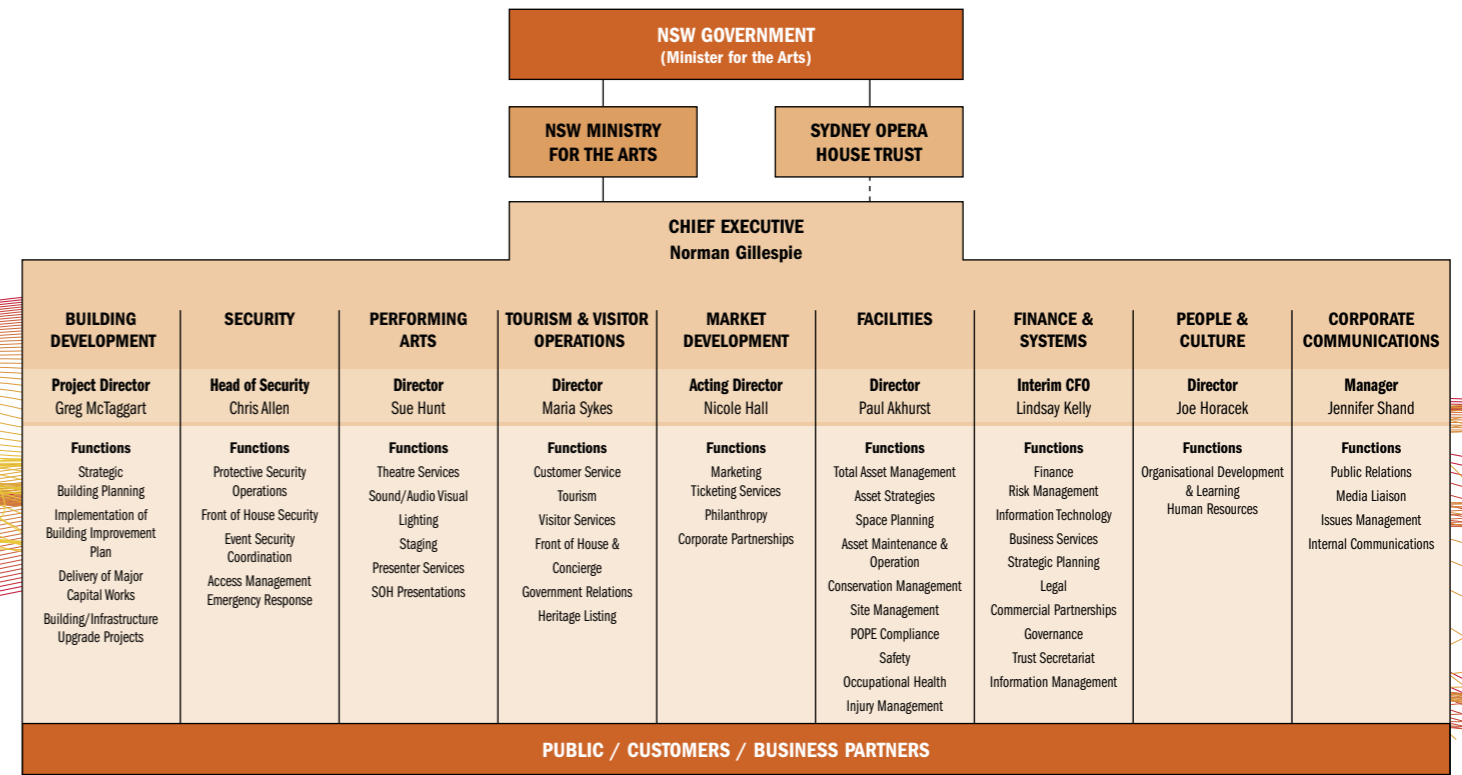


# Corporate Governance



Guillaume at Bennelong



## Sydney Opera House Trust

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.

The Trust consists of 10 members appointed by the Governor on the nomination of the Minister. A Trustee holds office for three years and is eligible for reappointment for no more than three consecutive terms. The Trustees must include at least two persons who have knowledge of, or experience in, the performing arts.

