



# LIVES ENRICHED BY THE PERFORMING ARTS

Victorian Arts Centre Trust **Annual Report 2008-09**

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the Arts Centre  
MELBOURNE







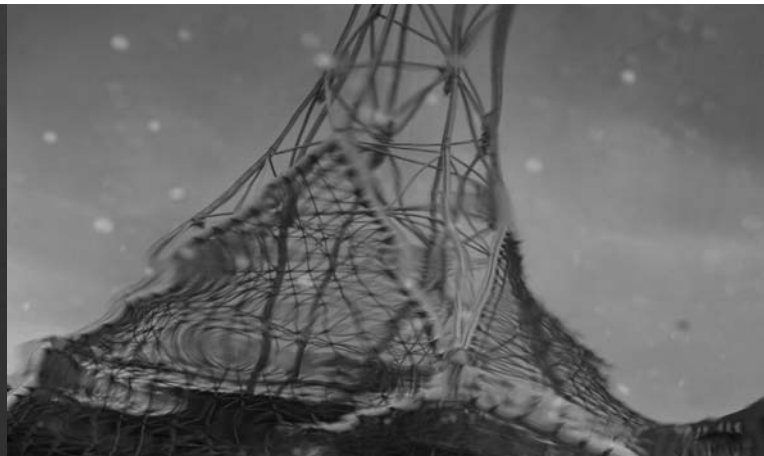
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Compagne Philippe Genty *Lands End*

# President's Welcome



It was with a great sense of pride and enthusiasm that I took the role of President of the Victorian Arts Centre Trust in the final weeks of the 2008-09 reporting year.

During the past 12 months the Arts Centre has continued to be a leader in the performing arts. Despite a difficult global environment the Trust has made the most of programming opportunities and continues to look for new ways to broaden the audience for the benefit of both current and future generations.

The crucial Southbank Cultural Precinct Redevelopment project has set the organisation on a new and exciting journey as it seeks to further consolidate itself on the world stage with improved facilities and the opportunity for an even stronger reputation as a provider of great entertainment.

Much preliminary work has already been done, most notably by my predecessor Carrillo Gantner at the helm of the Trust, and the Chief Executive Tim Jacobs who has steered the management and staff. I thank them and their teams for their diligence and their dedication.

There is much still to be considered, many decisions to be made, and I look forward to helping achieve all the important goals.

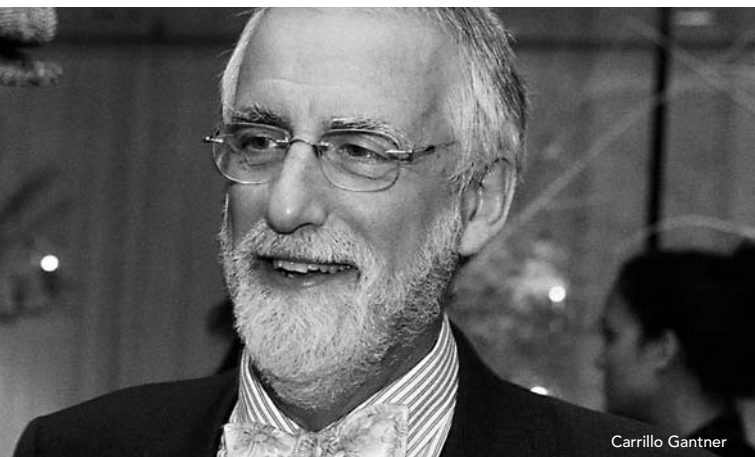
After nine years as President Carrillo Gantner continues a close association with the Arts Centre, through a key role in the new Arts Centre Foundation. He is also best equipped to deliver the Presidential Report for the year past.

A handwritten signature in black ink, appearing to read 'J. Whiting'.

Janet Whiting  
President  
(From 30 June, 2009)



# President's Report



Carrillo Gantner



Place, Programming and Reputation continue as priority areas for the Trust, reflecting a strategy which was established in my first year as President nine years ago.

It is a strategy which continues to see the organisation improve and to grow to be one of the world's greatest performance centres.

During the past year several key projects have reinforced the ongoing importance of this strategy in helping the Trust achieve its goals.

## Reinforcing our role in the future precinct

The Victorian Government's commitment to provide \$128.5m for the upgrade of Hamer Hall and its environs, stage one of the Southbank Cultural Precinct Redevelopment, has launched the Trust on an exciting and important journey into the future as we detail the task of revitalising the Arts Centre for the 21st century. The past 12 months have been a crucial planning period for the organisation as it seeks to achieve the best possible outcome from the project, responding to expectations of the broad group of stakeholders. At the same time the Trust continues to work assiduously to ensure the day-to-day use of the Arts Centre's existing facilities continue to offer both artists and audiences a seamless and enjoyable experience of the performing arts.

Most notably this year the Trust was pleased to be able to celebrate the 50-year anniversary of the Sidney Myer Music Bowl with a range of free concerts, reinforcing the venue's special place in the heart of Melburnians of all ages.

## Programming to connect with the community

Across all areas of the performing arts spectrum we have worked hard to ensure our programming provides the best possible opportunity for visitors to interact with the diverse range of Arts Centre activities.

We continue to liaise closely with all our presenting partners, including The Australian Ballet, Melbourne Symphony Orchestra, Melbourne Theatre Company, Opera Australia, Bell Shakespeare Company, Australian Chamber Orchestra, The Production Company, Sydney Dance Company, Bangarra Dance Theatre, Victorian Opera and the Melbourne International Arts Festival. Together we ensure our audiences have the chance to experience the best possible time at the Arts Centre.

Trust generated programming, both with performances and exhibitions, continues to expand. The Icon series of exhibitions allows us to strengthen connection with an internationally acclaimed artist through their career achievements.

Performance programs like Full Tilt, which supports new artists and works, and Mix It Up, which taps directly into Victoria's broad-based cultural communities, allow us to further develop a connection with a broader audience and grow visitor numbers.

International programming complements that of Australian presenters and remains an important element of what happens on the Arts Centre's stages. In this area, it is pleasing to see the growth in a diverse range of projects, from small creative development initiatives through to presentation of major international artists.



At the other end of the spectrum, this year has seen considerable effort applied to strengthening the range of education programming at the Arts Centre. This investment in the audiences of the future aims to guarantee that the performing arts continue to play an important role in people's lives.

## Ensuring our reputation as a leader in our field

To enable the Trust to achieve greater connection with the Victorian community, we have this year implemented a Customer Relationship Management strategy. Key in this strategy has been a major undertaking of bringing ticketing in-house. This, coupled with a renewed energy and enthusiasm from front-line staff to engage more comprehensively with customers, both on site and on line, will enable the Arts Centre to develop a stronger and more meaningful understanding of what audiences want across a range of services that complement and enhance their performing arts experience.

It is a mark of the organisation's strengthened place in the community that during the year we have reconnected with the Centre's major supporters and have been able to so successfully launch the Arts Centre Foundation. The Foundation is dedicated exclusively to raising funds for programming. The establishment of two important Endowments has already signalled a willingness and an understanding from our supporters that the Arts Centre of the future needs the support of the people of today.

In handing over the reins to Janet Whiting I would also like to pay tribute to Premiers Steve Bracks and John Brumby, and to the Ministers for the Arts Mary Delahunty and Lynne Kosky, with whom I've worked during my nine years as President of the Trust. I thank them for their understanding of how a great arts centre can contribute to the life of a dynamic and innovative society. The continued support from John Brumby and Lynne Kosky, their interest in the performing arts and what we do at the Arts Centre remains strong.

It has been a year with some unique challenges, driven by economic circumstances far beyond the control of the Trust. We have adapted and remain focused on our long-term goals.

I say thank you to the outstanding staff and management across all parts of the Centre for the work they did to make this possible.

Finally, may I pay special tribute to fellow Trustees and the executives with whom I have been privileged to work very closely, and to our Chief Executive Tim Jacobs, a leader of high intelligence and rare strategic ability.

Carrillo Gantner AO  
President  
(Until 12 June, 2009)





*The Gypsy Queens and Kings*



# Chief Executive's Report



Tim Jacobs

This Report of Operations presents the year's activities across the four key areas of the Arts Centre: programming, the visitor experience, the place in the precinct, and the way we go about doing what we do.

It outlines our approach to achieving excellence, growth and continuous improvement across all areas of the organisation. It illustrates the progress made on our core strategies, in the service of the Arts Centre's vision and its value to the community.

## Programming for today and tomorrow

In a climate of severe financial restraint, the Arts Centre maintained its focus on designing and delivering a programming mix aimed at attracting the broadest possible audience to performing arts experiences, from opera to hip-hop, from the concert platform to the creative lab.

New programming initiatives have been made possible by sustained commitment of Trust funds, by Government support for new programming, and by the contribution from the Arts Centre Foundation. We have not yet reached our target of a \$10million per annum programming budget. But that is the direction in which we are moving.

As the Arts Centre assumes a more active role in selecting programming for all the venues, stability and growth of programming budgets will be crucial in allowing on-going long term planning in program development, program selection and delivery – from commissioning

first class international performances through to supporting creative development and education activities.

The annual programs of Australia's major subscription companies continue to provide around 40% of the program mix. This year, we were finally able to move away from the traditional "summer musical" and present a more varied season of international performances in the State Theatre. A highlight of this programming was the outstanding success of *Angelina Ballerina*, featuring English National Ballet. The production brought to life a popular children's literary character in 14 performances, resulting in record-breaking ticket sales, mainly to families and an audience that brought a significant proportion of three to eight year olds new to the Arts Centre.

We strengthened our resources in the area of programming for children, families and young people, laying the foundations of a much broader, year round program. Planning for this area was rewarded with the largest single gift by an individual to the performing arts in Australia when long-time Arts Centre supporter Betty Amsden pledged \$5 million to establish the Betty Amsden Arts Education Endowment Fund for Children. This remarkable gift will enable the Arts Centre to program a broader spectrum of children's activities, ranging from outreach, access, theatrical and online programs. Kids at the Arts Centre - a year-around program of performances, workshops, special events and activities for children aged 3-12 and their families - will be launched in spring 2009.

Established programs such as the award-winning *Mix It Up* and the important creative development opportunities provided by *Full Tilt*

continue to attract new audiences and provide a complementary experience to the familiar seasons of performance repertoire by Australia's leading performing arts companies.

In another major advance, gifts to the Foundation by the Myer Foundation, the Sidney Myer Fund, and members of the Myer family – together totalling \$5 million – established the the Kenneth Myer Endowment that will support the new Kenneth Myer Asian Theatre Series.

Progressively, the shape of the Programming Futures agenda is taking form.

## Connecting with a diverse audience

In a year that delivered major contraction in the Australian economy, it is hardly surprising to report that attendance at performances were 13% down on the previous year, the first time in four years that we have not delivered growth in paid attendances. Notwithstanding this contraction we believe we have opportunity to close the gap by winning new audiences and inspiring existing audiences to return visits.

