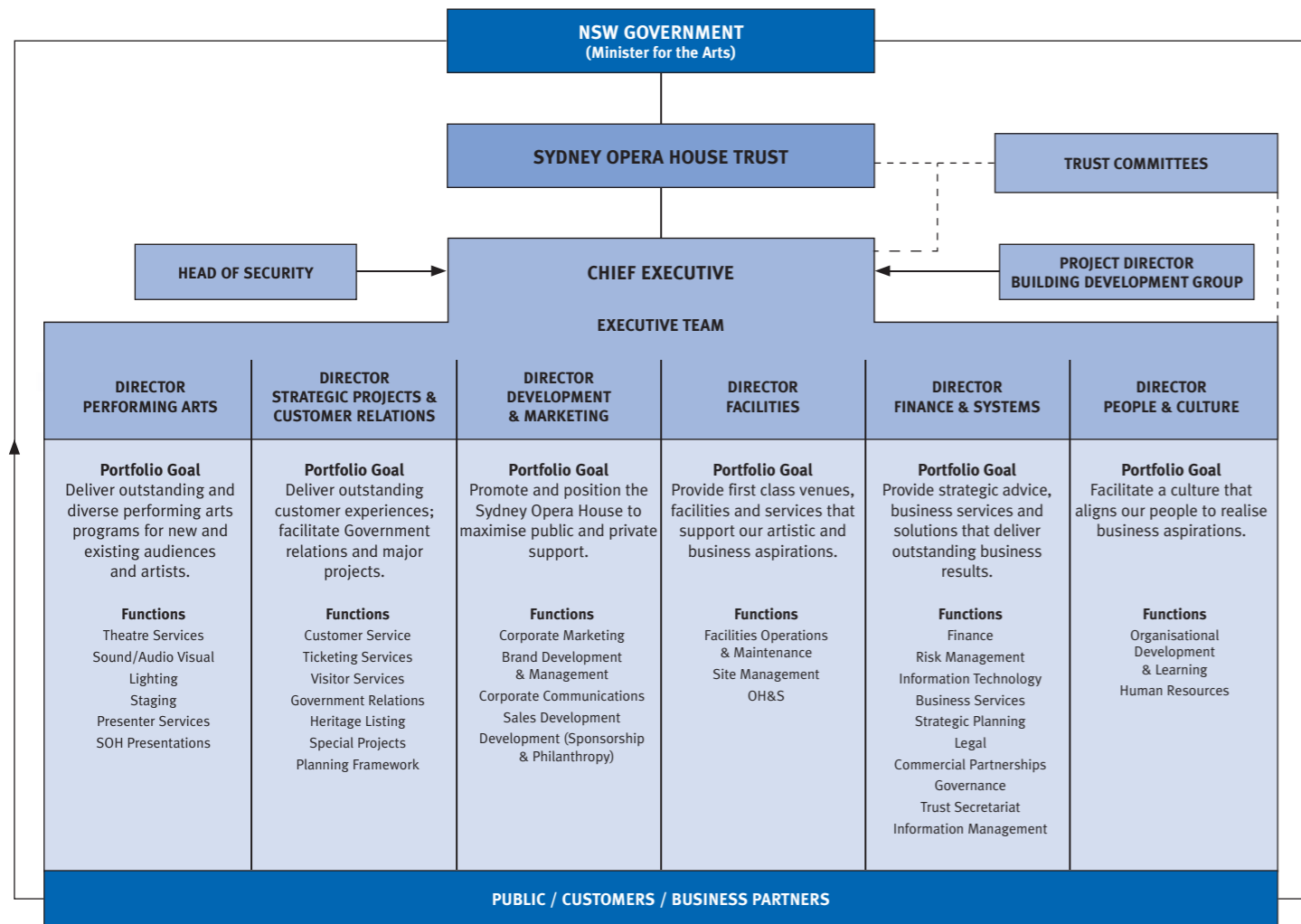


# Corporate Governance

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).



1960

Sydney Opera House Act is proclaimed, setting out construction and financing objectives for the proposed performing arts centre.

1996

In recognition of the cultural, architectural and environmental significance of Sydney Opera House, a Conservation Council is established to advise and make recommendations on its appropriate preservation, conservation and development.

2003

A Code of Conduct for Trust Members, encompassing required standards of behaviour and ethics, is endorsed by the Trustees.

## THE 2003/04 YEAR

**New laws were introduced to improve the security of the Sydney Opera House.** The Sydney Opera House Trust Amendment Act 2004 was passed by Parliament on 24 June 2004 and is awaiting assent. The Amendment Act also makes administrative amendments to the Sydney Opera House Trust Act 1961 by giving the Trust the power to delegate to officers of the organisation without first seeking the Governor's approval to do so.