**The Trust's objectives:** to administer, care for, control, manage and maintain the Sydney Opera House building and site; to manage and administer the site as an arts centre and meeting place; to promote artistic taste and achievement in all branches of the performing arts; to foster scientific research into and to encourage the development of new forms of entertainment and presentation (excerpt from Sydney Opera House Trust Act, 1961).

**Code of Conduct:** The Trust reviewed and individually signed a Code of Conduct that sets out the values and behaviours expected of Trustees and supporting guidelines including: accountability for decision making and expenditure, use of public resources and information, gifts and benefits, disclosure of interests and managing conflicts of interest and reporting suspected corrupt conduct.

## The 2004/05 Year

### Trust Committees, memberships, attendances

On 1 January 2005 Mr Kim Williams replaced Mr Joseph Skrzynski AM who completed his full term as Chair of the Trust. Ms Renata Kaldor AO and Mr Leo Schofield AM replaced Ms Diane Grady and Mr Dennis Watkins as Trustees. On the request of the Trust Mr Dennis Watkins continued as Chair of the Conservation Council, which is an advisory committee to the Trust.

Committees, their membership, frequency of meetings and attendance figures for the year are set out below. The figure directly following the Trustee's name is the number of meetings attended during the year and the figure in brackets indicates the number of possible attendances.

### With key strategic and business items on the agenda, the Trust met eight times.

Agenda items encompassed overall business performance monitoring, annual review of the strategic plan, review and endorsement of the business plan, strategic goal presentations, Security, Unified Customer Support System, Artistic Vision and Tourism Review.

**Attendance at Trust meetings** (includes Trust Planning Session): Kim Williams - Chair from 1 January 2005 to present 5 (5), Joseph Skrzynski - Chair up to 31 December 2004 3 (3), John Ballard 6 (8), Gail Burke 5 (8), Renata Kaldor 4 (5), Diane Grady 3 (3), Jacqueline Kott 8 (8), Robert Leece 6 (8), Tim McFarlane 6 (8), Rhoda Roberts 3 (8), Leo Schofield 3 (5), Barbara Ward 6 (8), Dennis Watkins 3 (3).

**A whole of Trust Planning Session was held in March 2005** attended by Trustees and the Executive Team. The focus of the session was on trends, marketplace and aspirations and included a briefing by the Ministry of the Arts on Government Boards and Trusts, the legislative framework of the Sydney Opera House Trust and the key Government relationships and reporting requirements; Strategic Plan Annual Review, including new strategic projects and strategic change issues; and audience development.

**The Risk Management Committee** ensures that Sydney Opera House obligations are met on financial reporting, internal controls and risk management. It also ensures compliance with all laws, regulations and codes.

Eight meetings were held this year with key agenda items including review of business performance and the following internal audit reports: Online Ticketing Web Page Security, Windows 2000 Desktop Environment, Occupational Health and Safety and Internet and Email Integrity. The Committee also reviewed the outcomes of a house-wide Business Risk Assessment undertaken by Deloitte Touche Tohmatsu, financial investment into entrepreneurial programs, Information Management & Technology Strategic Plan Annual Review, variances to contracts, International Financial Reporting Standards, international visits and recreation leave accrual.

**Attendance at Risk Management Committee meetings:** Trustees: Tim McFarlane - Chair 6 (8), Kim Williams 1 (3), Joseph Skrzynski 4 (5), Gail Burke 4 (8), Barbara Ward 6 (8).

**The Building Committee** provides guidance to the Trust on the implementation of the Venue Improvement Plan and other key infrastructure projects, to ensure that all design and construction is consistent with the Utzon Design Principles and the Conservation Plan. It also ensures that proper controls are in place during all stages of project development and execution.

Seven meetings were held this year, with key agenda items including Opera Theatre, Reception Hall/Utzon Room, Western Loggia, external lighting and other key infrastructure projects including Strategic Asset Management Plan, Main Switchboard Upgrade, Concert Hall Acoustics and CCTV Security Surveillance System.