To help achieve this goal and to further strengthen our ability to grow audiences and connect better with them, we successfully made the transition to an in-house ticketing system of one of the largest performing arts ticket inventories in Australia. The project involved considerable expansion of skill base and capability, a major upgrade of IT infrastructure, an overhaul of the website to deliver radically better online sales services as well as a detailed cross-organisational review of business practices and processes. This project now provides the foundation from which we build knowledge and connection to all our audiences to enable them to be better engaged with all Arts Centre activities.

It will provide better market intelligence and new marketing opportunities to all presenters using the Arts Centre. We remain committed to developing an integrated solution with our presenters, delivering better services to them and the ticket-buying public alike.

## Our place in the precinct

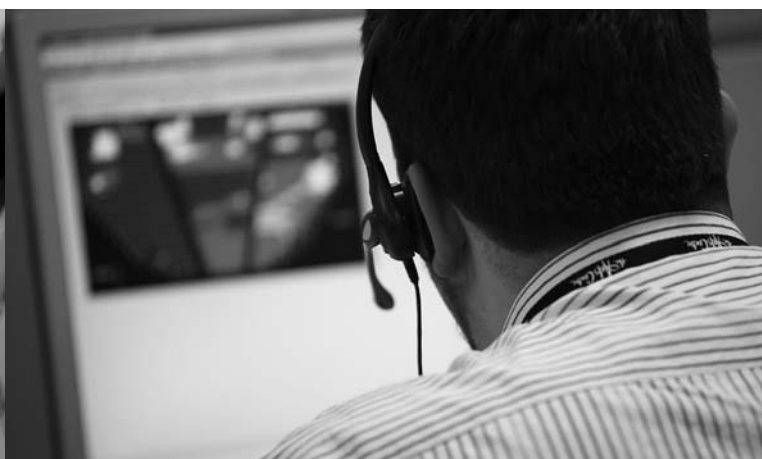
In September the Victorian Government announced a commitment of \$128.5m for stage one of the Southbank Cultural Precinct Redevelopment. Stage one comprises an upgrade of Hamer Hall and its immediate environs. Major Projects Victoria, Arts Victoria and the Arts Centre formed an "owner" team for the project. In a major innovation for the construction industry in Australia, the project will be delivered through an "alliance" model, ensuring the Trust has a very active and closely collaborative involvement with the design and construction process through the life of the project. The "alliance" model offers real opportunity for maximising the chance of producing high value, strategically aligned results from the project. The importance of this project in shaping the Arts Centre of the future and redefining the Arts Centre organisation cannot be underestimated. To achieve the best possible result, the project brief has been rigorously prepared in consultation with stakeholders across the entire Arts Centre community. Key design team members of the Alliance were appointed, including Melbourne architects Ashton Raggatt McDougall and Peter Elliott. The appointment of the building contractor is scheduled to be completed later in 2009, with Hamer Hall scheduled to close in July 2010 as the works begin.

The redevelopment project agenda is simple – the upgraded and re-imagined place will drive increased community engagement. Community engagement will define the programming and the activities offer across the site. That activation will drive business growth. In concert, these four imperatives will define the brand and the reputation of the Arts Centre.

## Seizing the opportunity for growth

To enable the Arts Centre to achieve its vision as a leader across the broad spectrum of the performing arts, we continue to develop organisational capability, best practice reviews,





and explore process improvement and system upgrades to support our operations into the future. Key projects such as the introduction of the in-house ticketing system and the Southbank Cultural Precinct Redevelopment are major change imperatives which provide opportunities to improve and adapt the organisation, how it works and how it achieves success. This agenda requires a significant level of innovation and collaboration across the organisation, seeking creative solutions to problems in pursuit of the best possible outcomes.

Our vision remains clear. Our strategy is simple, and it has been sustained as a consistent core agenda for over 10 years now.

The organisation continues to strengthen its capability and expand its ambitions. To steer our way through this year called for finesse and necessary financial decisions as we strove to navigate a stable course through difficult times. After years of advocacy and planning, the actuality of the redevelopment will no doubt surface new challenges, and new choices on how best to realise our vision.

That task will fall to others, because this is my last Report of Operations. After a 12 year term as the Arts Centre's Chief Executive, I will step down later in 2009, the baton will pass, and I will move on to other adventures.

Eleven years ago I laid out a vision of what could be, and a plan to take this Arts Centre into the 21st century, to deliver on its potential, to re-energise and re-position the Arts Centre

brand in the hearts and minds of Victorians and more broadly on the world stage. As I reflect on my time here, that speech in 1999 now makes very eerie reading – because it describes with remarkable accuracy what we have done. Sometimes not as fast or as fluently as we may have wished, sometimes taking a different route to a goal than we may have originally intended or expected. But always "on strategy". And it foreshadows some of what the Arts Centre is planning to do into the next decade, as these agendas play out.

I have been privileged to have had the opportunity to be a part of the Arts Centre's story. I have enjoyed the support of our remarkably dedicated and passionate staff, and a variety of Trustees across my time.

The Arts Centre's narrative is a proud story, carried in the hearts of everyone who works here – people who strive every day for an optimistic, enabling and generous spirited future, offering the best example of lives enriched by the performing arts.

Onward. Onward indeed. The future beckons.

Tim Jacobs  
Chief Executive



Melbourne Theatre Company's *Frost/Nixon*

Photo: Jeff Busby



# A PROGRAMMING MIX AIMED AT ATTRACTING THE BROADEST POSSIBLE AUDIENCE

Our year in review



*Edward Scissorhands*



# Our year in review

## July

The State Theatre was transformed into a winter wonderland, as the venue for Matthew Bourne's adaptation of **Edward Scissorhands**. This innovative staging of Tim Burton's touching 1990 fable, was a favourite of critics and audiences.

July was also filled with laughter when we hosted two very different comedy events. The spirited antics of Full Tilt's Yana Alana and the Paranas in *Bite Me Harder with The Town Bikes* and **Lenny Henry's** *Where you from?*, both events attracted new audiences to the Arts Centre.

**The Production Company** celebrated their 10th anniversary with a star-studded production of *Follies*. **The Melbourne Theatre Company** (MTC) performed a dramatic tale of American politics with *Frost/Nixon*.

Hamer Hall was host to international stars, The Takács Quartet's for **Musica Viva**.

**Gallery 1** was filled with the glamour and magnificence of dance costume as, *Seamless* showcased memorable moments in Australian dance history. The exhibition highlighted costumes and designs from the Arts Centre's **Performing Arts Collection**, private collections and from dance companies from around Australia.

## August

Well into the winter season, the Arts Centre embraced the August chill with the children's favourite *Cinderella on Ice*. The MTC took the chill off with their production of *Cat on a Hot Tin Roof*.

The month was also filled with classical music masterpieces from the **Australian Chamber Orchestra** (ACO) and the **Melbourne Symphony Orchestra** (MSO). The ACO were joined by the cellist **Steven Isserlis** for *An Electrifying Partnership* and performed Vivaldi's classic *Four Seasons*. The MSO presented two concerts - the first was an Australian premier of Shostakovich's Symphony No 13. This was followed by a journey on the winter seas in a concert version of *The Flying Dutchman* with John Wegner.



**Bell Shakespeare** continued the moody theme, bringing all of the drama of a modern day adaptation of Hamlet into the Playhouse.

New Australian playwriting talent was recognised in the annual **Wal Cherry Award**, bestowed by the Arts Centre to Paul Galloway for his evocative play *Realism*.

The magical **Compagnie Philippe Genty**, which is quickly becoming a regular to Australia's shores, took the State Theatre into his world of theatrical fantasy in *Land's End*.

And for some light winter relief, we welcomed international star **Chris Rock** on his hilarious *No Apologies Tour* with 2 sell-out performances.

## September

As spring blossomed across Melbourne, the Arts Centre showcased some new and emerging performers.

The MSO highlighted youth talent in the *MSO Young Performance Awards Grand Final*. The Orchestra then performed a series of concerts with the ARIA award-winning band, **The Whitlams**.

The Arts Centre's **MIX IT UP** program had Hamer Hall bouncing with the beats of Melbourne hip hop acts, the moves of dancers, krumpers and the big sounds mc battles with *Our Backyard*.

September also featured **The Australian Ballet's** revival production of *Manon*; Kenneth MacMillan's classic choreography was brought to life in a production with exquisite costumes and a lush score.

# Our year in review

## FULL TILT

Creative Development at the Arts Centre has enjoyed steady growth over the past twelve months. **FULL TILT** continued to develop and present cutting edge performance in the Fairfax Studio and the BlackBox with successful seasons of award winning cabaret artist Yana Alana, social satirist Michael Dalley in *Death in White Linen*, *The Inhabited Man* by Richard Murphet and three theatrical comedies in the BlackBox for the Melbourne International Comedy Festival. All these **FULL TILT** artists and productions were nominated for various categories in the recent Green Room Awards.

We welcomed our Company in Residence, **KAGE**, to the building and launched a series of development programs. As part of its contribution to the Arts Centre, KAGE is mentoring a number of emerging physical theatre artists as they develop new work. We are thrilled to have a dynamic company such as KAGE as part of the Arts Centre's extended family.

**FULL TILT – the Talk Show** was launched in 2008 with a series of high energy talk shows about arts practise, how we might attract a younger audience and shaking up the whole idea of the 'artists forum'.

**FULL TILT** not only develops new work by courageous artists, but through partnerships with some of Melbourne's most innovative festivals, we help change the way the Arts Centre is seen by the general public. There's probably no greater example of this than the event *Yelling At Stars* which was the closing event of the **Next Wave Festival**. Taking place on the stage of the Sidney Myer Music Bowl, this beautifully poetic performance was broadcast nine light years into outer space.



*Death in White Linen*



Andrew Moon, Executive

## October

October saw the Arts Centre host to various international acts as part of the **2008 Melbourne International Arts Festival**, including stand-out performances from the American icon, **Patti Smith**. Another event brought together two of the most celebrated musical artists of their generation - *Book of Longing* was a new work by Phillip Glass based on the writings of **Leonard Cohen**.

Dance and Opera also featured highly in the festival with Israel's acclaimed Batsheva Dance Company presenting an explosive season in the State Theatre and the modern opera *The Navigator* enjoyed a season in The Playhouse.

**The Spiegeltent** took over the forecourt of the Arts Centre and created another space for audiences to enjoy eclectic festival events.

The universal theme of food was threaded through a number of the month's events.

Superstar Chef **Ferran Adria** presented an informal lecture to a sell-out crowd with 1,500 chefs, media and foodies in the Hamer Hall.

**Appetite** by **KAGE** showcased a unique piece of their signature style fusion of dance, theatre and striking visual design. After premiering this piece as part of the Melbourne International Arts Festival, KAGE were announced as the Arts Centre's company in residence for 2009.

Food was also an inspiration of a different sort, for a Lithuanian production of *Romeo and Juliet* set in a pizza parlour.

Hamer Hall provided the launch pad for the singing stars of the future with the **Herald Sun Aria Final**.





Opera Australia's *The Magic Flute*

# Our year in review

## November

November featured everything from grand opera in the State Theatre to massive outdoor events in the Sidney Myer Music Bowl.

In a stunning charity event in Hamer Hall, The Australian Army Band performed in concert with **Guy Sebastian**, with all proceeds going to Melbourne Legacy.

