

Chairman's Message



The year under review was one of the more active ones for the Trust, requiring it to deal with major management changes, a full Strategy Review, and unprecedented challenges in the international tourism and security environments.

The reorganisation of top management over the last year has allowed the Trust to appoint a new Chief Executive Officer, Norman Gillespie and five new executives in the team of seven on the executive, reporting to the CEO. This new team brings a broader dimension to the commercial and other skills available to the organisation as we and our industry partners gear up to meet the constant challenge of balancing innovation and development in the arts with the constraints of available resources.

The new management team has made a vigorous start, and the Trust has endorsed the updated Strategic Plan, developed by the CEO, executive and staff. The key priorities are detailed later in this Report.

Sydney Opera House finished the year with a small operating surplus, despite several significant financial challenges.

The unstable international environment has had a negative impact on tourist numbers to Sydney Opera House. Tour participation and retail sales were clearly affected, requiring strong cost containment measures to offset the revenue decline.

The international situation led to increased costs in site management and security. However, despite the general air of uncertainty in the economy, strong programming and promotion by our presenting partners and internal Producers Unit led 13% increase in audience numbers and a record box office turnover.

Momentum continues to build in the Venue Improvement Programme, with plans virtually complete for the refurbishment of the Reception Hall, design work well advanced for the Western Foyer Loggia and engineering and acoustic studies, as well as preliminary design work, progressing on the Opera Theatre.

The Trust is grateful for the support of the New South Wales Government, through its Ministry for the Arts, for the ongoing commitment to this complex programme and is pleased with the close collaboration between Jørn Utzon, his son, Jan and Richard Johnson in developing the designs and plans.

The awarding of the Pritzker Prize for Architecture to Jørn Utzon and the citation of the building as a masterpiece of the twentieth century, serve to strengthen the resolve of the Trust in its role as custodian to this great icon and its pre-eminent role in tourism and the arts in Australia and internationally. This year we developed a new Conservation Management Plan based on the Utzon Design Principles. This Plan will serve as the management document for any future heritage listings of the building.

The Trust is very pleased that the Strategic Partnerships that we formed with our Strategic Presenting Partners last year have already begun to reap practical results in joint activity in both marketing and artistic development. The sustainable future of the performing arts in Australia requires that we continue to deepen this collaboration in increasingly sophisticated and innovative ways.

Two new Trustees commenced on 12 August 2002. Jacqueline Kott brings to Sydney Opera House experience and expertise from a long and illustrious involvement in theatre, film and television, as an actor, teacher and committee member. Robert Leece brings unique experience from the Olympic Co-ordination Authority and will play a key role in overseeing the implementation of the Venue Improvement Programme, as Chair of Sydney Opera House Building Committee.

I would like to thank all our managers and staff for their commitment and hard work during a year of substantial organisational change and external challenges and I would like to thank my fellow Trustees for their contribution to and support of Sydney Opera House and its staff.

A stylized signature of Joseph Skrzynski, AM, in black ink.

Joseph Skrzynski, AM
Chairman