

ANNUAL REPORT

2016



Acknowledgments

Chair's Report

Our Theatre in 2016

National Theatre Drama School

National Theatre Ballet School

Directors Report and Audited Financial Statements

Acknowledgments

THANK YOU

The National Theatre Melbourne would like to thank our generous donors:

The Angior Foundation	The Gerda Nicolson Foundation
The William Angliss (Victoria) Charitable Fund	James Ostroburski
The Bertalli Family Foundation	The Scanlon Foundation
Andrew Buckeridge	Amber Scott
The Cybec Foundation	Jean Stewart
Diana Gibson AO	The Tallis Foundation
The Gertrude Johnson Estate	Susan Thacore
The Gwen and Edna Jones Foundation	The Urquhart Charitable Fund

Government Supporters:

City of Port Phillip

The National Theatre Melbourne warmly welcomes all support towards its students and heritage theatre building. If you would like to support us through the Australian National Memorial Theatre LTD Arts Education and Training Fund, your donation of \$2 or more is fully tax deductible.

Staff in 2016

CEO Nic Clark
Administrator Jarrod Rose (from August)
Accounts Maggie Lu / John Paxinos & Associates
Theatre Manager Linda Aitken (to July)
Programming Coordinator Jayde Kirchert (August to December)
Marketing Coordinator Dean Worthington (May to December)
Customer Service Coordinator Melissa Moldrich (to August)
Theatre Operations Coordinator Melissa Moldrich (from August)
Production Manager Linda Hum
Head Technician Gordon Boyd
Head Cleaner Tracie Ryan
Cleaner James Sugden
Cleaner Stephen DeGenaro
Ballet School Director Beverly Jane Fry
Ballet School Administrator Chrissy Demetriou
Drama School Director Ken Boucher
Drama School Course Coordinator Dave Harford

Many thanks also to the 100+ casual staff who teach, play piano and provide outstanding technical and front of house support throughout the year to our theatre and schools.

The National Theatre Melbourne's first Season Launch kicked off 2016. Some terrific live shows were featured in addition to the program provided by our own illustrious Drama and Ballet schools. The launch and season brochure were all part of our strategic effort to communicate more effectively the vital work being done by the National Theatre Melbourne in providing access to the arts and exceptional performing arts training. The Board identified the need for much stronger branding and marketing, in telling the story of our established and highly revered company. The appointment of a marketing and development coordinator, along with our first season launch and brochure were great steps forward, in line with that strategic aspiration. Australian musician, Nick Barker played to a packed house of faithful ACDC fans and brought the story of Bon Scott to life, through music. In the Heights was another highlight - an energising musical theatre production that enlivened our beautiful old beaux arts theatre with a dynamic fusion of Latino, hip-hop and street dance, song combined with contemporary issues. Both these shows were presented proudly in co-production with the National Theatre Melbourne. A celebrated return to the main stage this year, was made by The National Theatre Drama School in presenting, *The Man Who Came to Dinner*. Another highlight was a magnificent new production of *Coppélia*, presented by our National Theatre Ballet School, featuring brilliant set design, outstanding costuming and the artistic excellence that is characteristic of the National Theatre Ballet School.

All these highlights, however, were staged against a backdrop of increased financial pressure for Australia's oldest performing arts company, with the Department of Education and Training reviewing its support for students in registered training organisations. We were in jeopardy of losing our student fee support, which is so vital, as our senior courses are professional courses providing the highest vocational training. Students are admitted through a rigorous audition process, that values dedication and aptitude to their craft - not their ability to pay. This has been an integral part of the National Theatre Melbourne's mission since the inception of the company in 1935; access to the arts for all. I would like to pay tribute to the Hon. Michael Danby MP, Member for Melbourne Ports and the Victorian Minister for Creative Industries, Hon. Martin Foley MP, for their support in getting the message to Canberra. I met with Senator Birmingham directly with Hon. Michael Danby's help, at Parliament House, to make the case for the National Theatre Melbourne's significant vocational outcomes, over a very long and distinguished history. The National Theatre Melbourne's three senior courses have since been placed on the Senator's Eligible List.

We achieved a modest surplus at the end of the year with the generous support of a handful of donors, without whom this would not have been possible. We are extremely grateful for some limited philanthropic support - which is extended mostly from private individuals and trusts. I would like to acknowledge the kind and most generous support of Diana Gibson AO, The William Angliss Charitable Fund, The Scanlon Foundation and The Bertalli Family Foundation. Some very generous scholarships are also mentioned with our thanks, in the individual schools reports. The theatre itself, iconic and stunningly beautiful as she is, hosts a vibrant community of hundreds of young students daily and 77,000 patrons annually. This provides challenges of a capital nature. During this year we were fortunate that a generous Heritage Victoria grant enabled the repair and re-tuckpointing of the southern wall of our grand old theatre building, buffeted by sea winds over many decades. I would also like to acknowledge, a grant from the City of Port Phillip, in recognition of our 80th year. This kind of impactful recognition of our contribution to the arts and the local community is much appreciated; as we strive to further build our community engagement - providing an important home for multicultural groups, semi-professional, amateur organisations and schools, including our own performing arts schools.