The MSO played one of their final pieces of the 2008 season, the towering Mahler 10.

MTC continued to entertain with a playful version of *The Hypocrite*. This new production featured an Australian twist and gave the classic play a contemporary relevance.

November also saw **Opera Australia** fill the State Theatre with productions of *Madam Butterfly*, *Otello* and *Orlando* while Musica Viva,

in advance of a move to the Melbourne Recital Centre, farewelled Hamer Hall subscription concerts with a performance by *Hesperion XXI*.

Hamer Hall was once again filled with raucous laughter when crowds were delighted by the comedic genius of **Jerry Lewis**.

Feet couldn't keep still at the Sidney Myer Music Bowl as international artists mixed grooves and spun music sets for Australia's first **Global Gathering** event. Dance music could be heard sweeping through the city.

Hamer Hall followed the currents of *The South Seas* in **MIX IT UP's** final event for the year, swelling with the sounds of our Pacific neighbours.

## Peter Allen: The Exhibition

The fourth Icon exhibition, featured material donated by Larry Rinehart and loans from Peter Allen's family and from his personal assistant Bruce Cudd. These items were supplemented by pieces from the Arts Centre's Peter Allen Collection, including sheet music from Peter's Allen Brothers years and his solo career, along with handwritten lyrics, posters, programs, press books, opening night telegrams, awards, photographs and audiovisual material.

Among the costumes featured in the exhibition were a selection of Peter's Hawaiian shirts, beaded shirts worn in performance, stage shoes (including a pair of black patent leather tap shoes), and costumes from Peter's musical *Legs Diamond*.

The exhibition was supported by an array of public programs including performances by pianist David Piper and vocalist Michael Snell, both former company members of *The Boy From Oz*, who showcased highlights from the Peter Allen songbook. The Victoria Police Show Band helped celebrate Peter Allen's birthday in February by performing a selection of his songs.

The catalogue for **Peter Allen: The Exhibition** was a Joint Winner in the 2009 Museums Australia Publication and Multimedia Design Awards.



Peter Allen. 1988  
Photo: Bob King  
Juke Magazine Collection, the Arts Centre,  
Performing Arts Collection



## December

As the holiday season approached, the Centre hosted two of Melbourne's signature Christmas events.

The MSO set the tone with Handel's *Messiah*, and the Sidney Myer Music Bowl was filled with the Christmas cheer of **Carols by Candlelight**.

The Australian Ballet School presented their Christmas family favourite, *The Nutcracker: The Gift of Dream*. Staged with opulent sets and glittering costumes, this production featured over 120 students from Australia's national classical ballet school.

The Art Centre's **FULL TILT** program gave Michael Dalley, accompanied by John Thorn on piano, the opportunity to display his acerbic wit in *Death in White Linen*.

December also saw the conclusion of the **Short & Sweet** festival, with sixty 10-minute plays performed in the Fairfax Studio over a three week period. With numerous awards up for grabs, **Born In a Taxi's** *6 Hours Later* excelled, winning three awards and \$10,000 in prize money.

## January

2009 started on the right note as the Arts Centre hosted music icons, world music stars and the best of Australia's rich musical heritage.

Australia's award-winning singer/songwriter **Delta Goodrem** gave the Hamer Hall audience an up close and personal concert of her stellar hits. This was the first national tour in three years for one of Australia's favourite stars.

In the premier **MIX IT UP** event for 2009, **Gypsy Queens and Kings**, we saw Europe's superstars of Gypsy music bring the Hamer Hall alive like no other event. The pulsating sounds and pumping beats had the audience out of their seats and up and dancing. Macedonia's 'Queen of the Gypsy Singers' **Esma Redzepova** drew a reaction like a true musical legend. Audiences left the hall energized and looking forward to the next MIX IT UP event.

From Macedonian superstars to a true American soul diva, **Roberta Flack** and her band joined the MSO in a series of once in a lifetime concerts. While the state was suffering the effects of the tragic bush fires, **Roberta Flack and the MSO** put on a benefit concert in aid of the Victorian Bushfire Appeal.

### MIX IT UP

The **Mix It Up** program continued Victoria's cultural diversity by showcasing contemporary performing arts from a range of cultures and traditions.

Since its establishment in 2006, Mix It Up has strengthened connections between the Arts Centre and Victorians from a range of cultural backgrounds. Working in collaboration with Multicultural Arts Victoria, the Arts Centre has developed close relationships with a variety of consulates, community multicultural and cultural organisations, other arts organisations and with established and emerging arts organisations.

An example this year was the collaboration with the Greek community on two projects – *Café Rebetika* and *Eleftheria Arvanitaki*. The Greek Consul General Mr Christos Salamanis endorsed the projects and provided invaluable linkages to Greek community organisations. The Greek Orthodox Community of Melbourne and Victoria provided financial support for the projects. A media partnership with Melbourne's leading Greek newspaper, Neos Kosmos, helped provide high awareness and engagement in the Greek community. These collaborations helped deliver outstandingly successful projects with more than 4,000 audience seeing the season of *Café Rebetika* in the Fairfax Studio, and a full house for *Eleftheria Arvanitaki* in Hamer Hall.

**Mix It Up** continued to be acknowledged as setting a benchmark for best practice in multicultural arts programming. The Australia Council for the Arts confirmed funding from the Community Partnerships Program for 2009 and 2010, and Arts Victoria continues to support the program. Eight major events were staged as part of **Mix It Up** attracting total attendances of more than 17,000.



Café Rebetika





Sidney Myer Free Concerts with the Melbourne Symphony Orchestra

Photo: David Simmonds





Continuing the stream of music icons, **Neil Young** performed a very special show at the Sidney Myer Music Bowl.

For the first time in Melbourne, the five remaining members of **The Triffids** and a select group of friends celebrated the music and memory of David McComb. *A Secret in the Shape of a Song* showcased the extraordinary songwriting genius of McComb, from his early gems through to exclusive renditions of his unreleased works.

January brought the cream of the modern UK jazz scene to the Arts Centre with **The Matthew Herbert Big Band** project. Sounds were deconstructed and reconstructed in an innovative live music event.

When pink tutus, ballet slippers and big smiles filled the State Theatre, it was clear that **English National Ballet** was in town for **Angelina Ballerina**.

Concluding the first month of the year was the West End smash hit **The 39 Steps**. Alfred Hitchcock's classic spy thriller was brilliantly recreated for the stage and enjoyed by nearly 12,000.

## February

Various international acts brought the Arts Centre alive with productions ranging from the monks of the Shaolin Temple in **Wind of Shaolin** and the passion of Cuban music and dance in **Havana Rakatan**. The power, punch and pizzazz of New York City burst onto the State Theatre stage in **Complexions Contemporary Ballet**, attracting nearly 13,000 to performances. The company also gave dance masterclasses to young Victorian dancers.

**Victorian Opera** presented a gala concert at Hamer Hall with two powerful works, Blue Beard's Castle and **Carmina Burana**. The Melbourne Theatre Company recreated the golden age of Hollywood with their production, *Moonlight and Magnolias*.

February also celebrated **Richard Tognetti's** 20 years as leader of the Australian Chamber Orchestra with a highly acclaimed season featuring Dawn Upshaw.

The **Sidney Myer Music Bowl** was 50 years old in 2009. The Arts Centre celebrated the milestone in February with four days of commemorative events.

The free festivities featured two concerts by the Melbourne Symphony Orchestra, including a re-creation of the 1959 concert which opened the Bowl. At the other end of the musical spectrum, SBS's RockWiz broadcast from the Bowl to celebrate 50 years of rock and roll at the iconic venue. The four days of festivities climaxed with an afternoon picnic of family entertainment.

The Arts Centre also mounted an exhibition featuring fifty years of film, photographs and Bowl memorabilia in the St Kilda Road Foyer of the Theatres Building, and a dedicated website was established to mark the anniversary.



# Our year in review

## March

March started on a hilarious note with the return of the comic genius, **Joan Rivers** in the Hamer Hall.

The Hall was then the stage for two enthralling concerts with the **MSO** - Mahler's Resurrection and **Vladimir Ashkenazy**.

Romance came to the Hall with two of Australia's singing superstars, tenor **David Hobson** and baritone Teddy Tahu Rhodes with their *Australian Tour 2009*. Australian songstress **Tina Arena** continued the theme with her concert *Songs of Love and Loss 2*.

The Australian Ballet kept the warmth of summer with their magical season of *Firebird and Other Legends*.

## April

April saw the return of the popular **MIX IT UP** series, once again bringing new audiences to Hamer Hall. **Tinawaren**, the Kings and Queens of 'Assouf' music, came from the Sahara Desert and brought their message of freedom to the Arts Centre.

Continuing the overseas theme, the first **MSO POPS** concert for the year, *Vienna City of My Dreams* showcased Australia's most beloved soprano, Yvonne Kenny.

The unpredictable, bizarre and painfully funny **Dylan Moran** had the Arts Centre in stitches with his stand up show *What It Is*. The laughter rolled on with another **FULL TILT** program, comedy trio Damian Callinan, Wes Snelling and The Hounds.

One of the most alluring exhibitions of the year allowed viewers to get as close as possible to entering the genius mind of Australian music legend **Nick Cave**, in Nick Cave Exhibition on tour.

Audiences were spoiled for choice as **Opera Australia** presented three sparkling operas, *The Magic Flute*, Bellini's *Capulets and Montagues* and *Lady Macbeth of Mtsensk*.

Another highlight of April was the world music artist, **Angelique Kidjo**, whose music both excited and inspired.

## Education at the Arts Centre

The **Education, Families & Young People** programming area enjoyed significant growth in 2009. An expanded department allowed us to increase our efforts in Outreach and Access, as well as boosting our new Youth Music and digital projects whilst also improving our evaluation and development of programs.

Highlights of the revitalised program included:

- The launch of *Spinout*, an innovative collaboration with the Drug Awareness team at the Department of Education, focusing on social health and alcohol awareness (Yrs 8-10)
- *Big Sky Town*, a partnership season with **St Martins Youth Theatre**, one of two plays we programmed which were short-listed for the 2009 VCE Drama Playlist
- Expansion of our *Special Needs Access Program*, including the development of new online training modules and professional development days for special schools
- The highly successful Creative Australia & the Ballets Russes Learning Days, a pilot collaboration between our own Exhibitions team and **The Australian Ballet**
- *RockWiz Schools at the Bowl*, a fantastic schools' event engaging secondary students with Australian music history
- Increasing numbers and successes for our Vocational Education and Training Multimedia and Music Technology students
- A visit from Edinburgh's highly-acclaimed **Visible Fictions**, presenting the electric *Jason & the Argonauts* for both schools and families
- Launch of the *Dig Deep Mentorship Program* at SoundHouse, a drop-in centre for culturally-diverse and/or at risk youth
- Partnership projects with Multicultural Arts Victoria, Footscray Community Arts Centre and St Kilda Youth Services (SKYS).





