



2013
ANNUAL REPORT




Emirates
Principal Partner



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COVER: The Melbourne Symphony orchestra at Hamer Hall
for SIR ANDREW DAVIS: A JOYOUS CELEBRATION GALA

LEFT: Sir Andrew Davis and Bryn Terfel at SIR ANDREW DAVIS:
A JOYOUS CELEBRATION GALA

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Emirates
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melbourne symphony orchestra

CHAIRMAN'S REPORT

The year that passed has brought a new direction to the MSO both operationally and creatively, with the key appointments ushering in a 'new era' in the organisation's artistic and business development.

Most notably, we welcomed Sir Andrew Davis and Diego Matheuz as our Chief Conductor and Principal Guest Conductor respectively. Both officially took up in their new posts in 2013 to critical acclaim and benefitted from the leadership of the MSO's Managing Director André Gremillet, who has now been in the chair for more than a year.

Financially, 2013 was as expected a difficult year and another year of transition following our return to Hamer Hall. While we saw a significant increase in subscription revenue and philanthropy, it was not yet sufficient to make up for the increased costs of performing in the renovated Hamer Hall as well as for the fact that our Government funding, while generous, has only been partially indexed over the past few years.

As a result of consistently rigorous financial management over a long period, MSO has a balance sheet that allows us to absorb a deficit of \$838,819 for 2013 as we continue to take the appropriate actions to increase our revenue and reduce our costs without compromising our mission.

The creation of a new strategic plan, which has just been completed, is an important step toward restoring the Company to a sustainable financial footing, as are recent discussions with Arts Centre Melbourne that have resulted in some progress with regard to our situation at Hamer Hall.

2013 has seen the Orchestra collaborate and share the stage with many leading artists from the Australian and international concert circuit. The result has been many powerful

performances that have reaffirmed the transformative power of music and timeless appeal of the orchestral repertoire.

Our 2013 Gala Concert in April, celebrating Sir Andrew's return to Australia for his first concert as MSO Chief Conductor, will linger long in my memory and that of my fellow concert-goers. It was truly an unforgettable evening, offering an epic program of Beethoven and Wagner, realised by flawless performances from the Orchestra, MSO Chorus and our famous special guest, Welsh bass-baritone Bryn Terfel.

During the same visit to Melbourne, Sir Andrew conducted the Orchestra in a performance of Richard Strauss' *Also Sprach Zarathustra*, which attracted considerable attention earning praise from *The Australian* newspaper for its 'insightful performance that demonstrated the ensemble at its finest.'

The Orchestra also received return visits from many great soloists and conductors around the world – a great confirmation of the respect the MSO commands internationally.

Among those whose return visit had a lasting impact was Simone Young, who conducted the MSO in a stunning performance of Mahler's epic Fifth Symphony in her first on stage appearance with the MSO in more than a decade. Another well received return performance was that of the charismatic Bramwell Tovey, who led the MSO through works of classic American songwriters in the MSO Pops Concert, **Tribute to the Songwriters**. Tovey, whose skill as host and raconteur match his considerable talent as a conductor and pianist, led the Orchestra and audience through a hugely enjoyable night of memorable tunes from the creative minds of Noel Coward, Cole Porter and Ivor Novello, which included several songs made famous by Frank Sinatra.

It was perhaps fitting that one of the most moving performances, Dvořák's *New World Symphony*, provided a suitable finale to a year of outstanding music. Directed with great empathy by Jakub Hrůša, the Orchestra delivered one of its finest moments, evoking the sweeping sense of 'time and place' and leaving an indelible mark on all who attended.

As I celebrate the MSO's achievements over the past year, I am grateful to my fellow Board members for their tireless activity in supporting the Orchestra and Chorus in what has been a very busy year.

We were proud to welcome this past year David Li and Andrew Dyer who commenced their tenure in July and December respectively. With a career that includes leadership roles in the telecommunications and information technology industry, Andrew brings significant experience working strategically with Government while David, in addition to his considerable business experience and networks, is also an accomplished violinist who provides the Orchestra with a unique perspective on the music world and our Chinese community.

As well as our new members, I would like to acknowledge the great work of our departing members Bronte Adams and our Deputy Chairman Alan Goldberg, who ended their very successful Board tenure in December 2013.

