

Chairman's Message

Financial and Operating Performance

I am delighted in my first year as Chairman, to report another successful year for Sydney Opera House. Our financial and operating performance reflects the focused collaborative efforts of management, staff and our business partners in achieving effective engagement with the diversity of audiences and users served by the Sydney Opera House.

A positive operating result of \$2 million was achieved this year, representing a 13% increase on last year.

New audiences continue to grow, attracted in great part by the wide variety of programs offered by quality Australian and international performers and presenters, with accessible price points and the considerable number of free presentations offered annually.

A pleasing result was seen in the marginal growth of Guided Tour patronage for the second consecutive year (up to 246,953 people in the year) which follows a previous extended decline prior to 2002/03. This growth reflects one of the Trust's dedicated priority initiatives to better serve tourists with developed approaches which liberate diverse experiences at this remarkable site.

Sydney Opera House's outstanding heritage value and the vital role it plays in Australia's cultural life were officially recognised this year with National Heritage listing, a precursor we hope to eventual World Heritage listing - which would properly admit the building and its creator to the pantheon of built heritage.

The first Utzon-designed interior was completed and opened with the striking refit and presentation of the former Reception Hall, which was renamed the Utzon Room to honour the architectural creator and marking his reconciliation with the site and its creative future, as seen especially in the all important documentation of the Utzon Design Principles.

Future Outlook

We have developed a number of initiatives to further enhance the customer experience and to provide a solid financial base for all Sydney Opera House operations.

The Artistic Vision developed this year will enable us to continue to broaden our audiences and develop the arts experience. As part of this, the Sydney Opera House will take an active role in the development of programs for the Playhouse theatre in response to declining use of the theatre by other presenters.

Following the development of a vision for the ideal visitor experience, changes will commence with the introduction of foreign language tours, with an initial focus on Asia, which represents a new energy and focus in tourism delivery.

In January 2006 we will be launching a three-year Disability Access Strategic Plan that will improve accessibility to Sydney Opera House's facilities and services.

Our building improvement program continues with plans now in place to complete the western loggia under Jørn and his son's Jan's design and supervision and ably partnered with their Australian colleague Richard Johnson. This will link the western foyer venues with the Harbour through its nine new openings and will be complemented with a splendid overall lighting solution for the western roof shells - one which will transform the experience and visual delivery from the western side of the Sydney Opera House.

Honouring Past CEOs

During the reporting year and shortly after its end we lost two of the most vital people to the history and delivery of the Sydney Opera House - our former General Managers: Frank Barnes and Lloyd Martin AM.

Both were talented and committed individuals who were instrumental to the establishment of all that the Sydney Opera House has become. They pioneered any number of initiatives from the herculean task of the actual 1973 opening during Frank's tenure, through the exceptional period of Lloyd's nearly twenty years as General Manager when the commitment to partnership with companies and entrepreneurial endeavour was firmly founded. We honour their memory which shall be held close to the heart of all who know and care about the Sydney Opera House and its history.

On behalf of fellow Trustees, our executive team and staff, our partner companies and the countless millions of audiences who benefited from their selfless devotion to this great enterprise, I extend heartfelt sympathy to their families.

Board Changes

On 31 December 2004 Joseph Skrzynski AM completed his term as Chairman after nine years of dedicated personal service to Sydney Opera House. Joseph was a visionary Chairman having been instrumental in a number of key initiatives, including the re-engagement of Jørn Utzon in 1999, the opening of The Studio venue, the promotion of expanded entrepreneurial programs, and the overhaul of food and beverage operations expanding the visitor amenity and almost doubling revenue.

Also completing their terms as Trustees this year were Diane Grady and Dennis Watkins, both of whom have provided significant contributions to Sydney Opera House. Their replacements, Renata Kaldor AO and Leo Schofield AM, both have extensive arts and commercial experience and will I am sure be key contributors to our future deliberations.

Thanks

On behalf of the Trust, I would like to thank the New South Wales Government for its support and funding, which amounts to 25% of our operating funds. I would also like to record our thanks to the fine professional executive team under CEO Norman Gillespie and in turn to their staff for their sustained commitment to the enterprise and for their contribution to the achievement of strong performance, audience and visitor service and business outcomes.

The Trust extends its warm acknowledgement to our presenting and commercial partners and above all to the myriad artists and their technical support teams for their collaboration in our ongoing mission to offer inspiring experiences to the diversity of audiences we all serve. Finally, I offer my warm appreciation and thanks to my fellow Trustees for the quality of their contribution throughout the year and for the support and guidance offered in my first few months as Chairman since January 2005.

Kim Williams
Chairman