Melbourne International Arts Festival, *Romeo and Juliet*



# Our year in review



## Collections

### Exhibitions

As well as the Peter Allen Icon Series exhibition, other highlights for the Collections team in 2009 included *Creative Australia* and the *Ballet Russes*, a major exhibition celebrating the lasting impact of the **Ballet Russes** tours on modern Australian dance, design and visual arts. *Seamless: Where Costume Meets Dance* focused on the creative process of designing costume for dance. And *The Bowl: Celebrating 50 Years of the Sidney Myer Music Bowl* marked the Bowl's contribution to the cultural life of Melbourne.

The Arts Centre and the Australia Record Industry also entered into a three year partnership in 2009 to produce an annual exhibition honoring Hall of Fame Inductees. The partnership won a 2008 Arts Portfolio Leadership Award.

### Touring program

- The Arts Centre's touring exhibition program continued with *Nick Cave: The Exhibition* travelling to the Queensland Performing Arts Trust and Western Australian Museum. The tour was supported by Visions of Australia

### Major acquisitions

The Performing Arts Collection continues to grow through both purchase and gifts. During the year the following major acquisitions were added to the Collection

- Sydney Dance Company Collection
- Lynne & Andrew Trute Nick Cave Archive
- Leon and Sandra Velik established a fund to enable the acquisition of works on paper
- The Carroll Fund supported the acquisition of a work by Robert Owen, *Study for Mantra 4 & 5*

## Collections Management

The two-year electronic cataloguing of the Performing Arts Collection project was completed in this financial year with 76,000 new records added to the database bringing the total number of records (including the Art Collection) to 112,000. This major project will facilitate the relocation of the Performing Arts Collection offsite as an element of the Southbank Cultural Precinct Redevelopment Project.

The Arts Centre continued its active engagement with Victoria's Cultural Network [VCN] by providing content to the updated Culture Victoria website featuring stories and collections from across the Arts Agencies. The next phase of the VCN will focus on the digitization of agency content for education and community users with the Arts Centre producing a series of packages illuminating the Collections and Education, Families and Young People offer.

There have been significant loans from the Arts Centre's collections including to the National Gallery of Victoria, State Library of Victoria, Museum Victoria, City Museum, National Museum of Australia, Queensland Performing Arts Collection and the Victorian Jazz Archive. There were 200 objects lent to 20 organisations during the year.



Dragon. 1977  
Image courtesy of Ross Hunter





## May

One of the country's favourite actors, **Sigrid Thornton**, made her music theatre debut in Opera Australia's *A Little Night Music*, which was warmly received by theatre, opera and music-goes alike.

The Fairfax studio and Playhouse hosted two diverse pieces of theatre. **Secret Bridesmaids Business** brought a laugh to both serious and silly issues in the plight of modern women. In an initiative to extend into the local community we donated a significant portion of ticket sales income to the Ovarian Cancer Research Foundation.

**Jason and the Argonauts** was an Arts Centre education event by Scotland's internationally acclaimed producing company for young people, *Visible Fictions*. This play brought young audiences into the Arts Centre primarily from school years 5 to 9.

**MIX IT UP** featured **Eleftheria Arvanitaki** – one of Greece's most important contemporary singers. Patrons filled the foyer areas from the afternoon, enjoying free pre show performances, displays and food stall in celebration of Greek culture in Australia.

The Sydney Dance Company presented their production *360 degrees* by the internationally renowned choreographer Rafael Bonachela. This spectacular dance presentation utilised technology and innovative staging techniques.

May also welcomed back **The Australian Ballet School** to Hamer Hall as part of the **Morning Melodies** program.

The MTC presented *August: Osage County* in the Playhouse. The season starred Robin Nevin and attracted outstanding positive audience and media feedback.

## June

**FULL TILT** kicked off June with two stand-out pieces. *Red Sky Morning*, a play by multi-award winning Melbourne playwright, Tom Holloway and *Poet #7*, an Australian premiere written by playwright Ben Ellis and developed in partnership with director Daniel Schlusser. These two pieces demonstrated what **FULL TILT** is all about - the development of new performance work by the best and brightest independent performance artists.

Guitar virtuoso Tommy Emmanuel dazzled Hamer Hall audiences, when he performed in Australia for the first time in three years.

One of the year's biggest exhibition events opened. The **Ballet Russes** exhibition explored the profound cultural effect that the Ballets Russes tours had upon modern Australian dance, design and visual arts from the 1930s to the present day. The exhibition was accompanied by a number of free public events highlighting and further exploring the main themes of the exhibition.



The Australian Ballet's Lucinda Dunn and Robert Curran in Graeme Murphy's *Nutcracker – The Story of Clara*

Photo: Branco Gaica

# STRENGTHENING OUR ABILITY TO GROW AUDIENCES AND CONNECT WITH THEM

Engaging our audience and partners



# Connecting with audiences



Heather Walker, Executive

One of the most significant change initiatives the organisation has implemented over two decades came to fruition in May 2009 when the Arts Centre brought its ticketing services in-house. Designed to establish closer relationships with customers to its wide range of annual events, the chosen software package – Tessitura – delivers more than ticketing services due to the extensive Customer Relationship Management database at the core of the system.

The project's planning and delivery involved a large team of staff across IT, Finance, Presenter Services, Box Office, Marketing & Communications, Facilities and many others and included a significant system infrastructure upgrade, website development, staff training program and review of financial and legal procedures and policies. By the end of June 2009 tickets were being sold via the Arts Centre's revamped website complete with a select your own seat function, new Contact Centre and its existing Box Offices; with positive feedback from presenters and the public alike.

Through the year, the Marketing team ran a series of initiatives to connect with Melbourne's student population. For the opening night of Philippe Genty's thought provoking production of *Lands End*, we invited 600 students from Arts courses around city universities and colleges and invited them to provide feedback and most importantly, keep coming back for low-cost and free events throughout the year.

In a similar vein we offered a student from Paris a three-month secondment with the Marketing and Communications department as part of her Digital Marketing studies. One of her projects was to further develop our student database to ensure that we are connecting with the next generation of audiences.

During 2008-09 we engaged Eclipse (the digital agency of Deloitte) to help the Arts Centre develop a plan to contribute to our visitor experience strategies. The first stages of delivery on that digital strategy are expected to take shape in the next financial year.

Overall Visitor Businesses was down by 3% on budget for the year but given the external economic conditions and the lower than anticipated attendance numbers the result was positive.

The retail operation had a disappointing result, however the Sunday market, despite harder economic conditions, was able to achieve a positive result with attendance and stallholder numbers stable.

In a tightening market, with increased fuel prices and congestion on Melbourne roads, the car park had a very good year. Steady occupancy during the day time offset a decline in night time occupancy, resulting in revenue being only slightly behind budget.

Food and Beverage had disappointing year, with the overall result down by more than 15% on budget, driven by lower than expected attendance. In addition, the global economic conditions negatively affected the functions business.



Joe Camilleri





Miss Betty Amsden OAM

Photo: Penny Stephens/Fairfaxphotos



# Philanthropy

Philanthropy at the Arts Centre experienced one of its most significant and successful years in 2008-09.

In July 2008, the Myer Foundation made a grant of \$2 million to the Kenneth Myer Asian Theatre Series Endowment Fund.

This Endowment Fund was established by Mrs Neilma Gantner and Mr Carrillo Gantner earlier in 2008 to recognize and honour the late Mr Kenneth Myer AC. The Myer family has pledged \$3 million to the Fund.

Kenneth Myer was involved with the Arts Centre for 31 years as Chairman of the Building Committee and Chairman of the Trust.

Interest earned on the Endowment Fund will support the development and presentation of the most significant Asian performing arts program in Australia. The Kenneth Myer Asian Theatre Series will launch in 2010 with outstanding contemporary works from Japan, India, Singapore, China and Korea.

In February 2009, Mr Graham Smorgon was appointed inaugural Chairman of the Arts Centre Foundation Board.

The objectives of the Foundation are to develop, advocate, implement and manage appropriate fundraising programs to support the activities of the Trust. It will do this by building an Endowment which will provide a sustainable future funding stream, and by attracting annual donations that provide immediate support for programs, performances and activities at the Arts Centre.

The Foundation Board of Governors comprises nine volunteer representatives from the business and philanthropic sectors.

In May 2009 the Foundation secured one of the largest single gifts to the performing arts in Australia when Miss Betty Amsden OAM pledged \$5 million to establish the Betty Amsden Arts Education Endowment Fund for children.

Miss Amsden's gift will enable the Arts Centre to program the finest Australian and international performances for children and young adults, and to create new works for young audiences.

In addition to receiving more than \$2.6 million in gifts and a further \$5.5 million in pledges to Endowment in 2008-09, the Arts Centre also received more than \$1.3 million in gifts and grants from individuals, trusts and foundations to support programs and performances presented during the year.

The Trustees, Foundation Governors, Executive and staff at the Arts Centre are grateful to our individual donors for their continued commitment to a thriving performing arts culture in Melbourne.

It has been heartening during this challenging year to have the support of donors who share our view that the performing arts play an important role in enriching lives.

## First Call Fund

A significant highlight for the year was the launch of the **First Call Fund**, a fund seeded by departing President Carrillo Gantner and his mother Neilma, and generously supported by many individual donors as well as the Arts Angels. The **First Call Fund** was established to ensure access to performances for schools and communities experiencing barriers of access to the Arts Centre, whether due to remoteness, socioeconomic disadvantage, non-English speaking background or special circumstances including bushfire, flood or drought. During the year, the Arts Centre welcomed more than 5700 students, teachers and parents to our venue thanks to the generosity and kindness of our donors.

The Education Outreach & Performances team was pleased and proud to welcome Marysville Primary School to lunch and a performance of *Explosion Therapy* by **Terrapin Puppet Theatre** in May. This small group of dedicated teachers, stalwart parents and animated students humbled our team with their resilience so soon after the Black Saturday bushfire. We look forward to welcoming many more affected schools in the year ahead.