A Board member since the days of the ABC, Alan was also the guest of honour at our annual MSO Gala Dinner, **The Symphony Banquet**, which celebrated his induction as an Honorary Life Member of the MSO and recognised his contribution as a financial supporter, as a commissioner of new music and as a tireless advocate for the Orchestra over many years. During the considerable time he has been on the MSO Board, Alan has provided invaluable insight and strategic guidance, in particular playing a key leadership role in guiding the Orchestra through the process of divestment from the ABC to becoming an independent company.

The Symphony Banquet was also an occasion to raise pledges for the **Alan Goldberg Community Fund**. This has at the heart of its mission the provision of support to the MSO's expanding of audience access particularly through our Education and Outreach initiatives.

Developing and furthering the reach of these activities are a critical part of the Orchestra's ongoing commitment to making orchestral music available to everyone. We are grateful to our donors, supporters and corporate partners for their tremendous support and active engagement with us on many projects which helps make this happen.

One example is **The Pizzicato Effect**, which in 2013 celebrated its fifth year of operation. The program, supported by philanthropical organisations and individuals, provides the students of Meadows Primary School access to free tuition on orchestral instruments, has grown considerably and now



HAROLD MITCHELL AC

encompasses the entire school. It has proven very rewarding with strong bonds formed between the students and their musical mentors, and increased confidence for the children across all areas of learning and social interaction.

Another example is **Meet the Orchestra**, a program which assists primary school children to experience high quality live music through some of the world's finest music educators and artists as well as innovative, pre-concert online classroom resources. Part of an extensive suite of concerts and activities that occurs during MSO's **Education Week**, the program was the recipient of a generous gift from the Ullmer Family Endowment in June which will enable the MSO to keep the cost accessible for all schools and families.

Our corporate partners also provided considerable support for the MSO's many programs including Emirates, who in 2013 celebrated a decade as the MSO's Principal Partner. Having recently committed to the partnership for a further three years, we are excited to be continuing our journey and alignment with one of the world's leading aviation companies.

I also want to express my gratitude to the incredible dedication of the MSO musicians and administrative team, whose energy and commitment are an essential part of the Orchestra's success.

As we head into 2014, I am excited to see where the road will take us.

HAROLD MITCHELL AC
CHAIRMAN

MANAGING DIRECTOR'S REPORT

In 2013 the Melbourne Symphony Orchestra delivered a wide range of projects that had a deep and positive impact in the Melbourne and Victorian communities. While it was a difficult year financially, significant progress was made toward restoring the Orchestra to a sound financial situation. It included among others a healthy audience growth that reflected an appreciation for an Orchestra that is inspiring and innovative artistically while being more accessible than ever.

In our first complete season back in the refurbished Hamer Hall, our overall sales increased by more than \$1 million dollars when compared to 2012, with subscription and single tickets sales increasing by 9% and 15 % respectively. The contributions from grants and trusts increased by 49%, while our donations went up by almost 6%. As indicated by our Chairman in his report, we also recently completed a new strategic plan following an extensive process that began in October 2013.

Artistically, it was a memorable year with our new Chief Conductor Sir Andrew Davis and new Principal Guest Conductor Diego Matheuz commencing their tenure with us, with each marking the occasion with highly memorable concerts.

Sir Andrew's two visits to Melbourne resulted in some of the year's most successful performances for attendance and audience engagement.

A Joyous Celebration Gala, Sir Andrew's first concert in the role of MSO Chief Conductor, was one of the most highly anticipated events in our 2013 season and it did not disappoint. The combination of Sir Andrew, superstar Welsh bass-baritone Bryn Terfel, the Orchestra and the MSO Chorus deservedly attracted a sold-out audience and standing ovations for two

stirring performances of Beethoven's iconic Ninth Symphony and highlights from Wagner's *Ring Cycle*.

Sir Andrew's return in September, to conduct the MSO and MSO Chorus in three magnificent concerts of **Verdi's Requiem**, was another high point with many describing the atmosphere in Hamer Hall as electric and the Orchestra's performance, as one of their finest moments of the year.

Diego Matheuz, who was first introduced to Melbourne audiences at the Sidney Myer Free Concerts in 2012, began his new role at the **Russian Festival** which coincided with the 100th anniversary of Stravinsky's *The Rite of Spring*. Demonstrating a great affinity for the composer's work, Matheuz guided the Orchestra through three brilliantly realised performances of Stravinsky's famous ballet scores *The Rite of Spring*, *The Firebird* and *Petrushka*.

