

ANNUAL REPORT 2017



CONTENTS

Chairs Report

Our History

Staff

Acknowledgments

About Us

Performance Review

National Theatre Drama School

National Theatre Ballet School

Directors' Report

CHAIR'S REPORT SUSAN THACORE



The beginning of 2017 saw a wonderful celebration of our 82 year old company, with a strongly attended Season Launch. Many industry professionals and City of Port Philip councillors joined us to celebrate all the exciting performances planned for the year including Mama Alto, Coranderrk presented by Ilbijerri Theatre Company & Belvoir and of course productions from our own performing arts schools. The Hon. Martin Foley, Minister for Creative Industries made a speech honouring the unique place the National Theatre Melbourne has in the cultural history of Victoria. It was a chance too, to celebrate the National Theatre Melbourne performing arts diploma and advanced diploma courses being enshrined in the Student Loan legislation - a testament to the reputation of the company, the high vocational outcomes we achieve, the rich history of talented alumni and the affection with which we are held by acting and dance professionals. So many wrote letters of support to help champion the contribution of the National to Arts training within Australia. Politicians, from all levels and parties, answered our call to ensure our unique position in the arts landscape was appropriately recognised with support for our students. After all, the mission of the National Theatre Melbourne has always been to ensure accessibility to the arts for all. We are proud to uphold that tradition with competitive pricing for our theatre, our junior courses and this wonderful support for the senior students.

2017 saw the retirement of beloved Artistic Director of Drama Ken Boucher after twelve years service to the National Theatre Melbourne. His farewell was such a warm and teary occasion where the sense of family at the National was palpable, with many former students returning to let him know how much he meant to them. Trent Baker was selected to fill the Artistic Director position. Trent exemplifies the National Theatre Melbourne character, bringing a deep industry experience and practical sense of his craft, to his students with the greatest of care. His first production was brilliant and ambitious with a giant pool of water inhabiting the large National Theatre stage for a thrilling performance of *Metamorphoses*. 2017 was also the year we farewelled Beverly Jane Fry after 19 years as Artistic Director of Ballet. Miss Fry will always be remembered for her large-scale end of year productions, where she found a role for each and every student from danceplay to advanced diploma to shine; her final production *Mermaid* was no exception! Her departure once again has allowed for a very exciting and competitive international search to carry forward the legacy of the oldest Ballet school in Australia.

The Board and management were absolutely thrilled to attract internationally acclaimed principal ballet dancer Damian Smith all the way from San Francisco Ballet back to Australia after 25 years dancing with the world's finest companies. Both schools are now being lead by deeply experienced practitioners, able to impart their passion and practical experience to their students, befitting the standing of our highly regarded training institution. These leaders and their teams, headed by our CEO Peter McCoy with a wealth of arts management experience over many decades, sees the National Theatre Melbourne into a very bright and enduring future.

We are always reaching further to attain the best possible practices and to see how we might derive more for the National, considering new approaches and ideas. Co-production was something new for us in 2016/2017 and created some very exciting collaborations but also some learning for us, resulting in a loss for the year. We have learnt from this experience and have discontinued this approach for now, to allow the presenters to shoulder the risk of their productions.

The Ballet and Drama schools continued to thrive, particularly in the junior courses which are bursting at the seams. 500 students continue to receive first class training in our schools. This will only grow in the coming years with the revitalised and collaborative artistic leadership team of the highest calibre driving the vision and training of the future. We were also proud this year to have strong demand for the occupancy of our theatre, as we continued to host many wonderful productions from amateur and cultural groups, to professional acts.

None of this would be possible without our wonderful audiences, students, staff and supporters.

'This company is Australia's oldest performing Arts training company'

-it is very unique and special. Each and every person stepping across its threshold, contributes to its value and I would like to thank deeply and sincerely, all.



