

# CHAIRMAN'S MESSAGE



2007/8 has been a busy, challenging and exciting year which presented much for reflection. I am pleased to report that Sydney Opera House has continued to deliver a solid performance during the year for visitors, audiences, performing companies, artists, other stakeholders and the broader community. Operating revenues grew by \$6m (an increase of 8%).



## Financial and Operating Performance

2007/8 has been a busy, challenging and exciting year which presented much for reflection. I am pleased to report that Sydney Opera House has continued to deliver a solid performance during the year for visitors, audiences, performing companies, artists, other stakeholders and the broader community. Operating revenues grew by \$6m (an increase of 8%).

For the third year in a row attendance at performing arts programs increased, to a level of 1,269,996 (up 5% from the previous year). A number of outstanding Australian and international artists provided opportunities for new and existing audiences to engage with the performing arts and celebrate the diversity offered in programs presented by the resident companies, the Sydney Opera House Trust itself and other providers and promoters.

Our resident companies Sydney Symphony, Opera Australia, Sydney Theatre Company and The Australian Ballet were responsible for 54% of total audiences (representing 34% of all performances) and brought to our stages a wide variety of programs which included the delivery of several free live broadcasts which encouraged new audiences to access the work presented at the House.

Sydney Opera House's own presented programs represented 24% of the total audience attendance (representing 44% of all performances). A number of those presentations received industry recognition in the form of Helpmann, Green Room and Australian Dance awards. Community access was expanded through more assisted tickets, education programs and free performances which will continue in the 2008/9 year.

Guided Tour patronage overall remained static (up 0.4% to 329,619 people), however revenue grew by 10% through the successful launch of a new tour product:- *The Essential Tour*.

Work on the \$38m Accessibility and Western Foyers Project continued. A complete refurbishment of the Western Foyers has commenced and is on track for completion by July 2009.

## Future Outlook

The focus in 2008/9 will be on growth in the Public Programs to include more free and low cost programs and special events so that even more people can experience the exhilaration of a performing arts experience. During the Western Foyer refurbishment, there is an opportunity to showcase *The Famous Spiegelent* (built in 1920), on the Forecourt from October through November 2008 bringing together two iconic venues for a festival of events.

The Trust will continue to look at ways to grow the commercial areas of the enterprise (tourism, retail, food and beverage) as well as from continuing fundraising efforts. Such activities enable the Trust to fund diverse, accessible performing arts programs and community events. In a climate which has little growth in inbound tourism and has experienced falls in two major markets (the United Kingdom and United States) the Trust needs to carefully manage the resultant risk which might impact on the success of overall commercial activity.

The customer experience will be enhanced with the completion of the Accessibility and Western Foyers project by early 2009. That project includes a large capacity lift, and installation of two new escalators by mid 2009 which will be invaluable in ensuring better access for people with disabilities and older people. This project is another major element in the renewal of Sydney Opera House and as with others such as the Colonnade and the Utzon Room has been designed by Jørn Utzon. Work continues on the larger project to secure workable design, operational and funding parameters for the renewal of the Opera Theatre and Concert Hall to bring them up to a contemporary standard for a long and successful life through the twenty first century in improving the performance environment for audiences and artists equally.

## Board and Executive Changes

Existing Trustees Renata Kaldor AO, Robert Leece AM and Leo Schofield AM were reappointed from 1 January 2008 for further three-year terms. They bring great skill and commitment to the Trust. I was also reappointed for a further three-year term as Chair of the Trust and it continues to be a privilege to Chair such a dynamic organisation which is central to the health of the performing arts across our nation.

Richard Evans having stepped down as Executive Director at the Australian Ballet, commenced as the new Chief Executive in late January 2008. Richard brings extensive knowledge and experience in the performing arts and is an insightful, talented and energetic leader. He will be central to the many goals set for the Trust in achieving the renewal of the building and in ensuring its vitality and relevance in the service of audiences, tourism, and of course the many companies and artists who perform at the site.

On behalf of the Trust I would like to record the Trust's sincere thanks to Sue Natrass AM who stepped aside as Trustee to undertake the role of Interim Chief Executive from 6 August 2007 until 27 January 2008 – a role she performed with grace and distinction.

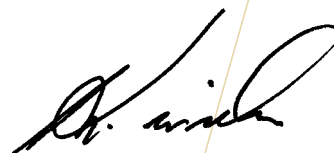
## Thank You

On behalf of the Trust I would like to acknowledge the New South Wales Government for its continued support and funding. The Trust also extends its warm thanks to the many generous sponsors and donors who enable it to provide so many performing arts experiences.

To the resident companies and artists, I extend a heartfelt thank you for the wonderful array of performances across the year.

I would like to acknowledge the management and staff for the enthusiasm with which they have risen to every new challenge and thank them for their dedicated efforts in delivering a year of fine results.

I also extend thanks to my fellow Trustees for the quality and consistency of their commitment and contributions to the Trusts' deliberations and for the regular counsel afforded me.



**Kim Williams AM**

Chairman