2013 was an especially great year with regard to new music, as we performed works from a triumvirate of contemporary music's most accomplished living composers – a testament to the regard in which the Orchestra is held internationally.

English composer, conductor and pianist, Thomas Adès took up the invitation to curate and direct the 2013 **Metropolis New Music Festival**. In addition to his duties as curator, Adès also conducted the MSO across three concerts which included several of his own works: *Tevot* and the Australian premiere of his *Scenes from The Tempest* at Hamer Hall.

In July, the Orchestra and the MSO Chorus joined forces to present the Australian premiere of *The Last Days of Socrates* composed by Australian composer Brett Dean. A co-commission between the MSO, the Los Angeles Philharmonic and the Berlin Radio Choir, this powerful and complex work -

conducted with great assurance by Simone Young in her much awaited return to the MSO – was the perfect vehicle to demonstrate the immense skill of the Orchestra and Chorus and their incredible synergistic relationship.

American composer John Adams made his first concert appearance conducting the MSO in performances of three of his works including the Australian premiere of his jazz-based meditation on Los Angeles, *City Noir*.

In 2013 the Orchestra also made significant inroads in expanding its audience through new directions in its concert programming, innovative education and outreach activities and corporate and cultural partnerships.

Both our extended program of 'big screen concerts', which included **Pirates of the Caribbean – The Legend of the Black Pearl**, **Disney's Fantasia** and the second instalment of **The Lord of the Rings** trilogy and our series of 'pop up' late night **Secret Symphony** events attracted capacity crowds. The latter has developed a strong following from a predominantly younger audience, a demographic that has traditionally had low attendance at orchestral concerts. We also celebrated a successful first full year of operation for **MUSO**, our new membership program for 18 – 35 year olds, with 1,500 members having signed up by the end of 2013, more than doubling our original target.



'BEERHOVEN', EVENT HELD FOR MUSO MEMBERS

Our Education and Outreach initiatives also effectively delivered innovative and engaging programs focusing on music as a means to enrich and nurture creativity in the broader community. **Education Week** was a highlight with 10,000 people experiencing the Melbourne Symphony Orchestra. In addition, 6,000 kindergarten-aged children attended our **Classic Kids** schools concerts, while our new Saturday subscription series, **Family Classic Kids**, also drew another 2,600 children.

In keeping with the Orchestra's commitment to increasing the accessibility of orchestral music, concerts in regional Victoria



ANDRÉ GREMILLET

continued as a key part of our program. More information is included in our Year in Performance report on page 10.

Many memorable moments also came out of the Orchestra's partnerships with local government, corporate partners and Melbourne's cultural community. These included our new alliance with the Melbourne Festival, a performance with Opera Australia for their annual Opera in the Bowl concert and the first concert at Phillip Island. The Australia Council and the Perpetual Foundation also provided invaluable support for **ngangwurra means heart**, a highly rewarding collaborative project with the Black Arm Band, Australia's premier indigenous music and theatre company, which had its world premiere performance at Princess Theatre in November.

Additionally, the University of Melbourne and City of Melbourne continued as valued partners presenting our **Sidney Myer Free Concerts** which this year attracted over 35,000 people. The latter also provided invaluable assistance in making Secret Symphony possible, with the event also facilitated



SIDNEY MYER FREE CONCERTS

MANAGING DIRECTOR'S REPORT

through partnerships with Melbourne Museum, Arts Centre Melbourne and The Famous Spiegeltent.



L-R: EMIRATES REGIONAL MANAGER (VIC/TAS) DEAN CLEAVER; MSO PRINCIPAL GUEST CONDUCTOR DIEGO MATHEUZ; CITY OF MELBOURNE COUNCILLOR KEN ONG AND MSO MANAGING DIRECTOR ANDRÉ GREMILLET

The Orchestra also celebrated a decade with Emirates as our Principal Partner who have been a key supporter across many of the Orchestra's activities and at the end of 2013, confirmed an agreement to bring Lend Lease into the fold as a new Maestro Partner.

In addition to our corporate partners, I would also like to acknowledge our extremely committed community of donors, patrons and supporters, whose leadership and advocacy has helped to widen our circle of support, including an increased response to our Upbeat and Instrument project appeals and new major gifts including the funding of two MSO Artist Chairs, an initiative that invites supporters to invest in a player position for a minimum of three years. Thanks must also go to the MSO Board for their tireless support of the MSO's activities.