OUR HISTORY

- 1935 Established Australian National Memorial Movement
- 1936 Established National Theatre Opera & Drama Schools
- 1936 First Performances at the Princess Theatre
- 1938 First Play is produced
- 1939 Established National Theatre Ballet School
- 1939 First Dance Performances at the Princess Theatre including the Academy of Russian Dancing (Borovansky)
- 1939 Established War Relief Fund raising 15,000 pounds
- 1944 World Premiere of Dymphna Cusack's Red Sky at Morning to support new Australian writers
- 1945 Re staging of Ray Lawler's Hal's Belles with June Jago and Frank Thring
- 1945 Several Ray Lawler plays are staged including Storm in the Haven, Ginger Meggs and Brief Return
- 1947 First Government Support and Funding received
- 1947 The First Australian Ballet Euroka is performed by James Penberthy
- 1948 Major Opera Season Opens: Aida, Faust, Rigoletto, Figaro and Carmen with 45 Principals and 100 dancers
- 1949 Established National Theatre Opera Company
- 1951 Australian Premiere of Four Act Swan Lake in Melbourne & Sydney
- 1951 Stage Aida with Marjorie Lawrence, the only fully stages opera performance by Miss Lawrence in Australia
- 1951 Tour Ballet to New Zealand
- 1951 Australian Premiere of Four Act Swan Lake in Melbourne & Sydney
- 1951 Stage Aida with Marjorie Lawrence, the only fully stages opera performance by Miss Lawrence in Australia
- 1951 Tour Ballet to New Zealand
- 1952 First National Play Writing Competition (Won by Ray Lawler for Days of Thunder)
- 1952 Victorian Regional Tours commence
- 1953 First National Tour by and Australian Opera Company of The Consul, Cosi Fan Tutte, Madame Butterfly and Tosca
- 1953 Australian Premiere of Death of a Salesman
- 1958 First season at Myer Music Bowl of Norma and Swan Lake
- 1971 Established Melbourne Opera
- 1974 Conversion of the Victory Theatre into The National Theatre as a community arts centre
- 1980 Opera School transferred to Victorian College of the Arts
- 1992 Australia's first vocational training in Classical Ballet
- 1994 Diploma of Arts in Classical Dance Introduced
- 1996 Regional Tours commence
- 2004 Diploma of Arts in Acting Introduced
- 2006 Advanced Diploma in Classical Dance Introduced
- 2010 Advanced Diploma of Acting Introduced
- 2011 An Evening with Lily Tomlin
- 2016 Premier Curated Season Launched
- 2017 The Moth Australia Finals
- 2017 Season Launched by Martin Foley MP



STAFF in 2017

CEO Peter McCoy

Administrator Jarrod Rose

Accounts Maggie Lu / John Paxinos & Associates

Venue Operations Manager Melissa Moldrich

Marketing Coordinator Elizabeth Millington

Production Manager Linda Hum

Technical Manager Gordon Boyd

Head Cleaner Tracie Ryan

Ballet School Director Beverly Jane Fry

Ballet School Administrator Chryssie Demetriou

Drama School Director Trent Baker

Drama School Course Coordinator David 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.