**Attendance at Building Committee meetings:** Trustees: Robert Leece - Chair 7 (7), Kim Williams 1 (3), Joseph Skrzynski 3 (4), Leo Schofield 3 (3), Dennis Watkins 3 (4); Management: Norman Gillespie 7 (7), Vicki Gillespie 5 (6), Lindsay Kelly 1 (1), Greg McTaggart 4 (4), Paul Akhurst 2 (2), John McWhinney 1 (1).

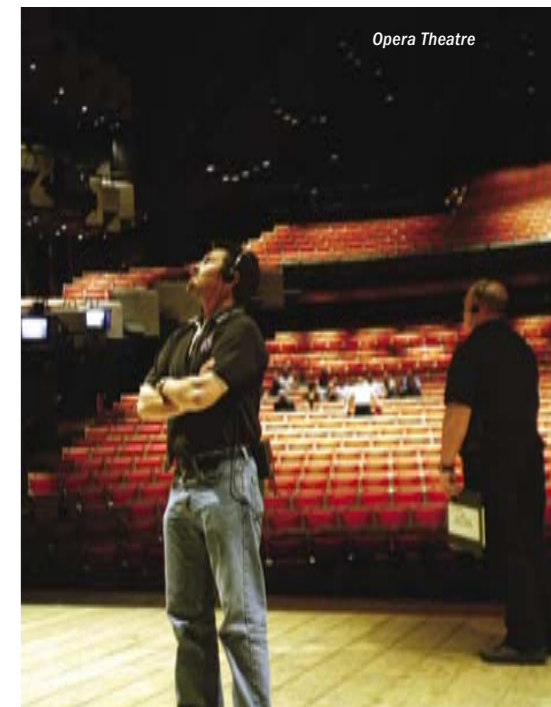
**The Conservation Council** provides recommendations to the Trust on the preservation, conservation and development of the building and site. Three meetings were held this year, with key agenda items including the formal development of a Conservation Plan and issues relating to State Heritage Listing, which was achieved this year. On the request of the Trust, Mr Dennis Watkins continued as Chair of the Conservation Council following the completion of his term as Trustee on 31 December 2004 due to his high level of expertise relating to conservation matters at Sydney Opera House.

**Attendance at Conservation Council Meetings:** Trustees: Dennis Watkins - Chair 1 (1), Renata Kaldor 2 (2), Jacqueline Kott 3 (3); Management: Norman Gillespie 1 (3), Maria Sykes 1 (1), Paul Akhurst 3 (3); External Specialists: Dennis Watkins - Chair 2 (2), Joan Domicelj 3 (3), Chris Johnson 3 (3), Edward Trueman 2 (3), John Tansey 3 (3)

**The Sydney Opera House Appeal Fund**, with membership identical to the Trust met twice.

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

Opera Theatre



# The Trust



**KIM WILLIAMS, CHAIRMAN, B.Mus (Univ Syd)**, appointed 2005, is Chief Executive of FOXTEL and a Director of Sydney Theatre. His past positions include Senior Executive at the Australian Broadcasting Corporation, Chief Executive of Southern Star Entertainment, Chief Executive of the Australian Film Commission, Chairman of Musica Viva Australia and Chief Executive of Fox Studios Australia. Kim also founded the Australian Film Finance Corporation in 1988, as well as being its inaugural Chairman. Until recently he was a Director on the Zoological Parks Board of NSW. Kim is Chair of Sydney Opera House Trust and a member of the Risk Management Committee and Building Committee. He brings to Sydney Opera House diverse management, board and committee experience in the commercial and public sectors.



**JOSEPH SKRZYNSKI, AM, BEc (Hons)**, Chairman 1996-2004 (completed his term as Chairman 31 December 2004), is Managing Director of the investment funds manager Castle Harlan Australian Mezzanine Partners. His past positions include President of the Australian Venture Capital Association Limited, Deputy Chairman of the Major Organisations Fund of the Australia Council, Chairman of the Australian Film & Television School, and member of the Boards of Sydney Dance Company, Belvoir Street Theatre and Aboriginal Arts and Crafts. Joseph was the Chair of the Performance Review Committee and a member of the Risk Management Committee and Building Committee.