**With key strategic and business items on the agenda** the Trust met 8 times this year. Key agenda items encompassed review of the Sydney Opera House Act; review and endorsement of annual business plan; annual review of the strategic plan; strategic goal presentations and strategic discussions; Conservation Plan; State Heritage Listing; new recording studio; Exhibition Hall; Security Upgrade Program.

**Attendance at Trust meetings** was as follows: **Trustees:** Joseph Skrzynski (7), John Ballard (8), Gail Burke (7), Diane Grady (7), Jacqueline Kott (7), Robert Leece (8), Tim McFarlane (6), Rhoda Roberts (3), Barbara Ward (6), Dennis Watkins (7).

**Continuing to work closely together,** The Trust and Executive Team met for a Planning Session in March 2004. An annual review of the Strategic Plan was undertaken, including presentation and discussion of new ideas. In addition, a review of meeting process changes implemented after the 2003 session was conducted. Guest Speakers at the session were Mr Aubrey Mellor, OAM, from Playbox Theatre who spoke about the entertainment industry from a grass-roots perspective and Dr Catherine Brown-Watt from the Australia Council who presented a macro view of the industry, encompassing policy and the current situation of major companies.

**With the aim of improving relationships at board level,** the Trust instigated informal meetings with the respective boards of The Australian Ballet, Opera Australia and Sydney Symphony to discuss areas of mutual interest.

**An annual review and endorsement of the Trustee Code of Conduct** was implemented this year as part of governance best practice. The Code was signed by all Trustee to demonstrate their personal commitment.

**The Sydney Opera House Appeal Fund,** established to appeal for and receive gifts and money, met twice this year to endorse the financial statements and review donations.

**Attendance at Appeal Fund meetings** was as follows: **Trustees:** Joseph Skrzynski (1), John Ballard (2), Gail Burke (1), Diane Grady (1), Jacqueline Kott (2), Robert Leece (2), Tim McFarlane (1), Rhoda Roberts (1), Barbara Ward (2), Dennis Watkins (2).

**The Conservation Council provides recommendations to the Trust on the preservation, conservation and development of the building and site.**

5 meetings were held, with key agenda items including the formal development of a Conservation Plan and issues relating to Sydney Opera House State Heritage Listing, which was achieved this year.

**Attendance at Conservation Council meetings** was as follows: **Trustees:** Dennis Watkins (5), Rhoda Roberts (3); **Management:** Norman Gillespie (5), John McWhinney (4); **External Specialists:** Gianfranco Cresciani (2 from 3), Joan Domicelj (4), Chris Johnson (2), Edward Trueman (4).

**The Building Committee provides guidance to the Trust on the implementation of the Venue Improvement Plan to ensure that all design and construction is consistent with both the Utzon Design Principles and the Conservation Plan. It also ensures that proper controls are in place during all stages of Venue Improvement Plan project development and execution.** 5 meetings were held this year, with key agenda items including Opera Theatre, Reception Hall, Western Loggia, external lighting and other key infrastructure projects including electronic keying and management system, Strategic Asset Management Plan, Stage Door upgrade and security bollards.

**Attendance at Building Committee meetings** was as follows: **Trustees:** Robert Leece (5), Joseph Skrzynski (3), Dennis Watkins (5); **Management:** Norman Gillespie (5), John McWhinney (4), Vicki Gillespie (5).

**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 of ethics.** The Committee met 8 times this year, with key agenda items including the review and monitoring of risk assessment and approval of various entrepreneurial projects, Venue Improvement Plan impacts, information management and technology strategic plan progress, contract variations and outstanding debts.

**Attendance at Risk Management Committee meetings** was as follows: **Trustees:** Tim McFarlane (6), Joseph Skrzynski (6), Gail Burke (4), Barbara Ward (1 from 1).

**Assisting the Trust to fulfil its risk management obligations,** performance and compliance audits on a variety of business processes and systems were carried out by the Internal Audit Bureau, with business process improvements and audit recommendations monitored by the Risk Management Committee. Areas audited included Accounts Payable/Corporate Credit Cards/Petty Cash; Contractors and Consultancies; Personnel/Payroll; Planning and Charging for Theatre Services; Box Office; Event Settlements; Trust Presentation Reconciliations; Internet and Email Security; Venue Improvement Programme; Catering Services - Sidewalk Café and Theatre Bars; Catering Services - Opera Bar; Catering Services - Dolce Vita; Catering Services - The Truffle Group; Occupational Health and Safety; and Windows 2000 Environment.

**The Performance Review Committee is responsible for reviewing and monitoring the performance of the Chief Executive, Executive Team and the Trust.** The Committee met twice this year with key agenda items including executive remuneration, development, performance management and structure.

**Attendance at Performance Review Committee meetings** was as follows: **Trustees:** Joseph Skrzynski (2), Diane Grady (2).