ACKNOWLEDGMENTS

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

Diana Gibson AO

The William Angliss (Victoria) Charitable Fund

Susan Thacore

Helen Macpherson Charitable Fund

The Bertalli Family Foundation

The Urquhart Charitable Fund

The Scanlon Foundation

The Gwen and Edna Jones Foundation

The Gerda Nicolson Foundation

The Cybec Foundation

The Tallis Foundation

Perpetual Trustee Company Limited

The Gertrude Johnson Estate

Julie Mundy

Glen Westall

James Ostrobrski

Don Maloney

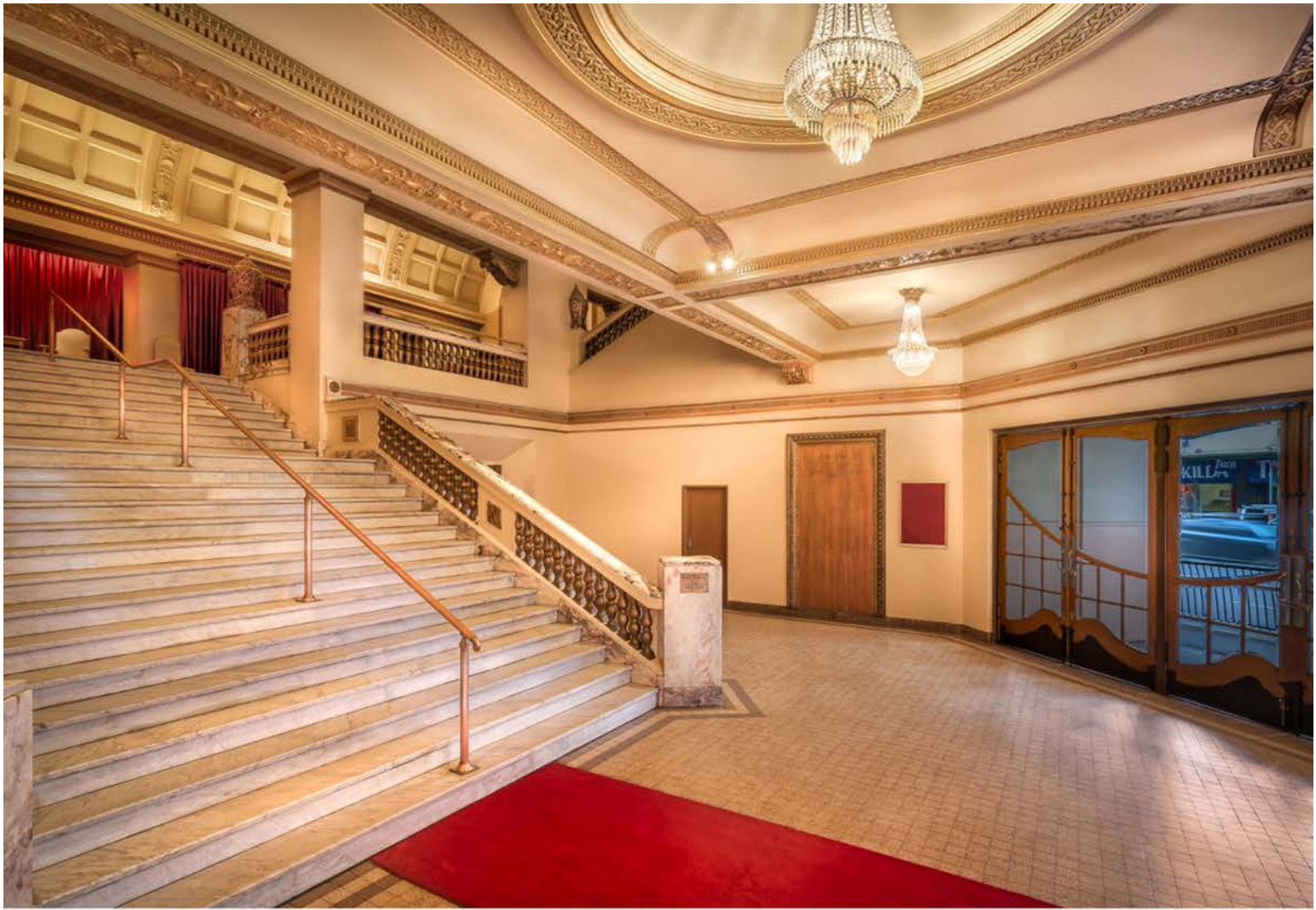
Amber Scott

Rachel Irons

Bess Andrews

Government Supporters:

City of Port Phillip



ABOUT US

The theatre was originally designed by Cedric Ballantyne 1920 as the 3000 seat Victory Theatre for the presentation of films. The National Theatre Movement was established in 1935 by soprano Gertrude Johnson following her highly successful international career. She was passionate about providing training and performance opportunities for Australian Artists. In 1974 the current building fulfilled a long ambition of the Company to have a permanent home. In 1980 the Opera School was amalgamated with the Victorian College of Arts, concentrating on it's schools and the operation of the Theatre as Melbourne's principal community arts venue.

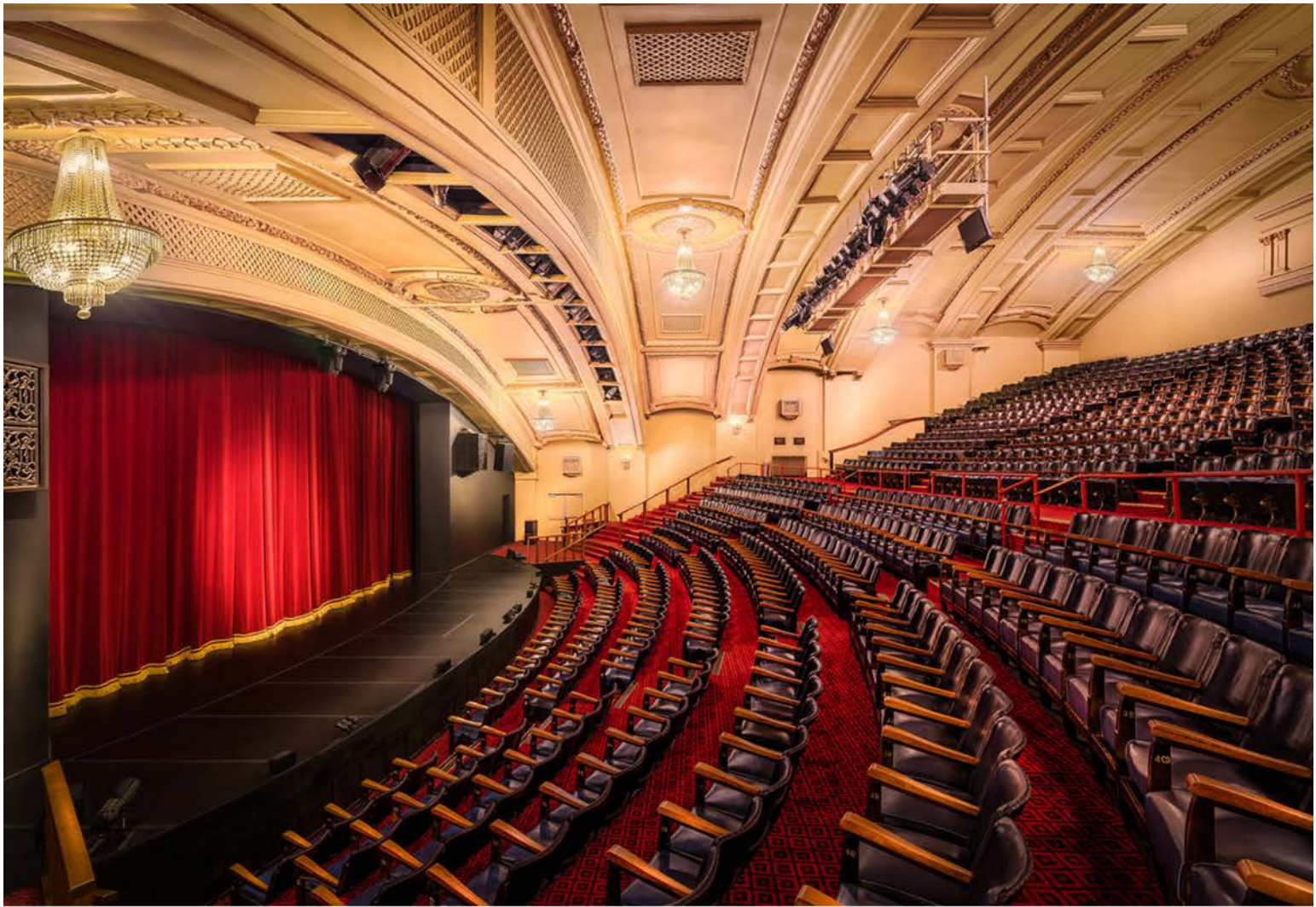
"IT IS AS AN AFFORDABLE COMMUNITY RESOURCE THAT THE THEATRE COMES INTO ITS OWN..."