**JOHN BALLARD, MBA, FAICD**, appointed 2000, was Chief Executive Officer and Managing Director of Southcorp, one of the world's largest premium branded wine companies. A former Director of Woolworths Limited, CSR Limited and Chairman of Wattyl Limited, John also previously held several managing director roles, and worked in Europe and Asia for many years. He has a MBA from Columbia University in New York with a major in Marketing and International Business. John has recently retired from Southcorp.



**GAIL BURKE**, appointed 2000, is Managing Director and Head of BNP Paribas Securities Services Australasia, a leader in international investment operations and outsourcing. She is a non-executive director of Harvey World Travel. Previously Gail was Executive Director at Macquarie Bank where she was the CIO for 12 years. Gail was awarded CIO of the Decade by Australian Banking & Finance in 2000 and the Centenary Medal for services to Australian society in business leadership in 2003. She has attended various local and international training programs in technology, strategy, leadership, financial markets and human resource management. Gail is providing support regarding e-environment initiatives and IT infrastructure and is a member of the Risk Management Committee.



**DIANE J GRADY, BA (Hons), MA, MBA, FAIM, FAICD**, Trustee 1996-2004 (completed her term as Trustee on 31 December 2004), is a Director of Woolworths Ltd, Bluescope Steel Ltd, and Wattyl Ltd and chairs the personnel and remuneration committees for each of these Boards. Diane was formerly a partner with McKinsey & Co. where she led the global organisation and change management practice and the firm's consumer goods, retailing and marketing practice in Australia. She recently retired as President of Chief Executive Women (CEW), and as a Director of AIM NSW and remains a Governor of Ascham School. Diane was a member of the Performance Review Committee.



**RENATA KALDOR, AO**, is involved in Business, Education and Community Affairs. She is a Director of ASI, a group of private companies involved in distributing, manufacturing and investment. She was Deputy Chancellor of The University of Sydney, a Fellow of the University Senate and was awarded an Honorary Fellowship from University of Sydney in 2004. Renata has served as Chairperson of NSW Women's Advisory Council, a member of the Sydney Olympic Bid Committee, a director of NSW State Rail Authority and of The Garvan Medical Research Foundation. She was appointed to the Board of the Sydney Symphony Orchestra from 1996 to 2004. Renata is currently on the Board of Pacific Opera. She is a member of the Conservation Council.



**JACQUELINE KOTT, BA WA, Hon Fellow Syd, Hon DUniv UNSW**, appointed 2002, has a long and illustrious involvement in theatre, film and television as an actor, teacher and administrator. She was the inaugural administrator of the Australian National Playwrights Conference, is a former member of the Australia Council, the Board of Management of the Seymour Theatre Centre, the Board of NIDA, and the advisory panel for the theatre department of the University of Western Sydney. She has a lifetime of involvement with the performing arts, as a performer and audience member. Jacqueline is a member of the Conservation Council.



**ROBERT LEECE, AM, RFD, BE, M.Eng.Sc, MBA, F.I.E.Aust, CPEng**, appointed 2002, is currently Chief Operating Officer, Tenix Pty Ltd, a Director of Transport Infrastructure Development Corporation and a Director of Goldsearch Ltd. Robert, as Deputy Director-General of the Olympic Coordination Authority was responsible for development and construction of all Olympic venues, the City Festival and was Chief Executive of Olympic Roads and Transport Authority during the 2000 Sydney Olympic Games. He is the Chair of the Building Committee.



**TIM MCFARLANE, BEc ASA**, appointed in 1997, is Managing Director of the Asia Pacific subsidiaries of Andrew Lloyd Webber's company, The Really Useful Group. He is a former President of the Australian Entertainment Industry Association and is a life member of the Association. He is on the National Councils of Musica Viva and the Adelaide Festival, is a Councillor of the Sydney Theatre Company Foundation and is a Business Ambassador for South Australia. Tim is Chair of the Risk Management Committee.



**RHODA ROBERTS**, appointed 1998, a member of the Bundjalung Nation, Wiyegal Clan of Northern NSW and South East Queensland, is Festival Director of The Dreaming, Australia's International Indigenous Festival. Rhoda was Creative Director for the Public Event Group and The Artistic Director for Sydney Dreaming. She was also the Co-Creative Director of the Awakening Segment of the Opening Ceremony for the Sydney 2000 Olympic Games and Co-Director Rugby World Cup 2003 Opening Ceremony Earth Segment. She is the Creative Advisor for the Indigenous Program Japan World Expo 2005 and Artistic Director Garrabarra Dance Company, a journalist for ABC Radio National AWAYE program and the national weekly music program *Deadly Sounds*. Rhoda directly supports Message Sticks Indigenous Festival.