I would like to gratefully acknowledge outgoing Board Directors, Peter Niblett (Company Secretary and on the Audit and Risk committee member) and Janine Barrant (long standing Board Director and Chair of the Executive Remuneration and Performance committee), for their valued service to the Company. I would also like to welcome James Ostroburski, Professor Brian Martin and Julie Carey, newly appointed Board Directors in 2016. I am proud to lead an engaged and active Board, comprised of Directors highly respected in their own fields, generously offering their own expertise and time to the efforts of the company. The National Theatre Melbourne Board continually works to refine The National Theatre Melbourne's strategy, thus 2016 importantly saw the Board commission a commercial review of the entire organisation - this review has already begun to inform the direction of what we hope will be the next 80 years of this wonderful company! The National Theatre Melbourne is indeed a very unique company, comprised of extremely hard working staff, dedicated to the education of young artists and creating access to the Arts for all, within the company's iconic theatre. Without these wonderfully passionate and committed professionals, our significant contribution to the Arts in Australia would simply not be possible. I would like to extend my sincere thanks to all staff.

Susan Thacore

May 2017

181 PERFORMANCES

12,449 PARTICIPANTS

77,327 AUDIENCE MEMBERS

The Theatre Department of The National Theatre had a strong 2016 with 181 performances across a total of 246 days of occupied theatre. During this period 12,449 performers and crew created memorable experiences for 77,327 audience members.

In 2016, we have invested significantly in the long-term future of The National Theatre with a number of upgrades. We have vastly improved the structure and aesthetic of the exterior by re-pointing the external brick work along one side of the building. Keeping our staff and patrons safe is an ongoing priority and additional equipment has been put in place to improve communication between departments, staff and to our patrons. A substantial number of unoccupied days are dedicated to ongoing stage maintenance. The combined knowledge and skills of our technical department grants us the ability to undertake the bulk of this work in-house, which is an asset to the organisation. Their successful business-wide electrical test and tag program is economical and provides additional work opportunities to our casual staff. We invested in additional equipment and infrastructure for the stage by upgrading the fall arrest system as well as installing new audio to enhance the experience for patrons nearer to the stage. Making the arts accessible to all members of our community remains a strong focus, and the 2016 upgrade to our hearing loop system progresses this goal.

2016 Season

2016 saw the first official National Theatre Melbourne Season which kicked off with three powerful nights of *Hell Ain't A Bad Place To Be - The Story of Bon Scott* (Wander Productions). This marked a change in policy to allow patrons to consume alcohol inside the theatre during performances and increased the average bar spend per head by \$5.30 from 2015 average. This was then rolled out for remainder of year which has seen annual bar income rise of approximately \$75,000 for the year.

In The Heights (StageArt) closely followed with an exceptionally well received remount of their Australian Premiere season in 2015. This wonderfully energetic musical, written by the brains behind *Hamilton*, is a true testament to the cultural and social impact musical theatre has. The National Theatre is proud to have been involved in remounting this vital premiere, giving additional audiences the chance to experience its quick wit, Latin inspired dance & music and wonderfully diverse characters.

As part of the new program The National Theatre began an association with two of Melbourne's most successful festivals - The Melbourne International Comedy Festival and The Melbourne Fringe Festival. Across both festivals we hosted 18 performances, featuring a variety of performance styles including stand up, cabaret, drag, children's promenade and workshops. We supported emerging artists and also showcasing award-winning artists including *Exposing Edith's* Michaela Burger (2016 Helpmann Award nomination for Best Cabaret Performer) and Anya Anastasia's *Torte E Morte: Songs of Cake and Death* (Winner Best Cabaret Adelaide Fringe Weekly Awards). These festivals allowed us to demonstrate the capabilities of The National Theatre by using non-standard performance locations and set ups, again improving our existing infrastructure to allow for greater performance opportunities for the independent arts community.

Community

Both the season program and hire program focus on celebrating diversity in the arts and we are pleased to have housed events with the Iranian, Latvian, Russian, Chinese, Pakistani, Indian and Sri Lankan communities within Melbourne with approximately 5,500 attendees. We are also a passionate advocate for LGBTIQ programming

within the queer community and joined the successful campaign to see Melbourne's new Pride Centre housed in the long recognised LGBTIQ cultural home of St Kilda.

Hire Program

The Theatre hires continue to showcase the benefits of our stage for dance, accounting for 49 performances for the year with over 4,500 dancers gracing the stage of The National Theatre including our National Theatre Ballet School's performances with end of year highlight being new work *Coppélia*. We are pleased to continue working with long term hirers Gay Wightman, Keilor Jazz, Glamour Puss, Beau-Rock Ballet and Patrick Studios who we share a minimum 10 year hire history with.

Regular community theatre hirer CLOC again impressed audience with the calibre of their performances for the Australian Non-professional Premiere of *Wicked* which was followed by *Jesus Christ Superstar*. We are extremely pleased to see CLOC's dedication to excellence reflected in *Jesus Christ Superstar* winning 9 Music Theatre Guild of Victoria awards including both Production of the Year and the Technical Achievement award - one particularly close to our hearts here in the theatre. CLOC continue to demonstrate why they are so widely recognised for their calibre and as the leader of the community.

2016 marked 17 years working alongside Stage School Australia's Young Australian Broadway Chorus and we are extremely pleased to have witnessed their amazing growth and success. With sell out seasons and approximately 3000 participants per season we are proud to be part of granting children and young adults the opportunity to perform musical theatre on a professional stage.

The National Theatre Drama School (NTDS) proudly provides professional industry standard acting courses in live and recorded performance as well as recreational courses for both adults and young people. In 2016, we trained over 320 students from age 5 in our Youth Drama Program through to adults in our casual and part-time school, and a further 36 full-time students, studying the three-year full-time Advanced Diploma of Acting.