Over the years her three school of Opera, Ballet and Drama supported a number of prolific Artists including Ray Lawler, Patricia Kennedy, Marie Collier, Mary Hardy, Noel Ferrier, June Jago, Kat Stewart, Delta Goodrem, Gotye, Lily Tomlin, Dan Sultan, Rob Mills, Jason Robert Brown, Missy Higgins and Tina Arena to name a few.

The 1970's saw the conversion of the stalls into studios for the Opera School and Ballet School as well as a 60 seat black box theatre now frequently

used for public performances by the Drama School. The current 783 seat auditorium retains it's glamorous Beaux-Arts architecture whilst providing clients with the comprehensive lighting and sound equipment. The foyers and mezzanine boast intricate detailing and the original barrel cove designed by Cedric Ballantyne. This unique and iconic building continues to present a wide variety of events, supporting local and international artists as an accessible performing arts venue for the local community and wider Melbourne.

**THE NATIONAL
THEATRE MELBOURNE
EST. 1935**



PERFORMANCE REVIEW

SEASON 2017

Coranderrk
 Exquisite An Evening with Mama Alto
 Feelin' Groovy: The Simon and Garfunkel Project
 The Full Monty
 In Conversation With Richard Cawthorne
 NED A New Australian Musical in Concert
 Thérèse Raquin
 Sunny Ray and the Magnificent Moon
 The Very Hungry Caterpillar Show

NATIONAL THEATRE BALLET SCHOOL PRODUCTIONS

Winter Gala of Dance
 MERMAID: The Ballet
 Dance Extravaganza
 Take Me To The Movies

NATIONAL THEATRE DRAMA SCHOOL PRODUCTIONS

Metaphorphoses
 The Golden Age

MELBOURNE FRINGE FESTIVAL

Gospolation
 St Kilda Stories

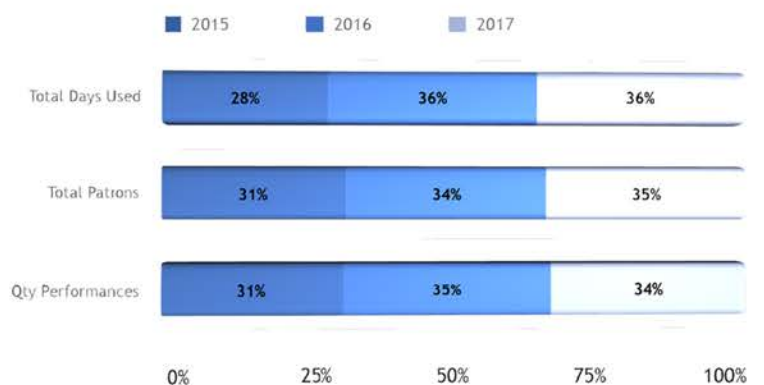
MELBOURNE COMEDY FESTIVAL

Table 17
 Dads Have Feelings Too
 The Mighty Little Puppet Show
 Home Grown MICF Edition

SUPPORTED COMMUNITIES INCLUDE:

- LGBTIQ Community
- Local sporting communities
- Indigenous Community
- Iranian Community
- Irish Community
- Multi-faith Community
- Persian Community
- Russian Community
- Turkish Community

VENUE USAGE





Eka and Matej Photo by Niv Novak

BALLET SCHOOL

A total of 280 Full Time and Part Time Students took part in 10 performances during 2017 including Pas de Quatre, The Pied Piper & Les Patineurs, Take Me to the Movies and Mermaid the Ballet.