**LEO SCHOFIELD, AM**, appointed 2005, brings outstanding artistic, entrepreneurial and commercial expertise to the Trust. He is a former Director of Sydney Festival (1998-2001), Artistic Director of the Sydney 2000 Olympic and Paralympic cultural festivals, Artistic Director of the Melbourne International Festival of Arts (1994-1996), and Artistic Director of Sydney's New Year's Eve Celebrations (2002-2004). He is currently involved in other major international event presentations and, as a well-known and respected journalist, writes for a group of ACP magazines. He has worked closely with many arts organisations in a fundraising capacity, serving nine years as a Trustee of the Powerhouse Museum in Sydney. He is a member of the Building Committee.



**BARBARA WARD, BEc, M. Pol. Econ**, appointed 1999, is Chairman of Country Energy and a Director of the Commonwealth Bank of Australia, Lion Nathan Limited, Multiplex Limited, and Record Investments Limited. Barbara is also a member of the Australia Day Council of NSW. Barbara's balance of corporate and community experience reflects Sydney Opera House's goal to deliver financial results without compromising our cultural and community objectives. Barbara is a member of the Risk Management Committee.



**DENNIS WATKINS**, appointed 1996-2004 (completed his term as Trustee on 31 December 2004) is a writer, producer and director. He has worked at the Sydney Opera House in various roles since 1974, including work for Opera Australia, Sydney Symphony, Sydney Theatre Company, ABC Radio and the Trust itself. He has directed the annual Helpmann Awards for the last five years. A former Mardi Gras Festival Director, Commissioning Editor of ABC TV Comedy and Creative Consultant to Fox Studios Backlot, Dennis also wrote the libretto for the widely acclaimed opera about the Sydney Opera House, *The Eighth Wander*. Dennis is dedicated to promoting the contemporary performing arts in Australia and on the request of the Trust continues as Chair of the Conservation Council.

# The Executive Team



**NORMAN GILLESPIE, PhD, BA (Hons)**, appointed to Sydney Opera House as Chief Executive in September 2002. Norman's career reflects a unique mix of public service, business leadership of major public companies, and his promotion of and involvement with the Arts. Following a PhD in English Music Theatre, he spent four years in the UK Civil Service before pursuing a successful international business career through BP Amoco and Cable & Wireless. Prior to Sydney Opera House, his most recent role was that of Chief Financial Officer and Deputy CEO of Optus. Norman is a Director of Australian Business Arts Foundation (Abaf), Deputy Chairman of Abaf NSW, Deputy Chairman of the Australian Brandenburg Orchestra and a Director of the Sydney Convention and Visitors Bureau. Norman is a member of the Building Committee and Conservation Council.



**JOE HORACEK, BA (Hons), MAHRI**, appointed to Sydney Opera House in 1992 and to the position of Director, People and Culture in October 2003. Joe is responsible for human resources, employee relations, organisation development and training and development. He has extensive experience across the Sydney Opera House and in a number of public sector and government business organisations managing organisation development, governance, strategic planning, disability access and customer service areas. From 1999 to 2002 Joe was the Secretary-General of the Association of Asia Pacific Performing Arts Centres.