We were pleased to confirm in December the reappointment of Benjamin Northey to the **Patricia Riordan Associate Conductor Chair** for another three years from 2014. Ben is one of Australia's outstanding musicians, and the MSO is proud of the great relationship he and the Orchestra have developed in recent years. In 2013, Ben conducted a wide variety of concerts including a stunning performance of Copland's *Appalachian Spring* (which was also recorded for release in 2014 through ABC Classics), Beethoven's *Symphony No.2*; the score for Disney's *Fantasia* for MSO Pops as well as leading the orchestra through its annual concert tour of regional Victoria and many schools performances during Education Week.

In June, MSO Concertmaster Wilma Smith announced that she would be stepping down at the end of 2014. Wilma's musicianship, deep integrity and charisma have made her one of the most beloved and respected musicians in Australia, and the MSO is fortunate to have had her in the role for over a decade. We wish her the very best in her future endeavours. In August we confirmed the appointment of a new Concertmaster,

Australian violinist Dale Bartrop, who will share the responsibilities with Wilma from June 2014 until she steps down.

Finally, there have also been significant changes in the MSO's administration with two new appointments to our senior management team. Gabrielle Waters, whose extensive orchestral management experience includes similar positions at the West Australian Symphony Orchestra and Opera Australia, commenced as Director of Operations while Natalya Jurcheshin, previously at Arthur Andersen and former CFO of a listed biotech company began as our Chief Financial Officer. At the end of the year we also began our search for a new Director of Marketing and are pleased to announce the recent appointment of Alice Wilkinson.



MSO'S PATRICIA RIORDAN ASSOCIATE CONDUCTOR CHAIR BENJAMIN NORTHEY

The aforementioned staff make up part of a broader team of extremely passionate musicians, MSO Chorus members and administrative staff, whose collective dedication to presenting and expanding the visibility of live orchestral music underpins all the orchestra's activities.

It is through their commitment and teamwork that we are now able to celebrate the Orchestra's success and plan for an inspiring future.

ANDRÉ GREMILLET
MANAGING DIRECTOR

CORPORATE GOVERNANCE STATEMENT

This statement outlines the Melbourne Symphony Orchestra's corporate governance practices in line with the eight Good Practice Governance Principles published and monitored by the Major Performing Arts Board of the Australia Council for the Arts. These principles are based on the recommendations published by the ASX Corporate Governance Council. The statement sets out the Melbourne Symphony Orchestra's compliance with the eight Principles as at the end of the financial and calendar year.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The practice of the MSO's Board of directors is governed by the company's Constitution and the Corporations Act. The Board delegates the management of the organisation to the Managing Director and senior management team, and retains oversight of each of the MSO's significant business streams through Board sub-committees.

Membership of the sub-committees includes at least four Board members as well as senior management. The Chair of each sub-committee acts as a Board interface by representing the Board and reporting back at full Board meetings. Each year, a calendar of Board and Board sub-committee meetings is set. Each sub-committee operates under a Charter which sets out the role and responsibility of that sub-committee.

The Board met six times in 2013. In addition, the Board and senior management attend two strategy days each year to review pertinent issues outside the scope of a regular Board meeting and develop a response and implementation plan to these issues. The scope of the Board meetings include, but are not limited to, the MSO's strategic plan, artistic program, budget for the forthcoming season and financial year, updates from the Managing Director and sub-committees and any priority issues.

Members of the senior management team report to the Board face-to-face and in writing at each Board meeting. In 2013, the following Board sub-committees met with the following responsibilities and membership:

I) FINANCE AND REVENUE COMMITTEE

- a) MSO financials and long-term financial modelling
- b) Earned income streams
- c) Contributed revenue streams
- d) Driving diversity in audiences and revenue

Membership: Four Board members including the Managing Director, plus the Director of Marketing, Director of Development, Chief Financial Officer (or Acting CFO) and external representatives. The Chief Financial Officer (or Acting CFO) serves as the management liaison.

II) GOVERNANCE AND COMMUNITY RELATIONS COMMITTEE

- a) Community relationships and partnerships with musical institutions
- b) Government relations
- c) Education and Community Engagement programs
- d) Board assessment, recruitment and succession planning

Membership: Four Board members including the Managing Director. The Managing Director served as the management liaison.