2017 saw graduates join a number of prolific companies around the world including The Victorian State Ballet, The Royal New Zealand Ballet, The Silesian Ballet Company Poland, The West Australian Ballet and The State Opera Ballet Ruse, Bulgaria.

Scholarship Recipients in 2017

Yukie Tashiro:

Dame Jacobena Angliss Ballet Scholarship

Clarabelle Ling:

Dame Jacobena Angliss Ballet Scholarship

Hiroko Tsuda:

Jean Alexander Scholarship Recipient

Tessa Puttick:

Jocelyn De Cardi Award

Yukie Tashiro:

Kathleen Gorham Award

Louise Brooker:

Artistic Award

Yukie Tashiro:

Most Outstanding Individual Performance

Rory Neville:

Most Improved Student

Ella Taylor:

Senior Scholarship

Jade Nebbs:

Junior Scholarship

Student Achievements in 2017

Hannah Lukey:

Kathleen Gorham 1st Place Award, Intermediate Foundation

Lucinda Ley:

Kathleen Gorham Artistic Award, Intermediate Foundation

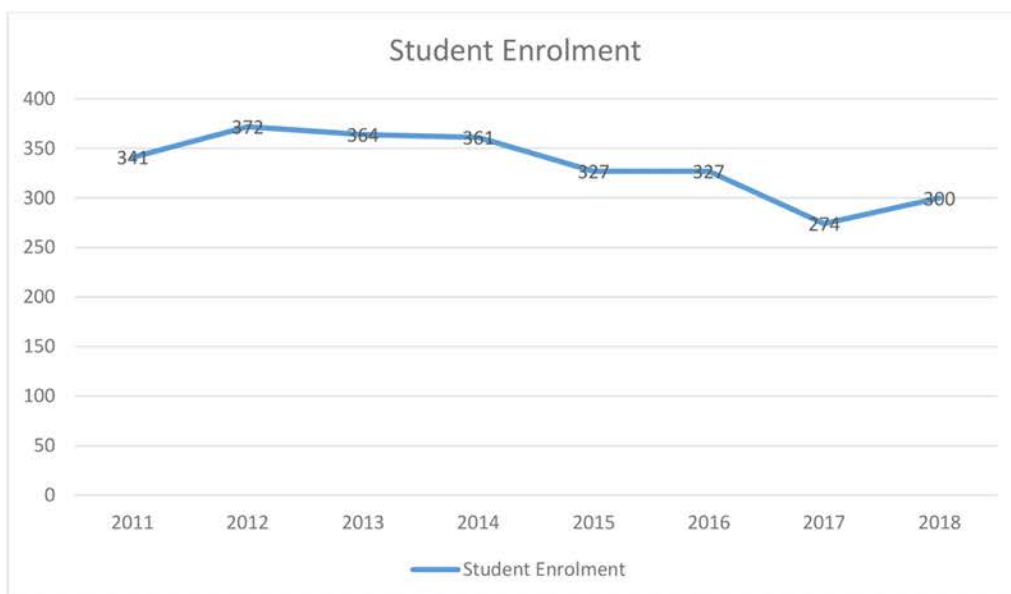
Alexia Ioannou:

Royal Academy of Dance Winter Workshop

Honourable Mention Award, Grade 5

Gabriella Penna:

Audrey Nicholls Honourable Mention Award, Grade 4



DRAMA SCHOOL

2017 saw Ken Boucher retire after 13 years as Head of Drama to hand the role to the new Drama School Director Trent Baker. The Drama School was very proud to have maintained its status with VET Student Loans, making it the only dramatic arts institution to offer this financial support for its students. The Drama Students performed publicly 19 times across 2017 including Metamorphoses, The Golden Age, and the 3rd Year devised production - I Will Not Be Here Long.

2017 Graduates Harvey Zielinski and Casey Filips received the Red Stitch Graduate position for 2018. This is the first time Red Stitch has offered two positions and they were both for National students.

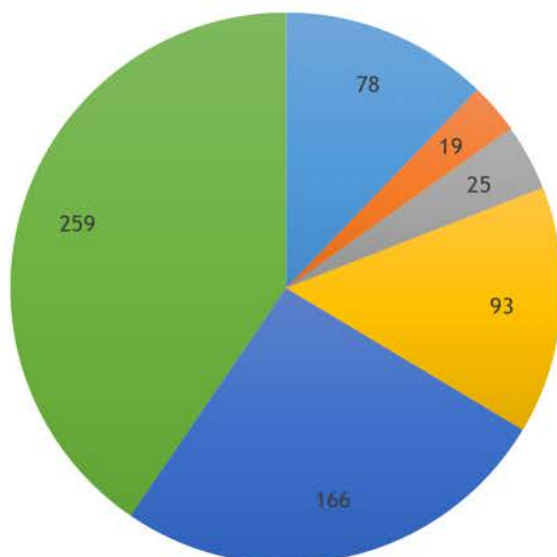
Their production of HIR starring Harvey Zielinski received 5 star reviews for his performance. Graduate Edward Ortons Australian feature film About an Age premiered at Cinema Nova in October whilst graduate William Ewing returned to La Mama with his production Miss Blossom Callahann to critical acclaim.