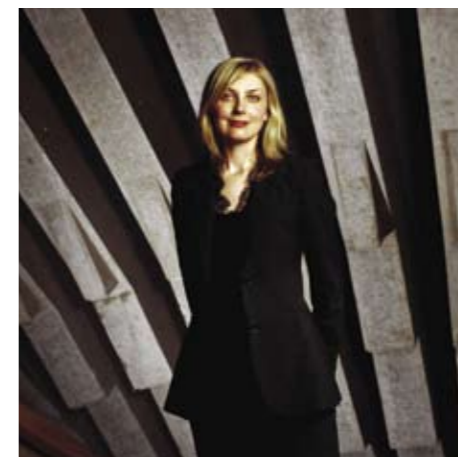
**SUE HUNT, BA, MAICD**, appointed to Sydney Opera House in September 2003 as Director, Performing Arts. Sue is responsible for all aspects of producing and presenting performing arts events, venue management and theatre technical services. She was the General Manager of Queensland Theatre Company, General Manager at Geelong Performing Arts Centre and Technical Director of the Victoria State Opera. Sue has held various board positions in the performing arts industry and was a founding member of the Australian Presenter's Group, which facilitates touring around Australia. Sue is the Chair of Asialink Performing Arts Committee and is a board member of Australian Theatre for Young People.



**MARIA SYKES, BA (Hons)**, appointed to Sydney Opera House in 2002 and as Director of Tourism & Visitor Operations in June 2005. Maria is responsible for all aspects of tourism and customer relations, as well as managing Government relations and Heritage projects. Maria began her career working in the hospitality and service industry in England. She has held various policy positions in public defence and international affairs agencies in the UK. Maria moved to Sydney in 1995, and became a Multimedia Producer before joining the NSW Cabinet Office in various roles, including arts and tourism policy and heading up the Cabinet Secretariat. Maria was a French Announcer for the 2000 and 2004 Olympic Games and she is a member of the Conservation Council.



**VICKI GILLESPIE, BEc, FAICD, FAIM**, appointed to Sydney Opera House in October 2002 as Director, Finance and Systems and resigned 22 June 2005 to undertake a role in the private sector. Vicki was responsible for the finance, IT, commercial operations, legal, business services, and corporate planning and governance functions. She was a member of the Building Committee, and was responsible for the Secretariat to the Trust and its sub-committees. Vicki brought with her over 18 years of international corporate experience as a senior finance and operations executive in the IT&T industry. Born and raised in the US, she relocated to Australia in 1992 and became a citizen in 2001. She has a Bachelor of Economics degree from Cornell University and has completed post-graduate work in accounting and business law.



**NICOLE HALL, BBus, AMAMI**, appointed to Sydney Opera House in June 2003 as Marketing Manager and as Acting Director, Market Development since February 2005. Nicole is responsible for the marketing of Sydney Opera House performances and the precinct, brand management and development, marketing communications, corporate partnerships, philanthropy, ticketing services and the website. Nicole has worked in the field of marketing for 12 years and her experience has largely been gained in the private sector, both in Australia and the United Kingdom, and includes four years at David Jones. Nicole is an associate member of the Australian Marketing Institute.



**PAUL AKHURST, BSc (Hons), MSt (Cantab), MCI0B, MAIB**, appointed to Sydney Opera House in 2000 as Planning & Program Officer, Manager, Facilities Operations and Maintenance in 2003 and as Acting Director, Facilities since 2004 and was appointed to this role in August 2005. He is responsible for facilities planning and development, maintenance, site management and occupational health and safety. Paul has 23 years of experience in construction and facilities management, working on a wide range of projects the UK and, since 1999, in Australia. Paul is a member of the Conservation Council.

# Our People and Culture

This year a more collaborative approach to future growth was undertaken. A Workplace Giving Program was introduced and a new Enterprise Agreement was certified. There was increased focus on training, creating a safer workplace, taking better care of employees and on improving internal communications and service delivery.

## KEY OUTCOMES 2004/05

**Achieving a diverse and skilled workforce, improving access to employment and participation and creating a workplace culture that encompasses fair practices and behaviours** are all key priorities for the organisation. To that end, a number of equal employment opportunity (EEO) initiatives were implemented this year and are reported on both in this section and in various others within this Report. To ensure our continued focus and measurement of our activity, we also submit a separate EEO Annual Report to the Office of the Director of Equal Opportunity in Public Employment.

**Making employees an integral part of decision making and action**, the beginnings of a collaborative approach to our future growth as an organisation was implemented. A survey measured employee opinion on a broad range of issues which included: job clarity, satisfaction, and remuneration; development and career growth; productivity and resources; leadership and management; work relationships and communications. Over 200 staff participated in workshops to analyse their own work group results and plan their own improvements, as well as making whole-of-organisation recommendations to the Executive Team. Common themes for organisational improvement included: systems, project planning and resourcing; executive leadership approach; recognition and remuneration; working together and sharing of information; understanding and recognition of each other's contribution; and physical work environment.