# Donor list

## **ARTS ANGELS – MAJOR BENEFACTORS** (In order of receipt)

Gifts of \$1M or more

The Smorgon Family  
The late Mr Richard Pratt & Mrs Jeanne Pratt AC  
The Clemenger Foundation  
Mrs Neilma Gantner  
The Playking Foundation  
The Myer Foundation  
Sidney Myer Fund  
Miss Betty Amsden OAM

## **ARTS ANGELS – INDIVIDUALS** (In order of receipt)

Gifts of \$250,000 or more and 10 years of involvement

The late Mr Richard Pratt & Mrs Jeanne Pratt AC  
Mr Baillieu Myer AC & Mrs Sarah Myer  
Mr Marc Besen AO & Mrs Eva Besen AO  
Mr Leon Velik & Mrs Sandra Velik  
Mr Sam Smorgon AO & Mrs Minnie Smorgon  
The Gandel Family  
Mr Solomon Lew and Mrs Rosie Lew  
Miss Betty Amsden OAM  
Mr Robert Kirby & Mrs Mem Kirby OAM  
Mr Kevin Bamford & Mrs Colleen Bamford  
Mrs Lyn Williams AM  
Dame Elisabeth Murdoch AC DBE  
Mrs Barbara Haynes

## **ARTS ANGELS – CORPORATIONS** (In order of receipt)

Gifts of \$250,000 or more and 10 years of involvement

Spotless  
Commonwealth Bank of Australia  
National Australia Bank  
Foster's Group Ltd  
Rio Tinto  
PricewaterhouseCoopers  
Tattersall's  
Australia Post  
ANZ Banking Group

## **VISIONARY**

Annual gifts of \$50,000 or more

Anonymous (1)  
Miss Betty Amsden OAM

## **BENEFACTORS**

Annual gifts of \$30,000-\$49,999

Mr Marc Besen AO & Mrs Eva Besen AO  
The Gandel Family  
Mrs Barbara Haynes  
Mirlex Australia Pty Ltd

## **ANGELS**

Annual gifts of \$20,000-\$29,999

Mr Kevin Bamford & Mrs Colleen Bamford  
Mr Neville Bertalli and Mrs Di Bertalli  
The Fox Family  
Mr Rino Grollo & Mrs Diana Ruzzene Grollo  
Mr Solomon Lew and Mrs Rosie Lew  
Mr Bruce Parncutt & Ms Robin Campbell  
Peter Scanlon Family  
Mr Graham Smorgon & Mrs Annette Smorgon  
Mr Sam Smorgon AO & Mrs Minnie Smorgon  
The late Mr Victor Smorgon AC & Mrs Loti Smorgon AO  
Mr Leon Velik & Mrs Sandra Velik  
Village Roadshow Corporation Ltd

## **PREMIER PATRONS**

Annual gifts of \$15,000-\$19,999.99

Ms Roseanne Amarant  
Mrs Debbie Dadon & Mr Albert Dadon  
Mr Carrillo Gantner AO and Mrs ZiYin Gantner  
GSA Industries Pty Ltd

## **PATRONS**

Annual gifts of \$10,000-\$14,999

Mr Chris Begg & Mrs Patricia Begg OAM  
Mr Barry Bloom & Mrs Lorraine Bloom  
Nancy Butler  
Mr Bernard Carp & Mrs Helen Carp  
Dr Leon Carp & Mrs Marlen Carp

Mrs Beryl Crusi & the late Mr Henry Crusi  
Mr Ron Dobell & Mrs Margaret Dobell  
Mr Anthony Gannon  
Mrs Ethel Goldin  
Mr Colin Golvan SC & Dr Deborah Golvan  
Mr John M Haddad AO & Mrs Agita Haddad  
Dr Jack Hansky AM & Mrs Paula Hansky OAM  
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Mr John Magowan & Mrs Dianne Magowan  
Ms Naomi Milgrom & Mr John Kaldor AM  
The William & Rita Rogers Charitable Foundation  
Mrs Rae Rothfield  
Mr Alan Selwyn, Mrs Ahda Selwyn & Ms Evi Selwyn  
Mr David Southwick  
Mrs Shirley Strauss  
Mr Derek Young & Mrs Caroline Young

## **ASSOCIATES**

Annual gifts of \$5,000-\$9,999

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Ms Joanna Baevski  
Mr Thomas Bevington & Mrs Frances Bevington  
Ms Rosemary Forbes & Mr Ian Hocking  
Dr Milan Kantor OAM & Mrs Anne Kantor  
Mrs Jennifer Prescott and Mr John Prescott AC  
Mr Saul Same & the late Mrs Lucy Same  
Ms Janet Whiting & Mr Phil Lukies  
Dr Elizabeth Xipell

## **PREMIER ASSOCIATES**

Annual gifts of \$2,000-\$4,999

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Mr Ern Dawes OBE & Mrs Nola Dawes  
Miss Catherine Gray  
Mr Hans Henkell & Mrs Petra Henkell  
Mr Scott Herron  
Ms Dana Hlavacek & Mr Stephen Creese  
Dr Richard King & Mrs Andrea King  
Mrs Carolyn Kirby & Mr John Kirby  
Mr Larry Kornhauser  
M Ian Lawrence & Mrs Shirley Lawrence OAM  
Mr Norman Lees & Mrs Betty Lees  
Mr Ian McKellar & Mrs Margaret McKellar  
Mr William Montague OAM & Mrs Elaine Montague  
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Mr Robin Reid & Mrs Liz Reid  
Mr Fergus Ryan & Mrs Judy Ryan  
Mr Ralph Ward-Ambler AM & Mrs Barbara Ward-Ambler

## **DONOR ASSOCIATES**

Annual gifts of \$800-\$1999

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Mr John Bell  
Mr Tony Berry  
Mrs Elizabeth Brown  
Ms René Brown  
Mr David Brownell & Mrs Joanna Brownell  
Mr Tom Bruce AM & Mrs Beth Bruce  
Mr Arthur Charlwood  
Miss Rae Corran  
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Mr Trevor Green & Mrs Noreen Green  
Mr John Harrison CBE AM & Mrs Susan Harrison  
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Dr Michael Jelinek  
Mrs Judy Johnstone  
The late Mrs Diana Jones AM  
Mr Jost Kaiser & Mrs Dorothee Kaiser  
Ms Bettie Kornhauser  
Mr George Krawat  
Mr John Leslie OBE  
Mrs Mary Lipshut  
Mr Simon Lubansky & Mrs June Lubansky  
Mr Graham Ludecke & Mrs Pam Ludecke  
Mr Kevin Luscombe AM & Mrs Barbara Luscombe  
Mr Dieter Martin & Mrs Ute Martin



Mr John Ralph & Mrs Barbara Ralph  
 Mr David Rogers & Mrs Jan Rogers  
 Mr John Schiller & Mrs Elisabeth Schiller  
 Mr Victor Spitzer & Mrs Fleur Spitzer  
 Mrs Elaine Sutton

#### FOUNDATION ASSOCIATES

Annual gifts of \$350-\$799

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 Mr Peter Aird & Mrs Catherine Aird  
 Mrs Rosetta Baron  
 Mrs Adrienne Bassier  
 Dr Simon Bell & Mrs Jennifer Coghlan-Bell  
 Ms Kirsty Bennett  
 Ms Min Li Chong  
 Mr Sandy Clark  
 Ms Audrey Cope  
 Dr George Deutsch & Mrs Kathy Deutsch  
 Mrs Joyce Flowers  
 Mrs Helen Forrester  
 Mr Derrick Friedman & Ms Susie Kennett  
 Mrs Marie Greene  
 Ms Beryl Hall  
 Mr Neil Halls & Mrs Anne Halls  
 Mr Rod Harden & Mrs Lesley Harden  
 Mrs Jean Healey  
 Mr Bob Holden & Mrs Pam Holden  
 Mr Peter Hordern & Mrs Jennifer Hordern  
 Mr Gil Hoskins & Mrs Sandi Hoskins  
 Ms Helen Hunwick  
 Mr Keith Irvine & Mrs Jo Irvine  
 Mr Ronald Jones & Mrs Carol Jones  
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 Mr Anthony Knight OAM  
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 Mr Noel Mason & Mrs Susanna Mason  
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 Dr Walter Uhlenbruch AO & Mrs Waltraud Uhlenbruch  
 Mr Peter Wharton & Ms Anne Wharton  
 Mrs Sanae Winston  
 Ms Shirley Yeates  
 Worldwide Ticketing

#### BEQUESTS RECEIVED IN 2008

Maxwell & Merle Carroll

#### GRANTS FROM TRUSTS AND FOUNDATIONS

Sidney Myer Fund  
 The Myer Foundation  
 The Tallis Foundation

#### SEAT ENDOWMENT GIFTS RECEIVED IN 2008-09

Mrs Mary Cohen  
 Alison Flach & Gillian Perriment  
 Ms Susan Jennison OAM  
 Mrs Joyce Woodroffe

#### PRESIDENT'S CIRCLE

Confirmed bequestors

Anonymous (11)  
 Ms Elizabeth Alexandra  
 Miss Betty Amsden OAM  
 Mr Chris Begg and Mrs Patricia Begg OAM  
 Mr Tony Berry  
 Mr Kenneth N Bullen  
 Lyndsey Burton  
 Mr Douglas Butler  
 Mr Laurie Carew OAM  
 Ms Suzette Chapple  
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 The Hon Alan Egan JP  
 Mr Richard Farrar  
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 Mr Barrie I Follows AM JP and Mrs Gail M Follows  
 Ms Rosemary Forbes & Mr Ian Hocking  
 Mr Max Frost and Mrs Glenda Frost  
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 Mr John Stanistreet  
 Mrs Valerie Stirling  
 Mr Graeme Studd  
 Mrs Beverley Sutherland Smith  
 Mrs Pamela Swansson  
 The late Mrs Mavis Thompson  
 Ms Margot Vaughan and Ms Bernadette Nicholls  
 Ms Jill Watson  
 Ms Judy Watt  
 Mr Ian Watts  
 Mrs Dinah Whitaker  
 Mr Max Johnston & Mr Owen White  
 Mrs Pamela Wilson

# Corporate Partnerships



This past year has presented many challenges for the Corporate Partnerships team. In particular, the global economic crisis had a far reaching and significant impact on the corporate sponsorship and hospitality industry in 2008-09. Notwithstanding the impact of the crisis, the Arts Centre successfully acquired a number of new partners and doubled net revenue in the year.

In a difficult economic environment, we extend our sincerest thanks to all of our sponsors and corporate members who have continued their support in 2008-09. To our new partners - RACV and Rio Tinto - we applaud them for their inspired vision and strong community values in selecting the Arts Centre as a partner of choice.

One of only five community partnerships awarded annually, the RACV committed to supporting the Arts Centre as a major partner of the newly developed year-round Families Program. The partnership provides significant financial, marketing and promotional assistance with the objective of increasing family activities and attendances at the Arts Centre. Highlights

of the partnership include regular editorials, advertisements and ticketing offers in Royal Auto, RACV's exclusive member magazine delivered to over 1.9 million Victorian homes, RACV staff volunteer involvement in family program activities and a special experience for 100 under-privileged children and their family members to enjoy at the Arts Centre.

Another highlight was the 50th Anniversary of the Sidney Myer Music Bowl which attracted significant media and marketing support from the Herald Sun, Connex and 3AW and totaled \$380,000 in tangible marketing and advertising value.

In February 2009, Rio Tinto contributed \$50,000 to the August 2009 season of Raise the Red Lantern by the National Ballet of China. Rio Tinto's support of the program demonstrates the company's commitment to supporting high quality arts experiences, whilst reinforcing the importance and value of cultural diversity in Australia.

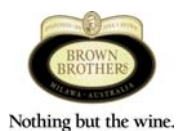




## Sponsors of the Arts Centre in 2008-09

We thank the following sponsors for their varied and significant support

### Partners



### Supply Partners



## Corporate members

### Gold

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### Diamond

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# SEEKING CREATIVE SOLUTIONS TO PROBLEMS IN PURSUIT OF THE BEST POSSIBLE OUTCOMES

Our building and organisation





Hamer Hall



# The place and the precinct



Laura Mumaw, Executive



After the Victorian Government announced in September that it had allocated \$128.5 million to the Southbank Cultural Precinct Redevelopment Project, work began in earnest to establish the teams, processes and plans to transform the St Kilda Road Arts precinct and open it up to the Yarra River and Sturt Street.