III) OTHER COMMITTEES

In addition, the MSO Artistic Committee is comprised of management representatives, the Chief Conductor and/or artistic leader, Concertmaster and elected musicians. Its main purpose is to assess the quality of past performances, performers and performance standards of the Orchestra (both sections and individuals), take action where required to address performance issues, and to assess forthcoming projects. Significant findings of the Artistic Committee are reported to the Board. Regarding Education matters, the management team receives advice from industry experts on a periodic basis whose feedback is reported back to the MSO Board.

The MSO Chorus Committee, made up of eight singers and two management representatives plus the Director of Artistic Planning, provides advice to the Board on Choral issues.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

The Board includes Directors with a range of skills including finance and accounting, business (both public companies and small business) and commercial experience, law, government, marketing, fundraising, I.T. and philanthropy. Board structure is managed by the Governance and Community Relations Committee. In addition, MSO staff elect a director for a two year term.

The full list of Board Directors is included in the Directors' Report, on page 36.

Directors are appointed for an initial term of three years. Terms may be extended at the discretion of the Chair and the Board, for a maximum of three terms. As noted in Principle 1, the Board delegates the oversight of the MSO's significant business streams to the Board sub-committees.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

The MSO Board is charged with a number of procedural matters including:

- Review of annual operating plan and budget
- Articulation of the MSO's vision and mission
- Establishment and communication of expectations in regard to the cultural values and ethics of the Company

The MSO, in its formal Code of Conduct, outlines its expected standard of conduct based on three main principles:

- Professionalism and integrity
- Fairness and equity
- Avoidance of real or apparent conflict of interest

The Board Induction Manual includes a copy of the MSO Code of Conduct, and in addition, the Board holds itself to the highest standards of ethical and responsible decision-making. Codes of conduct exist for musicians and administrative staff, and are included in a Board Induction Manual which is provided to new directors.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

The Finance and Revenue sub-committee comprises at least four directors including the Managing Director, the Company Secretary and, by invitation, the Chief Financial Officer (or Acting CFO) as well as other operational staff and external representatives as required, including the external auditor.

The committee met four times in 2013, and its functions included:

- Reviewing and monitoring progress against budget/forecast, and reporting to the Board on management and annual financial statements
- Management of the MSO's governing policies and procedures, specifically approving any new or altered policies
- Provision of input to management in setting the budget
- Evaluation and approval of executive expenditure

- Ensuring compliance with applicable laws and regulations
- Ensuring strong internal control policies and procedures are in place
- Development and monitoring of investment policy
- Approval of capital expenditure

The Finance and Revenue sub-committee requires the Managing Director and Chief Financial Officer (or Acting CFO) to attest in writing to the truth and fairness of the MSO's annual financial statements.

In addition, the Managing Director and Chief Financial Officer (or Acting CFO) must attest that the operational results are in accordance with relevant accounting standards. The annual accounts are independently audited.

PRINCIPLE 5: RECOGNISE AND MANAGE RISK

The Board delegates oversight of risk management procedures and actions to all Board sub-committees, and recognition and management of risk to the Managing Director and senior management team. The charter of the Finance and Revenue

sub-committee includes the safeguarding of company assets incorporating the amendment of the company's investment policy.

PRINCIPLE 6: ENCOURAGE ENHANCED PERFORMANCE

The charters of the MSO Board and of the Governance and Community Relations sub-committee include the requirement to:

- Recommend to electing possible new Board members, with regard to the diversity of the skills of the MSO Board members and organisation skill requirements
- Develop Board criteria and skill requirements
- Evaluate the Board's performance as a whole, and the performance of individual members
- Actively manage the Board rotation system
- Ensure succession planning for Managing Director and

other key management roles, including Chief Conductor and/or artistic leader

- Ensure that new Board members are adequately educated about the MSO

In addition, the Board relies on the advice of the Artistic Committee, a group comprising the Managing Director, Director of Artistic Planning, Director of Operations and Orchestra members. The group meets on a regular basis to assess and improve artistic quality and performance standards, and review artistic standards and achievements of the MSO's program.

PRINCIPLE 7: REMUNERATE FAIRLY AND RESPONSIBLY

The Board is specifically charged with ensuring the achievement, development and succession of the Company's senior management team, including remuneration. The Board assesses and, when necessary, takes professional advice on market benchmarks for remuneration. The Board provides the

Managing Director with parameters within which to negotiate musician and administration staff agreements. The Directors' positions are on an honorary basis, as such, Non-Executive Directors do not receive remuneration for their role as a Director of the Company.