A number of other graduates continue to enjoy success performing and creating new work for Melbourne Fringe Festival, The Butterfly Club and the Adelaide Fringe Festival.

There were three scholarships awarded in 2017. Harvey Zielinski was awarded the Cybec Foundation scholarship, the Tallis Foundation scholarship went to Delta Marshall-Brooks and Sara Bolch received the Gwen & Edna Jones Scholarship.

The Gerda Nicolson Foundation continued to support all of the students with a scholarship to fund their theatre performance attendances and the professional development of our staff. The drama school staff and students are extremely grateful for the generosity of these organisations.

DRAMA SCHOOL ENROLMENTS 2017



- Adult Short Courses
- Part-Time Foundation Courses
- Full Time Advanced Diploma
- Youth Program 5-8
- Youth Program 9-11
- Youth Program 12-17





THE NATIONAL THEATRE



MELBOURNE EST. 1935

DIRECTORS' REPORT

Directors	Appointed	Ceased	Directors' Eligible to Attend	Meetings Attended
Susan Thacore	March 2011		6	6
(Chair since March 2013)				
Bess Andrews	October 2014	March 2017	3	3
Cathy Buckmaster	February 2017		6	6
Natalie Frazer	January 2014		6	5
Brian Martin	July 2016		6	5
James Ostroburski	November 2016		6	2
Christine Fleer	June 2017		3	3
Govind Pillai	July 2014		6	4
Amber Scott	January 2016		6	4
Julie Carey	December 2016		6	6

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 2017 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 77,700 people attended performances at the National Theatre Melbourne in 2017. They watched 172 performances, presented by nearly 12,900

artists and students. Through our schools, we taught over 470 students aged 2 years to adult through both part-time and full-time fully accredited vocational training, that enables graduates to be industry-ready. In all, this is almost 91,000 people, a significant number of people that the National Theatre Melbourne has supported in 2017.

In addition, the National Theatre Melbourne was a vital employer for the Victorian creative industry, with a core team of 10 permanent full-time and part-time staff as well as a casual work-force of over 100, teachers, pianists, theatre ushers, box office managers, technicians, administrators and production staff.

INFORMATION ON DIRECTOR

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. Member of the Australian Chamber Orchestra Melbourne Development Council.

BESS ANDREWS

DIRECTOR & 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.

JULIE CAREY

DIRECTOR

Julie is a KPMG's Partner in the Melbourne office. She has experience working across a number of industries providing audit services and advising clients on financial reporting, governance and transactional matters. Julie is a Qualified Chartered Accountant and is a member of the Institute of Chartered Accountants in Australia. Julie holds a Bachelor of Commerce and a Bachelor of Science. She is a member of the Risk and Audit Committee of the Committee for Economic Development of Australia Julie joined the National Theatre Board in December 2016.

NATALIE FRAZER

DIRECTOR & 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).

GOVIND PILLAI

DIRECTOR & 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.

JAMES OSTROBURSKI **DIRECTOR**

James Ostroburski 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.

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.

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 2016.

CHRISTINE FLEER **DIRECTOR**

Christine is a partner of leading Melbourne law firm, Arnold Bloch Leibler. Christine practices in commercial law, managing a diverse practice including mergers and acquisitions, corporate advice and private wealth work. Christine holds a Bachelor Laws degree with first class honours and a Bachelor of Commerce. Christine grew up in North Western Victoria, but is now a long term St Kilda resident, most recently with her husband and three children. She is passionate about access to the arts, particularly for rural people. Christine is also a member of the boards of the Tarrawarra Museum of Art and the Besen Foundation. Christine joined the board of the National Theatre in 2017.

CATHERINE **BUCKMASTER** **DIRECTOR**

Catherine joined the National in 2017, and is a Member of the Institute of Chartered Accountants. Having commenced her career with KPMG, Catherine worked with a number firm's national and global clients in assurance and transaction services. Catherine's more recent experience has been in financial services working with some of Australia's largest financial institutions where she has specialised in External Reporting and Governance. Outside of work, Catherine is a member of the Audit & risk Committee of YSAS, a not for profit focused on enabling young people experiencing serious disadvantage to access the resources and support they require to lead healthy and fulfilling lives.