Major Projects Victoria, Arts Victoria and the Arts Centre formed a lead team for the project and agreed to use an Alliance structure to plan and carry out the work. The Alliance team will include members from each of these organizations, as well as design and construction members.

Alliance members will work as one team to contribute their particular skills and expertise to develop designs which ensure that the revitalized Arts Centre provides open, welcoming and accessible spaces, customer comfort, a variety of activities and amenities, spaces which inspire performances of exemplary quality, and an abundance of other reasons to come 'across the River', again and again.

Key design team members of the Alliance were appointed, including the well respected Melbourne architects Ashton Raggatt McDougall and Peter Elliott, and international experts in performing arts acoustics Marshall Day and theatre planners Schuler Shook. Constructor participants are due to be appointed well before the end of the 2009.

A review of the Southbank Cultural Precinct Master Plan was commenced in preparation for the detailed design and planning phase of the project. A suite of forums were planned to involve an array of partners and neighbours in discussions about the design. These will take place in the latter half of 2009 as design work begins.

Arrangements were made to commence a temporary closure of Hamer Hall for the redevelopment from July 2010 when construction is targeted to begin.

To align accommodation for the Arts Centre's pre-eminent performing arts collections with the schedule of the Southbank Cultural Precinct Redevelopment and its impact on Hamer Hall and the current Collection storage facilities, we are finalising long-term integrated storage options to ensure the Collection remains accessible in an environmentally sound new location.



# Maintaining and improving the facilities



Michael Burns, Executive



The Arts Centre ensures continuous upgrade and maintenance of the facilities to provide effective delivery of all our activities and the high standards required to ensure a safe and reliable environment.

More than 40 projects saw delivery of improved facilities for artists, presenters, audiences, visitors and staff.

Key projects included:

- the fit-out of the new Contact Centre to support the organisation's in-house ticketing project
- the installation of a 500,000 litre rainwater harvesting tank at the Sidney Myer Music Bowl, designed to assist with maintaining lawns
- installation of a visualisation suite to enable computer modelling of productions in our venues and to provide better training facilities for Production staff
- the installation of a new multi-channel hearing assist system for audiences.

## Environmental Leadership

The Arts Centre has a comprehensive Environmental Management System in line with Government policies. We continue to strive for better results. This year has seen a major reduction in water and electricity use.

Initiatives implemented in 2008-09 include:

- plant efficiency improvements
- roll out of the dual flush and low flow toilets saving 60% per use to existing
- studies and reviews of both mechanical and electrical plant to optimisation operation
- installation of low energy light globes throughout venues.

Details of environmental performance, see page 48.



Capacity audience on the lawn at the Sidney Myer Music Bowl



# People and Culture

The Arts Centre's continuing commitment to the development of a safety culture delivered some welcome milestones during the year. Proactive training and targeted safety awareness programs have resulted in a significant improvement in OH&S performance compared to previous years. Average lost days per workers compensation claim are down from 10 last year to 4.5 this year with 95% of staff having returned to work in under 10 days, up from 75% in the previous year. 43 'toolbox' meetings were conducted across the organisation to respond to immediate safety matters, up from the 26 held last year and the development of improved safety documentation and training in the Production unit, has helped to reduce injury incidence in this area.

From a selection of 118 applicants, The Health, Safety & Security Committee has been shortlisted by WorkSafe Victoria as one of 5 nominations for the Best Health and Safety Committee of the Year Award.

Betty Amsden OAM, who is a long standing, generous supporter of the Arts Centre, continues to fund an annual professional development award. This year the Arts Centre has matched the contribution of Ms Amsden to enable two staff members to receive international study grants. **Jemma Galvin**, a member of the Education Program team, will visit the Kennedy Center in Washington and the Los Angeles Music Center to study their education outreach programs. **Tobi Pedersen**, a member of the Arts Centre's Redevelopment unit, will undertake a residency in theatre design with an international consultancy.

The Enterprise Development Agreement (EDA) seeks to align the goals of the Trust with the needs and aspirations of staff. It defines the terms of the employment relationship and captures our commitments to Staff and their participation in developing the business. The EDA, which was finalised in April 2009, includes the endorsement of new principles on change and flexibility, particularly in relation to the implementation of the new CRM-Ticketing system, the Southbank Cultural Precinct Redevelopment project and the business excellence and collaborative learning project.



## Information Systems

During the year, successful implementations of a new financial management information system (EBMS Financials) and a new CRM-ticketing system (Tessitura) provided the opportunity to improve information quality by increasing the level of integration between our core operational systems. Innovative interfacing of our people management systems, the new ticketing system and our financial information and performance management systems have increased the accuracy and timeliness of information flows, the efficiency of some key operational processes and the quality of our information databases.

The implementation of the new CRM-ticketing platform provided the impetus to complete a substantial upgrade of our business systems continuity and recovery infrastructure. The establishment of an additional data centre has enabled core systems replication and increased communication redundancy and significantly reduced the risk of a critical systems failure. We have also made significant improvements to our systems security infrastructure and operational practices to implement the new international data security standards necessary to assure the efficacy of our customer credit card transactions.





## Organisational Performance

The Arts Centre continues its focus on collaborative learning and the development of organisational excellence. Management forums with the Sydney Opera House and The Edge from Auckland have identified collaborative improvement opportunities in the areas of knowledge management, customer focus, environmental strategy and workforce development. Executives from the Southbank Centre (London) and the LA Music Centre (Los Angeles) participated in our management forums and a residency program to support the planning program for the Arts Centre's redevelopment.

We continue to engage our staff in the implementation of the Business Excellence Framework, which is an important part of our annual planning program. This year 100 managers and staff participated in the excellence assessment workshops and identified business improvement initiatives that have been included in our Cultural Enterprise Plan. Our Excellence Assessment score improved from 495 to 555 (out of a possible 1000), which is equivalent to a bronze excellence award.

This year we completed the development and implementation of an (award winning) event budgeting system and achieved increased integration of our core business and financial management systems. These two initiatives have increased management access to better quality financial and non-financial performance data and enabled improvements in the quality and timeliness of performance reporting. The integration of our catering partner's (Epicure) event booking system and the automation of

presenter settlement processes are examples of improvements in information management and process quality which will directly benefit key stakeholders.

## Governance

During the last 18 months the Arts Centre has launched new risk management and compliance frameworks. Benchmarking with large multinational corporations and other agencies has confirmed that our enterprise risk management framework is leading edge. Full implementation of the new framework will take several years with the current focus on improving the management of strategic and key operational risks.

A collaboration with the Victorian Managed Insurance Authority (VMIA) supported the development of a new enterprise compliance framework that will improve compliance identification, management and reporting. This framework, which will be made available to other agencies, represents current best practice and will take several years to implement fully. Our immediate focus is on improving compliance in our key operational risk area of health and safety.

A new policy framework launched during the year will underpin a complete review of all Arts Centre policies and procedures. The objective is to simplify policies and procedure documentation and improve access, awareness and use. New privacy, fraud control and procurement policies have already been issued and our ongoing review agenda will align with our risk focus.



Australian Chamber Orchestra, Dawn Upshaw

# THE TRUST'S VISION IS OF A SOCIETY THAT VALUES THE PERFORMING ARTS

The Trust and its role



# The Victorian Government's Arts Policy – “Creative Capacity + Arts for All Victorians”



The Trust complies with all relevant legislation and regulations, and responds to such Government policies and guidelines as may apply to public entities from time to time.

Further to its own Act, the statutes having particular relevance to the Trust's role and operations are:

- the *Financial Management Act 1994*,
- the *Public Administration Act 2004*,

*Creative Capacity + Arts for all Victorians* is the Victorian Government's policy framework for the arts and cultural heritage sectors.

The Policy outlines three broad goals:

- Arts for all Victorians: a culture of participation
- On the threshold: an economy based on innovation
- Creative place: a dynamic cultural sector

The policy outlines four strategies:

## Developing artists, ideas and knowledge

Artistic development, innovation and collaboration, new ideas, new forms of creative expression, a challenging, stimulating and creative environment.

## Engaging creative communities

Engaging communities in creative life, broadening access, enabling more people from all backgrounds to enjoy the arts and cultural heritage, valuing creativity, diversity and participation.

## Building creative industries

Thriving, viable creative industries and increased cultural productivity, a vibrant successful and sustainable cultural sector.

## Creative place and space

Creatively planned spaces, local distinctiveness and a sense of place, civic pride and confidence in cultural facilities and cultural collections, integral to vibrant communities.

# The Trust's role and context

The Trust's core purpose is to enrich the lives of Victorians – culturally, educationally, socially and economically (Victorian Arts Centre Act 1979 S,5).

The Trust's role is to:

- provide leadership in the creation, production, presentation, promotion and advocacy of the performing arts
- stimulate curiosity in and understanding of the performing arts
- increase accessibility to and enjoyment of the performing arts
- create partnerships that increase the value and potential of the performing arts
- manage, develop and promote cultural collections
- manage, maintain, develop and present the Centre in first class condition.

## Vision and values

The Trust's vision is of a society that values the performing arts. The Trust promotes these values especially as integral to its approach:

- Leadership – show clear direction and purpose, advocate, set an example, excel, creating confidence and motivation
- Creativity – be curious and inventive, flexible and adaptive, always willing to find better ways to do things
- Inspiration – be passionate, energetic and committed
- Inclusivity – welcome and engage, listen and learn, collaborate for mutual benefit
- Integrity – be open, honest and trustworthy, reliable and true to our word: act fairly, ethically and respectfully

## Statutory functions

The Trust is a statutory entity subject to the general direction and control of the Minister for the Arts of the Victorian Government.

The functions of the Trust are described in detail in the *Victorian Arts Centre Act, 1979* (as amended).

They are:

- "to control, manage, operate, promote, develop and maintain the Centre;
- to present and produce theatrical performances, operas, plays, dramas, ballets and musical and other performances and entertainment of any kind at any place;
- to promote the use of the theatres, concert hall and other places of assembly by suitable persons and bodies;
- to provide leadership in the promotion and development of the performing arts;
- to ensure the maintenance, conservation, development and promotion of the State collection of performing arts material;
- to oversee the exhibition of performing arts material from the State collection and make any performing arts material from the State collection available on loan to persons or institutions;
- to carry on, whether within or outside Victoria, whether alone or in association with any other person or persons and whether or not in relation to the Centre, a business of providing ticketing, inventory management of admissions, marketing and related services;
- to perform any other functions appropriate to the Centre as the Minister may approve;
- to carry out any function conferred on the Trust under this Act."



# The organisation



## Organisational context

The Arts Centre is a statutory authority of the Arts portfolio. The Arts portfolio is administered by Arts Victoria, a division of the Department of Premier and Cabinet. The Trustees are appointed by the Governor in Council on recommendation of the Minister for the Arts.

## Trust

Janet Whiting (President from 13 June 2009)  
Carrillo Gantner AO (President and Trustee to 12 June 2009)  
Deborah Beale  
Paul Brasher  
Michael Daddo  
Mem Kirby OAM (to 12 March 2009)  
Ailsa Piper  
Leon van Schaik AO  
Graham Smorgon (from 24 June 2009)  
David Vigo

The Trust met seven times in 2008-09.