PRINCIPLE 8: RECOGNISE THE LEGITIMATE INTERESTS OF STAKEHOLDERS

The Board is charged with ultimate responsibility to ensure that productive working relationships with key MSO stakeholders are maintained. The day to day management of key stakeholder relationships is delegated to the MSO's Managing Director and in turn to the senior management team. The MSO actively encourages and actions audience feedback via its website as well as by verbal, postal and electronic communication channels.

The Managing Director, senior management team and Board members regularly meet with key stakeholders including government, sponsors, audiences, the Orchestra itself and those providing professional advice to the MSO. From 2009, a peer-review panel was implemented, providing valuable additional artistic feedback to the Board and management regarding orchestral quality and performance standards

THE YEAR IN PERFORMANCE 2013

The lead-up to our first subscription concert was much busier than previous years thanks to an intense performance schedule in February. At the start of the month, the Orchestra travelled to regional Victoria to undertake an outdoor performance at the Churchill Island Nature Reserve on Phillip Island. This event attracted excellent attendances, with conductor Benjamin Northey ably guiding the MSO through a series of iconic works by Puccini, Dvořák and Tchaikovsky's *1812 Overture*; its rousing conclusion with the firing of the cannon earning a well-deserved standing ovation.

February also brought the first in a series of interactive big screen experiences which featured the MSO performing live scores to key cinema and television works. **Wallace and Gromit: Musical Marvels** and **Frozen Planet Live in Concert** were both presented in association with BBC Worldwide, conducted by Ben Foster and composer George Fenton respectively. The concerts took place at the Melbourne Conference and Exhibition Centre, with the Orchestra proving yet again how easily it can adapt to venues of different sizes. Shortly after, the MSO welcomed Oscar-winning Chinese composer Tan Dun to Melbourne in March for the **Martial**



ZHAO XIAOXIA PERFORMS ON THE GUQIN AT MARTIAL ARTS TRILOGY CONCERTS

Arts Trilogy, a series of three concertos featuring a live scoring of the martial arts films *Crouching Tiger, Hidden Dragon, Hero* and *The Banquet*, and combining traditional Chinese instruments with a full Western symphony orchestra. Warmly received by audiences including members of Melbourne's Chinese community, Tan Dun's visit laid the foundations for his return in 2014 for the MSO's inaugural Chinese New Year Concert.



19 YEAR OLD MATTHEW WHIBLEY CONDUCTING THE MSO AT THE SIDNEY MYER MUSIC BOWL

Wonderful weather helped contribute to the record attendances at the **2013 Sidney Myer Free Concerts**, with over 35,000 in attendance across the four performances. Among this year's many highlights were virtuoso performances from young Australian soloists, including pianists Alexey Yemtsov and Hoang Pham, saxophonist Amy Dickson, violinist Kristian Winther and soprano Siobhan Stagg, as well as performances of works by three living composers: Australians Brenton Broadstock and Ross Edwards, and American John Williams. One of the most moving moments at the Bowl in 2013 was

when Matthew Whibley, a 19-year-old with cerebral palsy, took to the stage and conducted the MSO in Mozart's Overture to *The Marriage of Figaro*, an initiative organised by the Starlight Foundation.

In March, our subscription season began on a high note with capacity audiences for the first **Ears Wide Open** and **Chamber Series** concerts, as well as critical acclaim and strong box office figures for **Sarah Chang and Tchaikovsky**. Violin virtuoso Chang, who last appeared with the MSO during its 2007 European Tour, renewed her acquaintance with the Orchestra with a stunning performance of Samuel Barber's lyrical Violin Concerto. The event also marked the MSO debut for conductor Xian Zhang, who impressed concertgoers with her dynamic readings of this work and Tchaikovsky's *1812 Overture* and Symphony No.5. Our **MSO Pops** series opened in April with the highly successful staging of **Pirates of the Caribbean – The Legend of the Black Pearl**, featuring a special video introduction from MSO Ambassador, Geoffrey Rush AC.

Later in the month, we welcomed Thomas Adès – considered internationally as one of today's most significant composers – for the **2013 Metropolis New Music Festival**. In addition to directing and curating the event, Adès contributed to the program as a composer, conductor, arranger and pianist. Highlights included Nancarrow's Studies Nos 6 and 7, which featured a new arrangement by Adès accompanied by stunning visuals from artist Tal Rosner, as well as two memorable works from Adès himself: *Tevot*, an ambitious piece which provided the opportunity for MSO players to demonstrate their virtuosity, and the Australian premiere of his scenes from *The Tempest*.