AUDIT & SUBCOMMITTEE MEETINGS

During the 2017 year, five meetings of this committee were held. The number of meetings attended by each director was as follows:

	Eligible to Attend	Attended
Julie Carey (Chair from June 2017)	4	4
Govind Pillai (Chair until June 2017)	5	3
Susan Thacore	5	5
Cathy Buckmaster	3	3

Executive Performance Review Subcommittee

During the 2017 year, three meetings of this committee was held. The number of meetings attended by each director was as follows:

	Eligible to Attend	Attended
Bess Andrews (Chair until March 2017)	1	1
Brain Martin (Chair from March 2017)	2	2
Susan Thacore	3	3

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 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$620 (2016: \$560). The number of members was 62 (2016: 56).

AUDITORS INDEPENDENCE DECLARATION

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
Chairperson



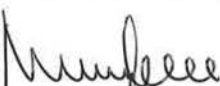
Signed this 24 day of MAY 2018.

**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 2017, 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 Bentleys Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
24 May 2018

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

		31 DECEMBER 2017	31 DECEMBER 2016
	NOTE	\$	\$
Revenue			
Operating activities revenue	2 (a)	2,589,780	2,461,935
Grants & Donations	2 (b)	275,520	337,325
Expenditure			
Employee benefits expense		(1,632,998)	(1,620,944)
School Expenses		(324,280)	(334,507)
Theatre Expenses		(397,886)	(271,347)
Depreciation and amortisation expense		(100,448)	(89,660)
Finance costs		(5,367)	(2,745)
Insurance expense		(71,702)	(63,133)
Other expenses	3	(364,887)	(377,784)
(Deficit)/Surplus for the period		(32,268)	39,140
Other Comprehensive Income		-	-
Total comprehensive income for the period		(32,268)	39,140

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

		31 DECEMBER 2017	31 DECEMBER 2016
	NOTE	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6	650,974	422,120
Trade and other receivables	7	22,575	14,025
Inventories	8	8,478	4,317
Other assets	9	50,778	19,730
Total current assets		<u>732,805</u>	<u>460,192</u>
Non-Current Assets			
Property, plant and equipment	10	2,230,732	2,245,111
Total non-current assets		<u>2,230,732</u>	<u>2,245,111</u>
Total Assets		<u><u>2,963,537</u></u>	<u><u>2,705,303</u></u>
Liabilities			
Current Liabilities			
Trade and other payables	11	576,897	255,393
Borrowings	12	-	4,207
Provisions	13	74,111	100,906
Total current liabilities		<u>651,008</u>	<u>360,506</u>
Non-Current Liabilities			
Borrowings	12	-	-
Provisions	13	-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u><u>651,008</u></u>	<u><u>360,506</u></u>
Net Assets		<u><u>2,312,529</u></u>	<u><u>2,344,797</u></u>

Equity

Retained surpluses

2,312,529

2,344,797

Total Equity**2,312,529****2,344,797**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Retained Surpluses \$
	<hr/>
Balance at 1 January 2016	2,305,657
Surplus for the year	39,140
	<hr/>
Balance at 31 December 2016	2,344,797
(Deficit)/Surplus for the year	(32,268)
	<hr/>
Balance at 31 December 2017	2,312,529
	<hr/> <hr/>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	NOTE	31 DECEMBER 2017	31 DECEMBER 2016
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers including productions		2,859,045	2,809,929
Proceeds from donations and grants		275,520	304,085
Interest received		2,338	3,481
Payments to suppliers and employees		(2,812,406)	(2,934,656)
Finance costs		(5,367)	(2,745)
Net cash provided by operating activities		319,130	180,814
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(86,069)	(196,681)
Net cash used in investing activities		(86,069)	(196,681)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		(4,207)	(81,793)
Net cash used in financing activities		(4,207)	(81,793)
Net increase in cash & cash equivalents		228,854	(97,660)
Cash & cash equivalents at the beginning of period		422,120	519,780
Cash & cash equivalents at the end of period	6	650,974	422,120

The accompanying notes form part of these financial statement

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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.

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.

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.

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 realistically 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.

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 2017, 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

	31 DECEMBER 2017	31 DECEMBER 2016
	\$	\$
NOTE 2 – Revenue and Other Income		
(a) Operating Activities		
Fees & production revenue	1,752,070	1,526,159
Rental revenue	634,512	710,183
Phone tower rentals	67,236	65,478
Interest	2,338	3,481
Trading revenue - bar operations, net	122,188	137,083
Other income	11,436	19,551
Total operating activities revenue	<u>2,589,780</u>	<u>2,461,935</u>
(b) Grants and Donations		
Donations (other sources)	275,520	304,805
Donations (capital works)	-	32,520
Total grants and donations revenue	<u>275,520</u>	<u>337,325</u>
NOTE 3 – Expenses		
Bad and doubtful debts expense	5,478	3,371
Maintenance expenses	34,090	67,892
NOTE 4 – Auditor’s remuneration		
Remuneration of the auditor of the company for:		
- auditing the financial report	10,800	10,400

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	47,499	187,713
- Other long-term benefits	723	3,583
	<u>48,222</u>	<u>191,296</u>