## Trust Committees

### Risk Management and Audit Committee

Janet Whiting (Chair)  
Paul Brasher  
Carrillo Gantner AO

The Committee provides advice to the Trust on matters relating to financial management, physical assets, investments, risk management and all aspects of internal and external audit and compliance matters.

The Committee met eight times in 2008-09.

### Executive Performance and Remuneration Committee

Carrillo Gantner AO (Chairman)  
Paul Brasher  
Michael Daddo  
Janet Whiting

The Committee provides advice to the Trust on executive remuneration, executive performance and general remuneration policy matters.

The Committee met twice in 2008-09.

## The Arts Centre Foundation

Graham Smorgon (Chairman)  
Carrillo Gantner AO (Vice Chairman)  
Betty Amsden OAM  
Sandy Clark  
Debbie Dadon  
John Denton  
Dana Hlavacek  
Mem Kirby OAM  
Ailsa Piper  
Jennifer Prescott  
Doug Shears

The purpose of the Foundation is to raise funds from individuals and philanthropic organisations, to manage the investment of donated funds, and recommend the application of those funds in support of the statutory purpose and strategic priorities of the Trust.

The Foundation met twice in 2008-09.



From left to right:  
Janet Whiting,  
Deborah Beale,  
Paul Brasher,  
Michael Daddo,  
Carrillo Gantner AO,  
Mem Kirby OAM,  
Ailsa Piper, Graham  
Smorgon, Leon van  
Schaik AO, David Vigo

## Ticketing-CRM Governance Committee

Deborah Beale (Chair)  
Michael Daddo  
David Vigo

The Ticketing and CRM (Customer Relationship Management) Committee was formed to assist the Trust in determining a future customer service model for the Arts Centre. Following a decision to bring the service in-house, the Committee oversaw the procurement and implementation of a new in-house ticketing system and operation.

The Committee met three times in 2008-09.

## Redevelopment Steering Committee

Leon van Schaik AO (Chair)  
Michael Daddo  
Carrillo Gantner AO

The primary objective of the Redevelopment Steering Committee is to assist the Trust to fulfil its corporate governance and oversight responsibilities by monitoring and reporting to and acting for the Trust (when delegated) on all matters pertaining to the Redevelopment of the Arts Centre through the Southbank Cultural Precinct Redevelopment project.

The Committee met ten times in 2008-09.

## Organisational chart



# Administrative reporting requirements

## Workforce Data

	Ongoing				Variable Time*				Fixed Term & Casual Employees	
	Employees (Headcount)		FTE		Employees (Headcount)		FTE		FTE	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
<b>Gender</b>										
Male	99	91	96.28	89.28	29	31	18.26	19.16	42.60	43.08
Female	106	104	98.33	96.23	7	8	3.50	4.33	58.68	60.42
<b>Total</b>	<b>205</b>	<b>195</b>	<b>194.61</b>	<b>185.51</b>	<b>36</b>	<b>39</b>	<b>21.76</b>	<b>23.49</b>	<b>101.28</b>	<b>103.50</b>
<b>Age</b>										
Under 25	4	0	3.60	0.00	1	0	0.53	0.00	11.52	9.40
25-34	61	53	58.60	51.00	10	10	5.95	5.74	43.08	42.22
35-44	53	52	49.24	47.94	12	14	7.26	8.22	23.67	29.96
45-54	49	49	48.43	48.03	9	11	5.66	7.16	15.57	14.48
55-64	31	35	29.85	34.13	3	3	1.83	1.84	5.43	4.82
Over 64	7	6	4.89	4.41	1	1	0.53	0.53	2.01	2.62
<b>Total</b>	<b>205**</b>	<b>195***</b>	<b>194.61</b>	<b>185.51</b>	<b>36</b>	<b>39</b>	<b>21.76</b>	<b>23.49</b>	<b>101.28</b>	<b>103.50</b>

\* Variable-time employment is distinct from ongoing, fixed term or casual employment. Staff are engaged for a specific number of hours in a year, which may range from 624 to 1560. The actual hours worked in a week may vary depending on demand, with the total number of hours worked over the year equating to the amount in the staff member's variable-time contract

\*\* This figure reflects 181 full time headcount and 24 part-time headcount.

\*\*\* This figure reflects 174 full time headcount and 21 part-time headcount.

Environmental performance					
Description	Units of Measure	2008-09*	2007-08*	2006-07*	2005-06*
Electricity	Kilowatt hour (kWhr)	29,328,081	31,044,422	31,207,378	31,384,841
Natural Gas	Gigajoules	76,419	69,678	70,485	69,230
<b>Total Greenhouse Gas Emissions</b>	Tonnes of carbon dioxide equivalent (CO2-e)	40,652	44,660	44,920	45,081
<b>Water</b>	Kilolitres (KL)	99,676	101,280	98,925	104,492

\* Includes services supplied to National Gallery of Victoria



## Occupational Health and Safety

A number of KPI's have been identified to enable the measurement of OH&S effectiveness and provide a valuable tool in the strategic management of these issues. The reduction in lost work days on the previous year is significant and consistent with the outcome in 2006/07.

Measure	KPI	Result
Worker's Compensation	Workcover Performance Rating	70.6% which is 29.4% better than the industry 3 year average (previously 24.9% better than the industry 3 year average in 2007-08)
	Premium Rate	1.7% of total remuneration (.5% better than the industry rate) (previously 1.58% of total remuneration in 2007-08)
	Average days lost per worker's compensation claim	4.5 (10 in 2007-08)
	Return to work	90% of injured staff returned to work in under 10 days (75% in 2007-08)
OHS Management Systems Compliance	Achieve compliance to AS4801	91% (compliance is achieved at 80%)

## Disability Policy and Disability Action Plan

The Arts Centre is committed to ensuring that all members of the community have the opportunity to experience the Arts Centre's performances, services and facilities, and has introduced a Disability Access Policy and redeveloped its Disability Action Plan (DAP) in support of this aim.

The Arts Centre's DAP responds to the four outcome areas of Victoria's Disability Act 2006, which have been identified as corresponding to five areas in which change is required at the Arts Centre, being:

1. improve venue and facility access
2. increase staff and presenter awareness and engagement
3. enhance services for people with a disability
4. increase number of accessible programs
5. promote access for and to people with disabilities

The DAP has been structured to clearly identify action items which correspond to these five areas of change and aims to contribute to the improvement of the Arts Centre's facilities and services for visitors and employees within reasonable, feasible budgetary constraints. The plan acknowledges the access challenges inherent in the buildings, and outlines strategies to address the range of identified issues relating to access to facilities, services and performances.

In response to one of the action items aimed to enhance service for people with a disability, an Access Satisfaction Measure has been introduced which targets all users of the Arts Centre's accessible services. This survey returned an initial result of 81% which, whilst establishing an excellent starting point that proves the services currently offered to people with disabilities are greatly appreciated, also demonstrates the huge potential in this area. It is hoped that the Southbank Cultural Precinct Redevelopment will enable a focus on the improvement of the Arts Centre's physical facilities, and that work will continue alongside marketing and programming initiatives which will further develop audiences for the future.

## Freedom of Information

The Trust is an 'agency' for the purposes of the Freedom of Information Act 1982 (the Act) and is therefore subject to the Act. Freedom of Information (FOI) arrangements followed by the Trust are in accordance with procedures established under the Act.

The Trust did not receive any requests under the Freedom of Information Act in the year ended 30 June 2009.

All requests for FOI access must be made in writing to the Arts Centre's Freedom of Information Officer; Annabel Allen, PO Box 7585, St Kilda Road, VIC 8004.

The subject and date range of the information sought should be indicated as precisely as possible, and the request should be accompanied by the application fee which from 1 July 2009 is \$23.40 (waived in certain circumstances). Apart from the application fee, certain other charges such as search fees and photocopying charges might apply in relation to the provision of documents as stipulated in the Freedom of Information (Access Charges) Regulations 2004.

Further information on the Act may be obtained from [www.foi.vic.gov.au](http://www.foi.vic.gov.au)

## Financial and other information retained by the accountable officer

The following additional information is retained by the Trust for the period covered by the Annual Report and can be accessed subject to a request in accordance with the provisions of the Freedom of Information Act 1982, to the Arts Centre's Freedom of Information Officer as detailed above.

- A statement that Declarations of pecuniary interests have been duly completed by all relevant officers of the Trust.
- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority.
- Details of publications produced by the Arts Centre about the Arts Centre and how these can be obtained.
- Details of any major external reviews carried out on the Arts Centre.
- Details of changes in prices, fees, charges, rates and levies charged by the Arts Centre.

- Details of overseas visits undertaken, including a summary of objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the Arts Centre to develop community awareness of the Arts Centre and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement of industrial relations within the Arts Centre and details of lost time lost through industrial accidents and disputes, and
- Details of Trust committees, the purposes of each committee and the extent to which the purposes have been achieved.

There were no research and development activities undertaken by the Arts Centre during the reporting period, and there were no significant changes in prices or services during the period.

## Competitive Neutrality Policy compliance

Competitive Neutrality requires Government businesses to ensure where services compete or potentially compete with the private sector, that any advantages arising from their Government ownership are removed if they are not in the public interest.

The Trust is committed to the ongoing compliance with the requirements of the competitive neutrality principles and is satisfied that its activities comply with the Victorian Government's Competitive Neutrality Policy.

## Statement of compliance with the Building Act 1993

The Trust continues to comply with the relevant guidelines, pursuant to Section 220 of the Building Act 1993. To ensure compliance, third party surveyors are engaged prior to commencement of any works where planning permits are required and also following construction on all works, to certify compliance with building regulations.

During 2008-09 there was one work certified for approval, one work the subject of mandatory inspections (with the exception of a final inspection for each work) and one occupancy certificate issued.



Tony Chamberlain, Executive



All buildings of the Trust were compliant with the Building Act 1993 throughout the period.

## Implementation of the Victorian Industry Participation Policy

In October 2003, the Victorian Parliament passed the Victorian Industry Participation Policy Act 2003 which required public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). The Trust is required to apply the VIPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

In 2008-09 the Trust entered into one contract, worth \$4m to which the VIPP applies. The VIPP commitments resulting from this contract are the employment of 1 existing position and 19 new positions, with a committed local content of 100%.

## Whistleblowers Protection Act 2001

This section of the report contains information that is required to be published annually under the Whistleblowers Protection Act 2001 (the 'Act') Section 104.

The Trust has established written procedures for handling disclosures made under the Act in accordance with the guidelines issued by the Ombudsman Victoria. A full copy of the procedures is available on the Arts Centre's web site <http://www.theartscentre.com.au>.

The procedures include detailed information about:

- roles and responsibilities of the Disclosure Officer and the Disclosure Coordinator;
- confidentiality provisions;

- procedures for the conduct of investigations;
- action to be taken after an investigation;
- managing the welfare of the whistleblower;
- management of the person against whom a disclosure had been made.

In respect of the Act:

- The Trust has not received any disclosures during the year, consequently, the Trust has not referred any disclosures to the Ombudsman for determination as to whether they are public interest disclosures, or for the Ombudsman to investigate, and there have been no investigations of disclosed matters taken over by the Ombudsman from the Trust during the year.
- There have been no investigations of disclosed matters referred from the Ombudsman to the Trust.
- The Trust has made no request under section 74 of the Act to the Ombudsman to investigate disclosed matters during the year.
- The Trust has not declined to investigate a disclosed matter during the year.