SIR ANDREW DAVIS AND BRYN TERFEL AT A JOYOUS CELEBRATION GALA

The end of April saw the highly anticipated opening concerts of Sir Andrew Davis' tenure as the new Chief Conductor of the MSO. **A Joyous Celebration Gala** lived up to its name, featuring the star power of Bryn Terfel who displayed his extraordinary vocal artistry in both the bass-baritone solo in Beethoven Symphony No.9 – which also featured an extraordinary performance by the MSO Chorus – and two extracts from Wagner's *Ring Cycle*. Sir Andrew's next program,

Thus Spake Zarathustra, was another highlight, featuring the accomplished solo violin playing of Guest Concertmaster Dale Barltrop.

May heralded the return of British conductor Douglas Boyd, who delivered **Mozart's Last Symphonies** with energy and dynamism, and the first of two appearances from world renowned English conductor Bramwell Tovey for the MSO Pops program, **Tribute to the Songwriters**. Once again, Maestro Tovey proved a consummate host to the evening, which featured works ranging from Gilbert and Sullivan to Frank Sinatra, with the event becoming the first ABC MSO broadcast to be issued as "Download on demand" due to the strong audience feedback from the concert. It was an unexpected pleasure to welcome the Maestro back in June, when he stepped in for indisposed conductor Tadaaki Otaka for **Rachmaninov and Elgar**, a concert that played to Maestro Tovey's strengths, including Elgar's Symphony No.2 and Rachmaninov's Piano Concerto No.4, performed by acclaimed pianist Kirill Gerstein.



SIMONE YOUNG, SOLOIST PETER COLEMAN-WRIGHT AND COMPOSER BRETT DEAN

The return of Simone Young, in her first performance with the MSO after an absence of over a decade, was a major mid-year highlight. In addition to featuring an outstanding performance of Mahler's Fifth Symphony, **Simone Young Conducts Mahler 5** also included the Australian premiere of Brett Dean's *The Last Days of Socrates* – a work that the MSO commissioned together with the Berlin Radio Choir and the Los Angeles Philharmonic.

In June, **Appalachian Spring**, an eclectic program directed by MSO Patricia Riordan Associate Conductor Chair Benjamin Northey, provided an occasion for another new commission – the world premiere of the Piccolo Concerto by Paul Stanhope written for MSO Principal Piccolo Andrew Macleod. The program also featured a stunning performance of Copland's famous ballet score *Appalachian Spring*, as well as the composer's lesser known *Eight Poems of Emily Dickson*; both Copland works were recorded for release on MSO Live.



MSO PRINCIPAL PICCOLO ANDREW MACLEOD

In July, **The Two Towers**, the second instalment of our highly successful *The Lord of the Rings* trilogy, marked another strong box office moment for the Orchestra. At over three hours long, the concert was a demanding but an exciting opportunity for both the Orchestra and Chorus, with the event also generating excellent pre-sales for the 2014 presentation of **The Return of the King**.



MSO PRINCIPAL GUEST CONDUCTOR DIEGO MATHEUZ

The three-concert **Russian Festival** in early August was the first opportunity for audiences to watch conductor Diego Matheuz in action since his appointment as MSO Principal Guest Conductor, and his interpretations of the three great Stravinsky ballet scores were full of excitement, tension and daring. Aside from the Hamer Hall orchestral concerts, the Russian Festival also offered the opportunity to integrate concert programming with other MSO offerings; the Stravinsky Day on Saturday 10 August incorporated Jams for Juniors, jazz performances, a pre-concert event with the MSO ArtPlay Ensemble as well as various talks and panel discussions.

August was an exciting month with leading international composer John Adams visiting Melbourne to conduct three of his own works across two subscription concerts, including the Australian premiere of *City Noir*. **Adams Conducts Adams** was also a very rewarding moment for many orchestra members, who were thrilled to be conducted by such a highly respected composer in whose music they were already so well versed.