The NTDS graduates are highly skilled and knowledgeable professional actors and performance makers that are industry ready. The class of 2015 have enjoyed a busy first year out creating, writing, directing, performing and educating across a diverse portfolio of established, new and emerging original Australian and International work. Huw Jennings continued his newly found passion for Shakespeare at the *Royal Academy of Dramatic Art*, London. Before he moved away he filmed two independent short films and took a new self-devised work *Do you want to see something beautiful* with class mate Ingrid Taylor-Moss to the Adelaide Fringe festival which was received to critical acclaim. On Ingrid's return to Melbourne in April, she joined the newly founded *Heartstring*, a Melbourne based independent theatre company, for their premier production, an all-female interpretation of Shakespeare's *Coriolanus*. Also from the class of 2015 Amelia La Rosa starred in David Williamsons *Third World Blues* at The Capital Theatre and Melbourne's *Baker's Dozen Theatre* companies original new work *Yellow Skies*.

In 2016 the third year graduating class were thrilled to return to the main stage for their graduate production of *The Man Who Came to Dinner*, Directed by Ken Boucher. The third-year graduate showcase at *Melbourne Theatre Companies Lawler Theatre*, Southbank, met another very successful audience of casting agents, directors, producers and VIP industry guests. Several of our students were offered representation with reputable agencies.

Teaching Staff

NTDS teaching staff are industry leaders who continue to work professionally. Our new Head of Acting, Trent Baker who is one of the original founders of *Red Stitch Actor's Theatre*, enjoyed a good portion of 2016 acting in a new Australian verse play, *Boy out of the country* in Melbourne and touring to country centres across the state. When he wasn't on tour he was directing for both the VCA and WAAPA.

Our Movement tutor Vincent Crowley appeared as Astrov in the original production of *Uncle Vanya* at *La Mama Theatre* directed by Bagryana Popov and recently appeared in *Sleeping Beauty* with the Victorian Opera as head Puppeteer, directed by Nancy Black.

Danielle Carter, one of our students' favorite film and TV tutors, was busy in 2016, appearing in *House Husbands* as an ongoing featured role and shooting the soon to be released Australian feature film *Rip Tide*. When Nicholas Coghlan wasn't inspiring our students in the acting studio last year, he kept himself entertained acting in a featured role in hit Australian TV Series *Nowhere Boys* and producing the short film *Close Observations of a Single Subject*. Although we are sad not to see Nicholas on campus this year, we are very proud to watch him on the box in his new ongoing featured role on the all-time favorite Aussie soap opera *Neighbours*. We look forward to him popping in from time to time this year to impart his wisdom in our masterclass series.

Alumni Achievements

We are very proud of the achievements of the NTDS alumni these past 12 months. Kat Stewart (1998) continued to light up our screens as Billie in *Offspring* and is currently filming soon to be released Australian feature film *Father's Day*. NTDS ambassador Richard Cawthorne (1999) had a huge 2016 playing the role of Kane in the new Australian Netflix mini-series *Wolf Creek* and as the featured role Fraser Boyd in the tv series *Jack Irish*.

The star of the *FORD* adds Ngaire Dawn Fair (2008) has been busy rubbing shoulders with the A lister's in L.A, secretly filming a yet to be titled movie, in between flights back home to shoot the next *FORD* commercial.

Speaking of Hollywood, our Heath Ledger scholarship winner Bella Heathcote (2009) had a busy year featuring in films *Pride and Prejudice and Zombies*, *The Neon Demon* and hit American sitcom *The Man in the High Castle* all before the release of her most recent film *Fifty Shades Darker* earlier this year.

William Ewing (2011) had an exciting year starring alongside Claudia Cravan in ABC's new TV series *Newton's Law* while also teaming up with James Ballard (2010) to form the new hit two-man band *September 87'* releasing their first music video for their debut single *Bad Dream Baby*.

More recent graduate Edward Orton (2014) made his professional debut last year in *Jurassica* for Red Stitch Actors Theatre which was nominated for 5 Green Room Awards, before moving into filming for local independent feature film *About An Age*, released earlier this year. Throughout 2017, he will be touring with The Players for Bell Shakespeare, portraying Romeo among other roles.

The Melbourne Shakespeare Company recruits frequently from NTDS alumni, casting several recent graduates in many of their productions for the 2016 season, including Jonathan Peck (2013) Madeline Stewart (2014) Karl Sarsfield (2013) Bridget Sweeney (2016) Andrew Iles (2013) and Jessica Tanner (2013).

Scholarship Recipients in 2016

The Cybec Foundation scholarship was awarded to Martin Astifo

The William P Carr Award was awarded to Rachel Jean Edmonds

The Florence Young Scholarship, awarded by the Tallis Foundation was awarded to Dasana Smyth

The Gwen & Edna Jones Foundation Scholarship was awarded to Sara Bolch

The National Theatre Ballet School

The National Theatre Ballet School (NTBS) prides itself in delivering the highest level of dance training for all ages and skill levels. In 2016, we trained approximately 310 students from age 2 in our Dance Play class through to adults in our part-time school, and a further 19 Full-time students, studying Certificate IV, Diploma and Advanced Diplomas in Dance (Elite Performance).

The NTBS continues to produce highly skilled professional dancers to enter into the dance industry. Our employment success rate for graduating students in 2016 was 75%. We equip our students with both the technical and artistic skills to be 'job-ready' for potential employers in the creative industries and to progress into leading companies in Australia and around the world. 2016 graduates, Eka Mastrangelo and Matej Perunicic have been accepted into the West Australian Ballet, and Tamana Watanabe into Singapore Dance Company in 2017; joining a dynamic alumni group who continue to achieve professionally for many years following formative training at the NTBS.