## Subsequent Events

There have been no events which have occurred since 30 June 2009 that materially affect any of the statements made as information providers of this report, or that will impact on the operations of the Trust in future periods.



# Attestation under the Victorian Government's Risk Management Framework

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PO Box 7585  
St Kilda Road Vic 8004

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F + 61 3 9281 8282  
info@theartscentre.net.au  
www.theartscentre.net.au

the Arts Centre  
ABN 83 295 983 059



I, Janet Whiting, provide the following certifications in respect of the Arts Centre's risk management process as required by the Victorian Government's Risk Management Framework:

## **Risk Management Standard**

I certify that the Arts Centre has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard; AS/NZS 4360.

## **Internal Control Systems**

In respect of the Arts Centre having internal control systems that enable the executive to understand, manage and satisfactorily control risk exposures, I certify the following:

The Arts Centre's enterprise-wide risk management framework is continuing in the process of an implementation and continuous improvement cycle, which will carry on through 2010 and on an ongoing basis thereafter.

As part of this process during the year there has been assessment and management of strategic and budgetary risks, assessment and management of all significant operational risks, commencement of the implementation of Compliance Management Framework including a detailed review and identification of all our Occupational Health & Safety obligations, development of a policies and procedures framework, commencement of the Fraud Control Framework and delivery of the risk-based internal audit plan.

The establishment of in-house ticketing operations within the Arts Centre in the current financial year has also led to additional risk management improvements in the areas of IT Disaster Recovery infrastructure and procedures, Privacy and Information Systems security.

An assessment of interagency and state-wide risks was completed and no significant risks were identified, however the Redevelopment of Hamer Hall in the next financial year will most likely present risks for the other Government Agencies and Departments involved in the project.

The next financial year will continue to see the ongoing development and maturity of risk management processes throughout the organisation.

## **Critical Review of Risk Profile**

I certify that the risk profile of the Arts Centre has been critically reviewed within the last 12 months and that the Risk Management and Audit Committee verifies this assurance.

Janet Whiting, President of the Victorian Arts Centre Trust

2nd September 2009





Rockwiz at the Bowl, Judith Durham



# Summary of results 2008-09 (F2009)



## Financial performance

Financial performance during fiscal 2009 reflects the impacts of the global financial crisis. Softness in both customer demand and program supply, particularly in the second half of the year, has contributed to a reduction in venue occupancy and lower program attendances resulting in a marginal decline in earned revenues. Overall financial performance remains positive with revenue impacts offset by effective cost management to deliver an operating cash surplus for the year.

**Annual Result:** The audited financial statements for F2009, as shown in the summary of results overleaf reports a positive net operating result (before depreciation) of \$1.3 million (F2008: \$11.5). While total revenues decreased by 15% to \$53.1 million (F2008: \$62.5 million), total expenditure (excluding depreciation) was contained at \$51.8m (F2008: \$51.0 million) to deliver a net cash operating surplus. After allowing for depreciation (which is unfunded) the financial statements record a net deficit for the period of -\$11.5 million (F2008: -\$1.5 million).

**Operating Performance:** In accordance with the relevant accounting standards, the audited financial statements include capital and endowment receipts and income received in advance that is to be applied against future expenditure. Excluding these revenues and the unfunded annual depreciation expense presents a more accurate record of the annual operating performance of the Trust.

The operating performance summary shows the comparable 'net cash operating result' for the last three years and demonstrates that in recent years the Trust has consistently delivered a positive cash surplus from its operating activities.

While F2009 records a marginal 3% decline in operating revenue, total operating costs (operating expenses plus capital projects) have been reduced by 2.6% to deliver the positive operating result of \$1.3 million (F2008: \$1.8 million). Revenue reductions are due primarily to lower investment earnings and some deterioration in venue utilisation revenues reflecting the impacts of the global financial crisis.

During F2009 the Trust also committed \$3.1 million of its reserve funds to support a strategic capital investment in the implementation of a new customer relationship management and ticketing system.

**Equity:** The annual deficit of \$11.5 million (F2008: \$1.5 million) has reduced Total equity to \$394.3 million (F2008: 405.6 million). This deficit results primarily from the impact of \$12.8 million (F2008: \$13.0 million) of unfunded depreciation expense.



Operating performance summary	F2009 \$m	F2008 \$m	F2007 \$m
Total Revenue as per audited financial statements	53.1	62.5	47.0
Less capital & endowment receipts and income received in advance	-0.9	6.6	1.0
<b>Total net operating revenues</b>	<b>54.0</b>	<b>55.9</b>	<b>46.0</b>
Less total expenses as per audited financial statements (excluding depreciation)	51.8	51.0	44.8
<b>Net operating result</b>	<b>2.2</b>	<b>4.9</b>	<b>1.2</b>
Less capital projects funded from operating revenues	0.9	3.1	0.4
<b>Net cash operating result</b>	<b>1.3</b>	<b>1.8</b>	<b>0.8</b>

## Performance trends

Financial performance is monitored on a monthly basis against targets set in the cultural enterprise plan. The overall net cash operating surplus of \$1.3 million (F2008: 1.8 million) represents a satisfactory performance from all business units in a period where declining earned revenue impacts have been offset by effective cost management. Marginal growth in visitor services revenues absorbed some of the revenue decline related to lower attendances and lower venue occupancy.

Non financial performance is monitored by a range of key performance indicators relevant to each business unit. Consistent with the decline in revenue performance, the key indicators for patronage, events, and venue utilisation show a decline during F2009.

### Patronage

Overall attendance at performances, public programs and exhibitions has fallen below F2008 levels. Performance attendances are down for the first time since F2005 with a decline of 13% in F2008 levels. This outcome is consistent with the decline in overall event numbers and major venue occupancy and reflects the general contraction in the economic environment during the latter half of the year.

Public program attendances are down 10% and exhibition attendances are down 28% compared to F2008. The decline in exhibition attendances reflects a less successful (Peter Allen) icon exhibition series for F2009 (F2008: icon exhibition (Nick Cave) plus a successful touring exhibition (Kylie Minogue).

On-line activity continues to grow (reflecting in part our new on-line ticketing system) and patronage of our visitor facilities (food and beverage customers and car park usage) has also increased by 8%.

### Asset Condition

The effect of reduced funding for facility maintenance and development is evident in the declining presentation, functionality and condition indices of the assets. The overall venue condition is positively influenced by the 2001 refurbishment of the Sidney Myer Music Bowl. Excluding this venue, the overall venue condition index falls by 2% to 74%.

The 20% decline in the infrastructure (including operating plant) index since F2006 to the current level of 54% signals the increasing risk of failure of these assets and the urgent need for increased maintenance funding. The Arts Centre redevelopment project (Stage I), which is scheduled to commence in July 2010, will substantially upgrade the Hamer Hall asset condition.

However the main operating plant assets are housed within the Theatres Building, for which the redevelopment dates are not yet set. Therefore, without additional funding support, the operating asset condition will remain a significant risk for the immediate future.

# Summary of results 2008-09 (F2009)

Financial Performance	F2009 \$m	F2008 \$m	F2007 \$m	F2006 \$m	F2005 \$m
Total Revenue	53.1	62.5	47.0	42.4	39.5
Less Total Expenses	51.8	51.0	44.8	43.1	39.6
<b>Net Operating Result</b>	<b>1.3</b>	<b>11.5</b>	<b>2.2</b>	<b>-0.7</b>	<b>-0.1</b>
Less Depreciation	12.8	13.0	19.3	18.9	19.8
<b>Net Result for Period</b>	<b>-11.5</b>	<b>-1.5</b>	<b>-17.1</b>	<b>-19.6</b>	<b>-19.9</b>
Total Assets	412.3	421.8	419.9	504.7	507.6
Less total Liabilities	18.0	16.2	15.5	14.7	13.1
<b>Total Equity</b>	<b>394.3</b>	<b>405.6</b>	<b>404.4</b>	<b>490.0</b>	<b>494.5</b>

Patronage Profile <sup>1</sup>	F2009 (000s)	F2008 (000s)	F2007 (000s)	F2006 (000s)	F2005 (000s)
Attendance at Performances	1,115	1,278	1,250	1,249	1,146
Attendance at Public Programs	284	316	242	399	211
Attendance at Exhibitions	601	834	693	808	836
<b>Total Attendances</b>	<b>2,000</b>	<b>2,428</b>	<b>2,185</b>	<b>2,456</b>	<b>2,193</b>
Online Visitors	1,573	1,222	1,116	982	375
Other Visitors & Facility Users <sup>2</sup>	1,447	1,336	1,209	na	na

Events Profile	F2009 (000s)	F2008 (000s)	F2007 (000s)	F2006 (000s)	F2005 (000s)
Performance Events	1,260	1,360	1,378	1,425	1,089
Public Program Events	3,407	3,624	4,294	4,212	3,887
Exhibitions & Displays <sup>3</sup>	27	29	38	43	25
<b>Total Events</b>	<b>4,694</b>	<b>5,013</b>	<b>5,710</b>	<b>5,680</b>	<b>5,001</b>

Venue Occupancy	F2009 %	F2008 %	F2007 %	F2006 %	F2005 %
Hamer Hall	71	76	81	73	78
State Theatre	85	93	99	99	98
Playhouse	93	97	98	90	96
Fairfax Studio	99	97	98	98	92
<b>Average mainstage occupancy<sup>4</sup></b>	<b>87</b>	<b>91</b>	<b>94</b>	<b>90</b>	<b>91</b>
Sidney Myer Music Bowl	25	26	24	30	18

Facilities Management	F2009 %	F2008 %	F2007 %	F2006 %	F2005 %
Asset Condition Index Venues <sup>5</sup>	76	78	na	76	na
Asset Condition Index Infrastructure	54	63	na	74	na
Facilities Presentation		92	92	92	na
Facilities Functionality		97	99	na	na

## Notes

1. This measure was changed in F2008 to distinguish attendees from visitors

2. For F2007 this measure includes car park users and food & beverage customers

3. This measure was changed in F2008 to exclude exhibition and display days

4. This measure was changed in F2008 to exclude maintenance days

5. This measure was included in F2009. It is independent assessment of the 'as new' condition of assets



Complexions Contemporary Ballet Masterclass





Sydney Dance Company, 360

# Disclosure index

The Annual Report of the Victorian Arts Centre Trust is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the organisation's compliance with statutory disclosure requirements.

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The Victorian Arts Centre Trust Annual Report 2008-09 is published as two separate documents – the Report of Operations and the Financial Statements. The page references in this Disclosure Index refer to both sections. Those pertaining to the Financial Statements document are referenced with the accompanying 'F'.

\* FRD is a Financial Reporting Direction issued by the Minister for Finance pursuant to s8 of the *Financial Management Act 1994*. Compliance with FRDs is mandatory.

\*\* SD is a Standing Direction under the *Financial Management Act 1994*. Compliance with SDs is mandatory.