# The Trust



**JOSEPH SKRZYŃSKI, AM, CHAIRMAN, BEc (Hons)**, appointed 1996, 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 is the Chair of the Sydney Opera House Trust and Performance Review Committee and a member of the Risk Management Committee and Building Committee.



**JOHN BALLARD**, appointed 2000, is currently 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. John has an MBA from Columbia University in New York with a major in Marketing and International Business.



**GAIL BURKE**, appointed 2000, is Managing Director and Head of BNP Paribas Securities Services Australasia, a leader in international investment operations and outsourcing. Previously Gail was Executive Director at Macquarie Bank where she was the CIO for 11 years and the COO for the Financial Services Group. Gail has attended various local and international training programs in technology, strategy, leadership, financial markets and human resource management. She 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**, appointed 1996, is a Director of Woolworths Limited, Bluescope Steel Limited, and Wattyl Limited 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 is President of Chief Executive Women (CEW), a Director of AIM NSW and a Governor of Ascham School.



**JACQUELINE KOTT, BA, 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. After a lifetime of involvement with the performing arts, as a performer and audience member. Jacqueline is a member of the Conservation Council.

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 Sydney Opera House 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.



**ROBERT LEECE, AM, RFD, BE, M.Eng.Sc, MBA, F.I.E.Aust, CPEng**, appointed 2002, is currently Chief Executive Officer, Tenix Investments Pty Ltd, a Director of Transport Infrastructure Development Corporation and a Director of Goldsearch Ltd. Robert, as Deputy Director-General of 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. Robert is 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 has recently been made a life member of that 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 Creative Director for the Public Event Group and the Artistic Director for Sydney Dreaming, an annual Indigenous festival. Rhoda was 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 is a member of the Conservation Council and directly supports Message Sticks Indigenous Festival.



**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 and Multiplex Limited. Barbara is also a member of the Board of Allens Arthur Robinson and 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, is a writer, producer, director, broadcaster and actor and 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. 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 Wonder*. Dennis is dedicated to promoting the contemporary performing arts in Australia and is Chair of the Conservation Council.

# The Executive Team

TOP ROW from left: Joe Horacek, Vicki Gillespie, John McWhinney

FRONT ROW from left: Norman Gillespie, Greta Thomas, Maria Sykes, Sue Hunt



**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 and Deputy Chairman of the Australian Brandenburg Orchestra.

**VICKI GILLESPIE, BEc, FAICD, FAIM,** appointed to Sydney Opera House in October 2002 as Director, Finance and Systems. Vicki is responsible for the finance, IT, commercial operations, legal, business services, and corporate planning and governance functions. She is a member of the Sydney Opera House Trust Building Committee, and is responsible for the Secretariat to the Board and its sub-committees. Vicki brings 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 U.S., she relocated to Australia in 1992 and became a citizen in 2001. She holds a Bachelor of Economics degree from Cornell University and has completed post-graduate work in accounting and business law.

**JOHN McWHINNEY, CPEng, MIEAust,** appointed to Sydney Opera House in 1997 as Director, Facilities. John is responsible for facilities planning and development, maintenance, site management and occupational health and safety. After graduating from the Royal Military College of Australia, Duntroon, he held various senior positions in the Australian Army, including Chief Engineer NSW (Colonel) and Assistant Military Attaché, Washington (Lieutenant Colonel). John was the Manager, Works and Maintenance, at the University of Sydney from 1992 to 1997. He is a member of the Maintenance Engineering Society of Australia and a member of the Society of Military Engineering.

**JOE HORACEK, BA (Hons), MAHRI,** was appointed to the Sydney Opera House in 1992 and to the 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 Secretary-General of the Association of Asia Pacific Performing Arts Centres.

**MARIA SYKES, BA (Hons),** appointed to Sydney Opera House in 2002 and to the Director of Strategic Projects and Customer Relations in March 2004. Maria is responsible for customer relations and the visitor experience, as well as strategic projects including the recent State Heritage Listing of Sydney Opera House. Maria began her career working in the hospitality and service industry in England. She has held various positions including Policy Advisor to the Secretary of State for Defence in London and the Premier of NSW, Multimedia Producer and Head of the Cabinet Secretariat for NSW Cabinet Office. Maria was a French Announcer for the 2000 and 2004 Olympic Games.

**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 at the Sydney Opera House. 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.

**GRETA THOMAS,** appointed to Sydney Opera House in January 2003 as Director, Development and Marketing. Greta is responsible for marketing and branding, the website, communications, fundraising activities and tourism sales development. Greta started her career as a professional ballet dancer and studied at the Australian Ballet School and the West Australian Academy of Performing Arts. She began her 'off stage' career as an award winning journalist moving from there into public relations and advertising. After MBA studies at the Australian Graduate School of Management, she joined management consultancy McKinsey & Company. Greta was founding marketing director of eBay Australia and New Zealand.