Our productions continue to be at the leading edge for performing arts training institutions in Australia, highly regarded for choreography, staging and performance. This was superbly demonstrated in the NTBS Director of Ballet Beverly Jane Fry's new full length production of '*Coppélia*' which premiered Christmas 2016. The NTBS makes it a priority to engage award winning Australian choreographers to promote and further develop our students' skills base, equipping them for the demands of the 21st century work place. In 2016, we commissioned Matthew Thomson ('*Parting Gesture*', '*The Hunted*') alongside Timothy Coleman ('*Tripartite*') to create new works for students to perform in. Our NTBS productions played to 2612 audience members.

We were delighted to welcome Allyne King (alumni NTBS 2008), former Principal Artist with Ajkun Ballet New York to teach at NTBS alongside Matthew Thomson, Eileen Tasker, Melenie Stevenson, Alicia Frias Garcia, Karen Crump, Spencer Parker, Jacquelyn McCarthy, Alida Segal, Sarah Leung, Scott Gooding, Adam Dascal and David Harford as our fulltime teaching cohort in 2016.

School Productions 2016

Matthew Thomson (Director / Choreographer/Designer) '*The Hunted*' 23 March 2016

Timothy Coleman (Dancer with The Australian Ballet) choreographed '*Tripartite*' a new work for the full time students - 23 March 2016

Mid-year Gala: Restaged and Directed by Beverly Jane Fry: '*A Perfect Day*' (Choreographer: B.J. Fry); '*Les Sylphides*', '*Paquita*' (adaptations by B.F.Fry) - 25 and 26 June 2016

September Gala: Matthew Thomson (Director / Choreographer/Designer) '*Parting Gesture*' (new work); '*Primitive Impulses*' (remount) - 9 September 2016

Beverly Jane Fry (Director / Choreographer/Designer) '*Coppelia*' 8-10 December 2016 – performed by 270 students (junior, senior and fulltime students) (new work).

Industry Engagement

NTBS fulltime students undertook a regional tour, performing at Williamstown Town Hall (9th August 2016) to 174 attendees and Altona Civic Centre (10th August 2016) to 120 attendees.

Full Time students were invited to perform as Guest Artists at SASI (Statewide Autistic Services Inc) Function on Bastille Day Melbourne, performing to 90 guests.

Matej Perunicic and Eka Mastrangelo were invited to perform as Guest Artists at Castlemaine Ballet Academy in November 2016.

Our 3rd year full time students participated in the Sydney Dance Company Workshop held at Ministry of Dance on 30th May 2016.

The Full-time students attended the Melbourne premiere season of double bill '*CounterMove*' by Sydney Dance Company featuring Rafael Bonachela's new work '*Lux Tenebris*' and Alexander Ekman's '*Cacti*' at Melbourne Theatre Company's Sumner Theatre, followed by the Q & A (May 2016).

Student Achievements in 2016

Tamana Watanabe was awarded 3rd place at the Ballet Teachers Workshop (Competition held 21/8/2016).

Eka Mastrangelo received an Honourable Mention at the Ballet Teachers Workshop (Competition held 21/8/2016).

Lucinda Ley received an Honourable Mention at the Audrey Nicholls RAD Awards on 11/9/2016.

Justine McKelvie achieved a score of 43 (top 5%) VCE Dance and chosen to perform in the prestigious Top Acts Presentation at Melbourne Recital centre on 23/02/2016.

Celine Manikhode achieved a score of 41 (top 7%) VCE Dance.

Scholarship Recipients in 2016

Matej Perunicic - Dame Jacobena Angliss Ballet Scholarship

Tamana Watanabe - Dame Jacobena Angliss Ballet Scholarship

Phillipa Tanoyo - Jean Alexander Scholarship Recipient

Ellen Bremer and Nicole Lowther - Kathleen Gorham Perpetual Trophy

Tamana Watanabe - Most Outstanding Individual Performance

Eka Mastrangelo - Most Outstanding Individual Christmas Performance

Clarabelle Ling - Jocelyn de Cardi Memorial Scholarship

Chloe Cooper - Junior Scholarship

Lucinda Ley - Junior Scholarship

Isabelle McIndoe - Senior Scholarship

Graduating class and recent alumni achievements noted for 2016

Eka Mastrangelo (2016) - West Australian Ballet Young Artist

Matej Perunicic (2016) - West Australian Ballet Young Artist

Tamana Watanabe (2016)- Singapore Dance Theatre Young Artist

Taylor Bailey (2016) - Hong Kong Disneyland

Tristan Gross (2015) - West Australian Ballet Young Artist

Bridgette Blake (2015) - Sydney Dance Company Pre-professional year

Callum Gugger (2015) - Melbourne City Ballet

Kirralee Sullivan (2015) - Tokyo Disneyland

Danielle Perkins (2015) - Qualified Pilates instructor

Nana Yamamoto (2014) - First Place Japanese Ballet Competition (2016), Tallinn International Ballet Competition - 1st Place (2016), Apprenticeship Estonian National Ballet, Estonia.

Justin Zee (2013) - Singapore Dance Theatre

Annaliece Simonis (2013) - Cruise-ship Principal dancer

Rhiarna Ball (2013) - Cruise-ship Principal dancer

Bridie Clark (2010) - Dancer Jazz Roots Dance Company - New York

Jarryd Madden (2007) - Promoted to Soloist Australian Ballet

Ashley Braybrook (2007) - Victorian State Ballet

Teri Crilly (2006) - Promoted to Soloist Queensland Ballet

Janelle Catana (Padman) (2006) - Professional dancer Vegas Showgirls - Germany

Aya Watanbe (2002) - Promoted to Demi Soloist - Praque National Ballet Czech Republic

Timothy Coleman (2002) - Corps de Ballet, The Australian Ballet

Directors Report and Audited Financial Statements

Directors Report

Your Directors present this report to the members of the Company for the year ended 31 December 2016.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Directors	Appointed	Ceased	Directors' Meetings	
			Eligible to Attend	Attended
Susan Thacore (Chair since March 2013)	March 2011		6	6
Bess Andrews	October 2014		6	5
Janine Barrand	February 2010	October 2016	5	3
Natalie Frazer	January 2014		6	2
Brian Martin	July 2016		3	2
James Ostrobrurski	November 2016		1	1
Peter Niblett	September 2014	October 2016	5	2
Govind Pillai	July 2014		6	5
Amber Scott	January 2015		6	4
Julie Carey	December 2016		0	0

Mission

The National Theatre Melbourne nurtures Australia's best creative talent by providing world-class training in the Performing Arts as a recognised Centre of Excellence in Australia.