**Facilitating the opportunity for staff to give back to the community** in November 2004 a Workplace Giving Program commenced, led by volunteers from all areas of the organisation. Staff are now able to donate to various charities, before tax, direct from their pay packets. In the seven months that the program has been running, some 86 staff members have donated \$11,000 to Boys Town, Redkite (previously named Malcolm Sargent Cancer Fund), OzGreen and The Benevolent Society.

**Delivering a number of workplace benefits to the organisation, to staff and to presenting companies**, a new two-year Enterprise Agreement was certified in August 2004. Key components of the Agreement included: an industry-aligned Recording and Broadcast Allowance to facilitate more on-site recording; removal of restrictive rostering practices; expansion of employment types to include both permanent and temporary part-time; increase of shift lengths for casual workers from 8 to 10 hours. In recognition of these and other initiatives a 3% pay increase for staff in July 2004, with a further 3% in July 2005 was agreed complying with the NSW Government Wages Policy.

**Designed to build on existing relationships and help create a safer workplace**, Safety Week 2005 launched the performing arts-based Occupational Health & Safety Training Calendar 2005, with all Safety Week sessions open to all staff and key users of Sydney Opera House. Workshops in this year's calendar included: Risk Management, First Aid, Manual Handling, Living with Shiftwork, OH&S Awareness and Inspections, Protective Equipment. A range of healthy living initiatives included classes in Diet and Nutrition, Yoga, Pilates, Tai Chi and Meditation and the formation of Walking Groups. A new 'Drive to Survive' workshop was introduced in response to an increase both in journey-based workers compensation claims and the number of staff driving vehicles during work hours.

**Continuing to offer technical theatre traineeships**, this year two indigenous traineeships in lighting and staging and a third trainee from regional New South Wales in sound/audio visual commenced. Since 2000 13 traineeships have been provided to indigenous people, 10 of whom have now completed their training. All trainees are employed in arts-related industries, seven of them in technical departments of Sydney Opera House. This successful program was recognised this year with a Silver Award in the Cultural Diversity category of the Premier's Public Sector Awards.

**Raising the bar on training and qualifications**, in our 6th year as a Registered Training Organisation (RTO), we awarded a total of 74 nationally recognised training qualifications, an increase of 50 from 2003/04. This year we extended the scope of our RTO to include Security and Front Line Management qualifications. Some 40 front line managers and supervisors commenced an on-and-off-the-job 12 month training and assessment program to gain Certificate IV in Business (Front Line Management). Since accreditation as an RTO in 2000, Sydney Opera House has awarded a total of 225 qualifications.

**Further improving organisational communication and service delivery**, we continued to broaden the scope of the intranet service. A number of portfolio mini-sites were set up to facilitate up-to-date information for specific departments, in addition to the introduction of back-end database consolidation and online self management tools. A function to enable Expressions of Interest to be received online was developed and an online Presenter Survey is currently under development. Sydney Opera House intranet recorded an average 630 visits per day, versus a total of 500 per day in 2003/04.

**Focusing on better care of employees and performers**, a number of refinements to the Green Room menu were made. Food and beverage operator Dolce Vita improved the overall quality and breadth of the menu as well as introducing a number of healthy options.



Workplace Giving Program - Staff and Charity Representatives



Traineeship Program - Lindsay Williams, Tim Shoard and Kurtis Saunders

FOUR YEAR COMPARISON OF STAFF AS AT 30 JUNE				
	2005	2004	2003	2002
Total Permanent Staff	294	304	246	226
Equivalent Full-Time				
Permanent Staff	275.41	288.06	237	218
Total Non-Permanent Staff	333	334	388	412
Equivalent Full-Time				
Non-Permanent Staff	121.88	111.54	141	125
<b>Total Full-Time Equivalent</b>	<b>397.3</b>	<b>399.6*</b>	<b>378</b>	<b>343</b>

\* In 2004 additional security positions were established.