	31 DECEMBER 2017	31 DECEMBER 2016
NOTE 6 – Cash and cash equivalents	\$	\$
Current		
Cash at bank and in hand	169,373	90,013
Arts & Training Account	371,200	223,402
Short-term bank deposits	110,401	108,705
	<u>650,974</u>	<u>422,120</u>

NOTE 7 – Trade and other receivables

Current		
Trade receivables	27,575	14,025
Provision for Doubtful Debts	(5,000)	-
	<u>22,575</u>	<u>14,025</u>

NOTE 8 – Inventories

Current		
Bar stock - at cost	8,478	4,317

NOTE 9 – Other Assets

Current		
Prepayments	47,903	16,408
Work-in-progress	708	-
Rental bonds	2,167	3,322

Total other assets	50,778	19,730
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NOTE 10 – Property, plant and equipment

	Land	Buildings	Plant and equipment	Office Equipment	Furniture and Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 Jan 2017	223,000	1,651,698	93,257	20,928	256,228	-	2,245,111
Additions	-	40,720	8,803	2,374	34,172	-	86,069
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(17,385)	(32,750)	(5,900)	(44,413)	-	(100,448)
Carrying amount at 31 December 2017	223,000	1,675,033	69,310	17,402	245,987	-	2,230,732

	31 DECEMBER 2017	31 DECEMBER 2016
	\$	\$
NOTE 11 – Trade and other payables		
Current		
Trade payables	186,465	47,397
Other current payables	243,987	116,242
Deferred income	146,445	91,754
Total trade and other payables	576,897	255,393

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- Total current	576,897	255,393
- Total non-current	-	-
	576,897	255,393
Less deferred income	(146,445)	(91,754)
Less other payables (net payable to ATO)	(5,094)	(33,649)

Financial liabilities as trade and other payables	425,358	129,990
	31 DECEMBER 2017	31 DECEMBER 2016
NOTE 12 - Borrowings	\$	\$
Current		
Johnson Estate loan secured	-	150,000
Less Scholarship Payments	-	(150,000)
ANZ loan	-	4,207
Total current borrowings	-	4,207
Non-current		
Johnson Estate loan secured	-	-
Less Scholarship Payments	-	-
Total non-current borrowings	-	-
Total borrowings	-	4,207

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	45,856	52,381
Long service leave entitlements	28,255	48,525
Total current provisions	74,111	100,906
Non-Current		
Long service leave entitlements	-	-

Total non-current provisions	-	-
Total provisions	74,111	100,906

	Employee entitlements	
Opening balance at 1 January 2017		100,906
Additional provisions during the year		(1,946)
Amounts used		(24,849)
Balance at 31 December 2017		74,111

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 2017	31 DECEMBER 2016
\$	\$

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	650,974	422,120
Trade and other receivables	22,575	14,025
Total Financial assets	673,549	436,145

Financial liabilities at amortised cost

Trade and other payables	425,358	129,990
Borrowings	-	4,207
Total Financial Liabilities	425,358	134,197

NOTE 15 – Capital and Leasing Commitments

There are no capital commitments as at 31 December 2017 (31 December 2016: Nil).

31 DECEMBER 2017	31 DECEMBER 2016
\$	\$

Lease Commitments

Operating Lease Commitments contracted for Inkerman St, St Kilda:

Payable		
- not later than 12 months	2,500	30,000
- later than 12 months but not later than 5 years	-	-
- later than 5 years	-	-
	<u>2,500</u>	<u>30,000</u>

Note 16 – Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

(Deficit)/Surplus for the year	(32,268)	39,140
Non-cash flows in surplus:		
Depreciation	100,448	89,660
Provision for doubtful debts	5,000	-
Changes in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	(13,550)	70,600
Increase/(Decrease) in inventories	(4,161)	3,183
Increase/(Decrease) in trade and other payables	321,504	(47,129)
Increase/(Decrease) in provisions	(26,795)	(2,715)
Increase/(Decrease) in other liabilities	-	(32,520)
Increase/(Decrease) in other assets	(31,048)	60,595
Cash flow from operations	<u>319,130</u>	<u>180,814</u>

NOTE 17 – 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 18 – 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 2017 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 24 day of MAY 2018.

IMAGE CREDITS

Metamorphoses 2017 Images by Sarah Walker

Eka and Matej Image by Niv Novak

Mermaid Images by Ron Fung

Drama Class images by Lisa Trevellick

Therese Image by Lachlan Woods

Mama Alto Image by Alexis Desaulniers-Lea Photography

Venue Images by Pasquale Palmieri

Corranderk Image by Tyson Mowarin

AUSTRALIAN NATIONAL
MEMORIAL THEATRE LIMITED

20 Carlisle Street (cnr Barkly St)
St Kilda VIC 3182

P 61 (3) 9534 0221

E info@nationaltheatre.org.au
nationaltheatre.org.au

A.B.N. 7800 7306 283