The National Theatre Melbourne is an artistic leader and delivers a diverse and innovative performance program, building engagement, revenues and audiences.

Vision

To provide students with an affordable world class course in Ballet and Dance, Acting and Drama in a dynamic, caring, non-discriminatory environment.

To maximise and maintain our versatile, professional performance spaces for the benefit of our education programs and professional performance program.

Principal Activities

During the 2016 year, the company continued to promote and encourage the study and practice of ballet, drama, opera, music and other arts. These objectives are met by holding training classes in Melbourne and supporting the wider community through professional hires, a curated program during the year and community access to the National Theatre to present their desired projects.

Over 77,300 people attended performances at the National Theatre Melbourne in 2016.

They watched 181 performances, presented by nearly 12,500 artists and students.

Through our schools, we taught over 450 students aged 2 years to adult through both part-time and full-time fully accredited vocational training, that is robust enables graduates to be industry-ready.

In all, this is almost 90,000 people - a significant number of people that the National Theatre Melbourne has supported in 2016.

In addition, the National Theatre Melbourne was a vital employer for the Victorian creative industry, with a core team of 14 permanent full-time and part-time staff as well as a casual work-force of up to 100 as teachers, pianists, theatre ushers, box office managers, technicians and production staff.

DIRECTORS REPORT

Information on Directors

Susan Thacore

Chair; Member of Audit and Risk, and Executive Performance and Remuneration Committees.

Susan Thacore joined the National Theatre Board in March 2011, becoming Chair in March 2013. This continues a long-standing family association and commitment to the Australian National Memorial Theatre since its inception in the 1930s, when her great grand-parents became Life Members to help establish this remarkable performing arts enterprise. Susan is a highly successful business leader. Since 1998 Susan has been the Chair and Director of private investment companies, Cupistan Pty Ltd and Dream Technicians Pty Ltd. From 1997 - early 2000s, Susan was the Director for Investors Pty Ltd. Susan was a Trustee for The William Angliss (Victoria and Queensland) Charitable Trusts Committee (1999 - 2003) and Trustee of the Estate of the Late William Charles Angliss (1997 - 1998). Most recently, she has been President of the Lauriston Arts Association. Susan holds a Bachelor of Arts (Fine Arts and Major in English Literature) from University of Melbourne.

Bess Andrews

Director and Member of the Executive Performance and Remuneration Committee.

Bess Andrews is a senior lawyer in the Dispute Resolution Group at ANZ. Bess manages litigation and large-scale or complex disputes, both within Australia and internationally, by providing case management services and strategic litigation advice to all areas of ANZ's business. Prior to this position, Bess worked as a lawyer with Arnold Bloch Leibler in its litigation and dispute resolution team. Bess holds a Bachelor of Laws degree with first class honours and a Bachelor of Arts degree. Bess has lived in the St. Kilda area for the past seven years and is passionate about the suburb and the St. Kilda community. Bess has a strong interest and belief in the social benefits that are brought to a community through the arts, and is keen to contribute to the continued success and growth of this great community asset, through her membership of the Board. Bess joined the National Theatre Board in October 2014.

Janine Barrand

Director and Chair of the Executive Performance and Remuneration Committee.

Janine is the Director of Collections, Research & Exhibitions at the Arts Centre, Melbourne. She has worked in the performing arts and museums for over 25 years and has a special interest in popular music. Janine graduated from the Williamson Community Leadership Program in 1999 and was awarded a Churchill Fellowship in 2000 to study performing arts museums and collections around the world. She is currently a member of the Committee of the International Society of Museums and Libraries of the Performing Arts (SIBMAS) and is President Elect of the Churchill Fellows Association of Victoria. She joined the Board in 2010, resigning October 2016.

Julie Carey

Director

Julie is a Partner in KPMG's Melbourne office. She has worked across a number of industries providing audit services and advising clients on financial reporting, governance and transactional matters. Julie has strong international experience having worked in London and the United States. Julie is Member of the Institute of Chartered Accountants in Australia. Julie joined the National Theatre Board in December 2016.

Natalie Frazer

Director and Member of the Executive Performance and Remuneration Committee.

Natalie is Regional General Manager for Westpac and highly regarded as a senior executive with a deep commercial understanding who delivers results. She leads high performing teams with a commercial focus and strong values. Natalie completed an MBA (Major in Finance) at Melbourne Business School including Asian Business Studies in Shanghai. She has 17 years' experience in sales, marketing, acquisitions, business transformation and brand strategy across professional services, B2B and IT sectors. Natalie has served on a number of boards previously and has been a Director of the Board for the National Theatre Melbourne since 2014. Natalie also serves on various industry panels and participates in mentor programs including for APSMA (since 2014).

