sydney Opera House

Bennelong Point Sydney

Postal Address:

Sydney Opera House

GPO Box 4274

Sydney NSW Australia 2001

Web address: [www.soh.nsw.gov.au](http://www.soh.nsw.gov.au)

Access	51	Organisational change	29
Account payment performance	50	Overseas travel	54
Achievements	04-05	Programming	04, 05, 09, 11-13
Ageing action plan	50	Publications	54
Aims, objectives, targets	53-54	Recycling	54
Assets	38, 41, 45, 46, 47	Research and development	04, 08, 09, 11-13
Audience development	09, 11	Retail	24, 47
Audits	54	Review of operations	08-31
Box office	08, 56	Risk management	54
Budgets	49	Royal Commission into Aboriginal Deaths in Custody	53
Catering	25, 42	Senior executive service	55
Charter	03	Sponsorship	23, 43
Consultants	48, 50	Strategies	50, 51, 55
Consumer response	25, 50	Tourism	05, 23
Disability access	51	Trustees	34-35
Energy management	27, 51	Venue developments	04, 07, 10, 27
Enterprise development agreement	30, 52	Visitors	55
Equal employment opportunity	51-52	Women's initiatives	55
Ethnic affairs	52	Y2K Project	05, 54, 55
Events and attendances	08, 12-21		
Executive management	28-29, 32		
Financial report	36-48		
Freedom of information	52		
Guarantee of service	50		
Guided tours	22, 56		
Health and safety	31, 54		
Human resources	05, 30, 52		
Indigenous initiatives	30, 53		
Information technology	05, 31, 54-55		
Insurance	53		
Investment performance measure	53		
Learning program	30		
Maintenance	27		
Major presenters	14-15, 50		
Management and staff	28-33		
Market research	04, 08, 09, 11-13		
Merchandising and licensing	24, 47		

**Note:** audited financial statements appear between pages 36 and 48.

Financial information elsewhere in this report is unaudited.

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Sydney Opera House

## SITE MAP

### BOX OFFICE FOYER

- Box Office
- Concert Hall
- Opera Theatre
- Reception Hall
- Information Desk
- Cafe Mozart
- Sydney Opera House Foyer Shop
- Toilets
- Access to Bennelong Restaurant

### CONCOURSE

- Buses and Taxis
- Aboriginal Art Shop
- Stage Door
- Telephones
- Access to Box Office Foyer