Professor Brian Martin

Director

Brian is a leading Indigenous artist and academic. Born in Redfern Sydney, he is from Murrawari, Bundjalung and Kamilaroi ancestry. His academic qualifications include a Bachelor of Visual Arts with Honours from the University of Sydney, a Graduate Diploma of Vocational Education and Training from Charles Sturt University and a PhD by research from Deakin University. A practising artist for 25 years, Brian has exhibited his work nationally and internationally. His work is held in various private and public collections including the National Gallery of Victoria. His publication history has investigated the relationship of materialism in the arts to an Indigenous worldview and Aboriginal knowledge framework and epistemology. He has further reconfigured understandings of culture and visual practice from an Aboriginal perspective. Recently Deputy Director of the Institute of Koorie Education at Deakin University Australia and currently Honorary Professor of Eminence at Centurion University of Technology and Management in Orisha India, Brian is also the Managing Director of Brian Martin Consultancy, providing various services including design and delivery of cultural awareness programs and Reconciliation Action Plans to various organisations. Brian joined the National Theatre Board in July 2016.

Peter Niblett

Director and Member of the Audit and Risk Committee.

Peter Niblett is an executive director in Advisory Services with EY (Ernst & Young) in Melbourne. He is the Client Service Partner responsible for the Victorian Auditor-General's Office, the Emergency Services Cluster within the Victorian Government sector, Tasmanian Government, TAC and WorkSafe. His qualifications include a Bachelor of Commerce (Deakin University) and he is a CA, FCPA, CISA and CISM. Peter is a member of Deakin University Council and is the Deputy Chair of the Audit and Risk Committee and member of the Finance and Business Affairs Committee at Deakin University. He is the Patron at Encompass Community Services Inc. - a registered charity that provides services to People with Disabilities. Peter joined the National Theatre Board in 2014, resigning October 2016.

James Ostrobrurski

Director

James Ostrobrurski is Chief Executive of Melbourne-based wealth and asset manager, Kooyong Group. He previously held leadership roles with Investec Bank (Australia) Limited, Credit Union Australia Limited and Grimsey Wealth Pty Ltd. James is a Director of the Australian Chamber Orchestra, the Bundanon Trust, the Jewish Museum of Australia, the Institute of Creative Health and is the Chairman of Dancehouse Inc. James joined the National Theatre board in November 2016.

Govind Pillai

Director and Chair of the Audit and Risk Committee.

Govind Pillai is a Director in Advisory Services with EY (Ernst & Young) in Melbourne and consults to organisations across a wide variety of industries on strategic issues. Govind's qualifications include an Executive MBA (AGSM), Bachelor of Engineering, Diploma in Engineering Practice and a Graduate Diploma in Legal Studies and Authentic Leadership Development at Harvard Business School. Govind is also one of a few Australian male practitioners of classical Indian dance and is heavily involved in performance, direction, teaching and arts production through his past and present roles as Director of Karma Dance Inc. (performing company and academy with an international track-record of sell out productions, festival appearances and a program for Australian schools), Lead male dancer of Samskriti Dance (Sydney), Dance Advisor elect to the Federation of Indian Music and Dance Victoria (Victoria's peak body for classical Indian performing arts) and Vice President of Flare Dance Company Inc. Govind joined the National Theatre Board in July 2014.

Amber Scott

Director

Amber Scott is an alumni of the National Theatre Ballet School. She joined The Australian Ballet School at age eleven. After graduating as dux, she joined The Australian Ballet in 2001. In 2003 she spent four months on a dancer exchange at the Royal Danish Ballet, giving her the opportunity to learn Bournonville technique first-hand. Amber was promoted to principal artist in 2011 after performing the Second Movement from Sir Kenneth MacMillan's *Concerto*. Career Highlights include working with Wayne McGregor on *Dyad 1929* and *Chroma* and dancing with Robert Tewsley during the 2008 *Manon* season, Damian Smith in Christopher Wheeldon's *After the Rain* @ Pas de deux in 2012 and David Hallberg in Alexei Ratmansky's *Cinderella* in 2013. Amber has performed with The Australian Ballet in all the capital cities as well as overseas in Paris, United Kingdom, China, United States, New Zealand and Japan. She joined the National Theatre Board in January 2015.

Audit and Risk Subcommittee meetings

During the 2016 year, five meetings of this committee were held. The number of meetings attended by each director was as follows:

	<u>Eligible to Attend</u>	<u>Attended</u>
Susan Thacore	5	5
Govind Pillai (Chair)	5	4
Peter Niblett	5	3

Executive Performance Review Subcommittee

During the 2016 year, three meetings of this committee was held. The number of meetings attended by each director was as follows:

	<u>Eligible to Attend</u>	<u>Attended</u>
Janine Barrand (Chair)	2	1
Susan Thacore	3	3
Natalie Frazer	3	1
Bess Andrews	3	2

Members Guarantee

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31st December 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$560 (2015: \$530). The number of members was 56 (2015: 53).

Auditors Independence Declaration

A copy of the Auditor's independence declaration as required under Australian Charities and Not-for-Profits Commission Act 2012 is set out following the Directors' report.

Signed in accordance with a resolution of the Board of Directors:



Susan Thacore
Chair of the Board

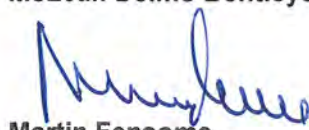
Signed this 18 day of MAY 2017

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


McLean Delmo Bentley's Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
18 May 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2016 \$	FOR THE SIX MONTHS ENDED 31 DECEMBER 2015 \$
Revenue			
Operating activities revenue	2 (a)	2,461,935	1,250,805
Grants & Donations	2 (b)	337,325	335,605
Expenditure			
Employee benefits expense		(1,620,944)	(875,769)
School Expenses		(334,507)	(202,488)
Theatre Expenses		(271,347)	(57,431)
Depreciation and amortisation expense		(89,660)	(45,602)
Finance costs		(2,745)	(389)
Insurance expense		(63,133)	(33,120)
Other expenses	3	(377,784)	(308,853)
Surplus for the period		39,140	62,758
Other Comprehensive Income		-	-
Total comprehensive income for the period		39,140	62,758

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		31 DECEMBER 2016	31 DECEMBER 2015
	NOTE	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6	422,120	519,780
Trade and other receivables	7	14,025	84,625
Inventories	8	4,317	7,500
Other assets	9	19,730	80,325
Total current assets		460,192	692,230
Non-Current Assets			
Property, plant and equipment	10	2,245,111	2,138,090
Total non-current assets		2,245,111	2,138,090
Total Assets		2,705,303	2,830,320
Liabilities			
Current Liabilities			
Trade and other payables	11	255,393	335,042
Borrowings	12	4,207	86,000
Provisions	13	100,906	103,621
Total current liabilities		360,506	524,663
Non-Current Liabilities			
Borrowings	12	-	-
Provisions	13	-	-
Total non-current liabilities		-	-
Total Liabilities		476,462	524,663
Net Assets		2,344,797	2,305,657
Equity			
Retained surpluses		2,344,797	2,305,657
Total Equity		2,344,797	2,305,657

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Surpluses \$
Balance at 1 July 2015	2,242,899
Surplus for the six months	<u>62,758</u>
Balance at 31 December 2015	2,305,657
Surplus for the year	<u>39,140</u>
Balance at 31 December 2016	<u>2,344,797</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	31 DECEMBER 2016	FOR THE SIX MONTHS ENDED 31 DECEMBER 2015
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers including productions		2,809,929	1,421,712
Proceeds from donations and grants		304,085	368,125
Interest received		3,481	2,708
Payments to suppliers and employees		(2,934,656)	(1,798,207)
Finance costs		(2,745)	(388)
Net cash provided by operating activities		<u>180,814</u>	<u>(6,050)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(196,681)	(66,459)
Net cash used in investing activities		<u>(196,681)</u>	<u>(66,459)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(81,793)	-
Net cash used in financing activities		<u>(81,793)</u>	-
Net increase in cash & cash equivalents		(97,660)	(72,509)
Cash & cash equivalents at the beginning of period		519,780	592,289
Cash & cash equivalents at the end of period	6	<u>422,120</u>	<u>519,780</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

The financial statements are for the Australian National Memorial Theatre Limited as an individual entity, incorporated and domiciled in Australia.

Australian National Memorial Theatre Ltd is a company limited by guarantee.

The financial statements were authorised for issue on the directors of the company on the date of the directors' report.

NOTE 1 – Summary of Significant Accounting Policies

Basis of Preparation

The company applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards board and the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated. All amounts are shown in Australian dollars unless otherwise indicated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

Revenue from the sale of goods is recognised upon the delivery of the goods to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(b) Grants

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the funds and it is probable that the economic benefits gained from the funds will flow to the entity and the amount of the funds can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Where grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1 - Summary of Significant Accounting Policies (continued)

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost.

(d) Property, Plant and Equipment

Property, plant and equipment is carried at cost or fair values as indicated, less accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation rate</i>
Buildings	0.83%
Plant and equipment	15%
Fittings	15%
Furniture	5.5%
Motor vehicles	15%
Office Equipment	15%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv. Less any reduction for impairment.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at *fair value through profit or loss* when they are held for trading, for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are so designated by management. They comprise investments in the equity of other entities where there is neither a fixed maturity not fixed or determinable payments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (cont'd)

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(f) Impairment of Assets

At the end of each reporting date, the directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1 - Summary of Significant Accounting Policies (continued)

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown exclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Income Tax

The Australian National Memorial Theatre Ltd is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997, Item 1.1 Charitable Institution.

(k) Provisions

Provisions are recognised when the entity has legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be realisablely measured. Provisions recognised represent the best estimate of the amount required to settle the obligation at reporting date.

(l) Comparatives figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1 - Summary of Significant Accounting Policies (continued)

(m) Critical Accounting Estimates and Judgement

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates - Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the Company that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of the asset is determined. At 31 December 2016, no trigger of impairment existed.

(n) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory applicable dates for future reporting periods and which the company has decided not to early adopt.

(o) Change in Financial Year End in the Previous Reporting Period

During the previous reporting period, the company changed its reporting period from 30 June to 31 December so as to be consistent with the operation of the entity. Accordingly, this resulted in the company reporting a six month reporting period from 1 July 2015 to 31 December 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	31 DECEMBER 2016	FOR THE SIX MONTHS ENDED 31 DECEMBER 2015
	\$	\$
NOTE 2 - Revenue and Other Income		
(a) Operating Activities		
Fees & production revenue	1,526,159	839,473
Rental revenue	710,183	319,975
Phone tower rentals	65,478	31,902
Interest	3,481	2,710
Trading revenue - bar operations, net	137,083	55,513
Other income	19,551	1,232
Total operating activities revenue	<u>2,461,935</u>	<u>1,250,805</u>
(b) Grants and Donations		
Donations (other sources)	304,805	266,625
Donations (capital works)	32,520	68,980
Total grants and donations revenue	<u>337,325</u>	<u>335,605</u>
NOTE 3 - Expenses		
Bad and doubtful debts expense	3,371	-
Maintenance expenses	67,892	122,412
NOTE 4 - Auditor's remuneration		
Remuneration of the auditor of the company for:		
- auditing the financial report	<u>10,400</u>	<u>7,900</u>
NOTE 5 - Related Party Transactions		
Key Management Personnel		
Any persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any member (whether executive or otherwise) is considered key management personnel.		
Key management personnel compensation:		
- Short term benefits	187,713	97,848
- Other long-term benefits	3,583	14,304
	<u>191,296</u>	<u>112,152</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	31 DECEMBER 2016	31 DECEMBER 2015
	\$	\$
NOTE 6 - Cash and cash equivalents		
Current		
Cash at bank and in hand	90,013	74,937
Arts & Training Account	223,402	331,317
Short-term bank deposits	108,705	113,526
	<u>422,120</u>	<u>519,780</u>
NOTE 7 - Trade and other receivables		
Current		
Trade receivables	14,025	84,625
	<u>14,025</u>	<u>84,625</u>
NOTE 8 - Inventories		
Current		
Bar stock - at cost	4,317	7,500
	<u>4,317</u>	<u>7,500</u>
NOTE 9 - Other Assets		
Current		
Prepayments	16,408	65,558
Work-in-progress	-	11,445
Rental bonds	3,322	3,322
Total other assets	<u>19,730</u>	<u>80,325</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 10 - Property, plant and equipment

	Land ¹ \$	Buildings ¹ \$	Plant and equipment \$	Office Equipment \$	Furniture and Fittings \$	Motor Vehicles \$	Total \$
Balance at 1 Jan 2016	223,000	1,668,271	116,024	8,946	121,849	-	2,138,090
Additions	-	1,545	8,373	17,100	169,663	-	196,681
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(18,118)	(37,140)	(5,118)	(35,284)	-	(89,660)
Carrying amount at 31 December 2016	223,000	1,651,698	93,257	20,928	256,228	-	2,245,111

NOTE 11 - Trade and other payables

Current

Trade payables

Other current payables

Deferred income

Total trade and other payables

31 DECEMBER
2016

31
DECEMBER
2015

\$

\$

47,397

133,791

116,242

64,156

91,754

137,095

255,393

335,042

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- Total current

- Total non-current

255,393

335,042

255,393

335,042

Less deferred income

Less other payables (net payable to ATO)

Financial liabilities as trade and other payables

(91,754)

(137,095)

(33,649)

(40,637)

129,990

157,310

¹ Land and buildings are at cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	31 DECEMBER 2016	31 DECEMBER 2015
	\$	\$
NOTE 12 - Borrowings		
Current		
Johnson Estate loan secured	150,000	150,000
Less Scholarship Payments	(150,000)	(64,000)
ANZ loan	4,207	-
Total current borrowings	<u>4,207</u>	<u>86,000</u>
Non-current		
Johnson Estate loan secured	-	-
Less Scholarship Payments	-	-
Total non-current borrowings	<u>-</u>	<u>-</u>
Total borrowings	<u>4,207</u>	<u>86,000</u>

By the terms of the Estate of Miss Johnson an Annual Scholarship in her name should be issued for an opera student. The National Theatre has entered into an agreement with the Estate to pay this annually to The Opera Studio (Melbourne). The Opera Studio was established in 2008 and payments have been fully made as at 31 December 2016.

NOTE 13 - Provisions

Current

Annual leave entitlements	52,381	51,275
Long service leave entitlements	48,525	52,346
Total current provisions	<u>100,906</u>	<u>103,621</u>

Non-Current

Long service leave entitlements	-	-
Total non-current provisions	<u>-</u>	<u>-</u>

Total provisions	<u>100,906</u>	<u>103,621</u>
------------------	----------------	----------------

	Employee entitlements
Opening balance at 1 January 2016	103,621
Additional provisions during the half year	37,524
Amounts used	<u>(40,239)</u>
Balance at 31 December 2016	<u>100,906</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 13 - Provisions (continued)

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Provision for long-term employee benefits

A provision has been recognised for employee benefits relating to long service leave for employees after seven years. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

	31 DECEMBER 2016	31 DECEMBER 2015
	\$	\$

NOTE 14 - Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, and short-term investments, accounts receivable and payable and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash and cash equivalents	422,120	519,780
Trade and other receivables	14,025	84,625
Total Financial assets	436,145	604,405

Financial liabilities at amortised cost

Trade and other payables	129,990	157,310
Borrowings	4,207	86,000
Total Financial Liabilities	134,197	243,310

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 15 - Capital and Leasing Commitments

There are no capital commitments as at 31 December 2016 (31 December June 2015: Nil).

	31 DECEMBER 2016 \$	31 DECEMBER 2015 \$
Lease Commitments		
Operating Lease Commitments contracted for Inkerman St, St Kilda:		
Payable		
- not later than 12 months	30,000	30,000
- later than 12 months but not later than 5 years	-	-
- later than 5 years	-	-
	<u>30,000</u>	<u>30,000</u>

NOTE 16 - Events after the Reporting Period

No matters or circumstances have arisen since the end of the year end which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the entity in future financial years.

NOTE 17 - Company Details

The registered office and principal place of business of the company is:

The National Theatre
20 Carlisle Street
St Kilda Sth 3182
Victoria, Australia

Directors' Declaration

In accordance with a resolution of the directors of Australian National Memorial Theatre Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 6 to 21, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a) comply with Australian Accounting Standards- Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012; and
 - b) give a true and fair view of the financial position of the company as at 31 December 2016 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Susan Thacore
Chairperson

Signed this 18 day of MAY 2017.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED

Opinion

We have audited the financial report of Australian National Memorial Theatre Limited, which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Australian National Memorial Theatre Limited is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the Entity's financial position as at 31 December 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

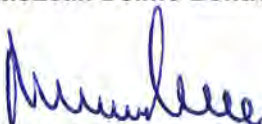
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



McLean Delmo Bentleys Audit Pty Ltd



Martin Fensome
Partner

Hawthorn
18 May

2017