JOHN ADAMS WITH SOLOIST LEILA JOSEFOWICZ

September heralded the second visit in 2013 for Sir Andrew Davis, who built upon the impressive momentum of his first visit as Chief Conductor and played to his repertoire strengths. **The Verdi Requiem**, which attracted strong audience numbers, created a drama and tension at Hamer Hall that was a season highlight for many. His second program, **Elgar's Enigma Variations**, also resulted in a stunning performance from the Orchestra. Running alongside the main concert, Richard Gill continued his successful 2013 **Ears Wide Open** series with an exploration into Elgar's *Enigma Variations*, the most ambitious undertaking of the series so far.



SIR ANDREW DAVIS AND THE ORCHESTRA IN PERFORMANCE

In October, the MSO performed an all-Wagner program, with conductor Asher Fisch, which marked the Orchestra's first mainstream offering in the Melbourne Festival for many years. Benjamin Northey also proved his special touch with younger audiences with **Disney's Fantasia**, another big screen event featuring a selection of the famous works – and accompanying animations – from one of the most cherished Disney films of all time. Ben was also heavily involved in the MSO's extensive education and regional touring program in October, participating in workshops with young composers from Melbourne University, and directing works such as Rodrigo's *Concerto de Aranjuez* and Beethoven's Symphony No.7 as part of the MSO's **Powercor Regional Tour**.

November included an extended residency for remarkable Canadian violinist James Ehnes, who delivered an exciting mix of programs, including directing and performing a series of works by Vivaldi alongside MSO Principal Violinists in **Violin**

Spectacular and a **Soloist's Choice** program that combined Bartók's Solo Sonata with the Schubert Octet. The latter was praised by *The Age* as a 'virtuosic performance of unquestioned technical mastery.' Whilst in Melbourne, James also gave outstanding performance of Khachaturian's virtuosic Violin Concerto during our **Russian Masterpieces** concert, which was recorded for release on the Onyx label in 2014. Directed by British conductor and MSO regular Mark Wigglesworth, Russian Masterpieces also saw the MSO present three atmospheric performances of Shostakovich's Symphony No.10.



JAMES EHNES AND MSO CONCERTMASTER WILMA SMITH

November also included a special Remembrance Day performance of Nigel Westlake's music from *The Glass Soldier* as the final concert in our 2013 Chamber Series. Conducted by Brett Kelly, it was a profoundly moving event for the capacity audience, with text by Don Farrands narrated by 774 ABC Melbourne presenter Derek Guille and photo projections accompanying the narrative.



THE WORLD PREMIERE OF NGANGWURRA MEANS HEART AT THE PRINCESS THEATRE

November also featured the debut performance of **ngangwurra means heart**, the result of a creative collaboration with the Black Arm Band, Australia's premier indigenous music and theatre company. A complex multidisciplinary performance which combined photography, digital imagery, new instruments from natural and recycled 'outback' items and lyrics in several indigenous languages, the work's world premiere concert at the Princess Theatre was extremely

emotional for audiences, and received a glowing review from *The Age's* Michael Dwyer, who wrote 'its unique, miraculously progressive vibrancy of the art itself that makes their new show, ngangwurra means heart, such a joy.'

Subscription concerts for 2013 ended with one of the standout performances of the year, Jakub Hrůša's interpretation of Dvořák's *New World Symphony*. Although this is a work that the Orchestra knows intimately, Hrůša breathed new life into the Symphony and achieved outstanding results. The Orchestra ended the year with a record five performances in one day: four concerts with the new line-up of The Wiggles preceding an evening performance of Handel's *Messiah*.

ARTISTIC DEVELOPMENT

The MSO's ongoing support of artistic development opportunities to develop and nurture new talent continued in 2013 through a range of different initiatives.



CYBEC PARTICIPANT JEANETTE LITTLE WITH THOMAS ADÉS AT THE 2013 METROPOLIS NEW MUSIC FESTIVAL

In January, the Iwaki Auditorium was the venue for a performance of the four works commissioned in the 2012 **Cybec 21st Century Australian Composers Program**, by four composers under the age of thirty – Holly Harrison, Jeanette Little, Samuel Penderbayne and Lachlan Skipworth.

Participants in the 2013 intake - Elliott Hughes, Andrew Aronowicz, Kym Dillon and Lisa Cheney - received mentoring by prominent Australian composers including Philip Bračanin, Andrián Pertout and Julian Yu and took part in a workshop overseen by Head Mentor Brenton Broadstock.

The **MSO Snare Drum Award**, designed to encourage the pursuit of excellence in snare drum performance in Australia and New Zealand, continued in 2013 with 11 undergraduate percussionists from Melbourne, Queensland, South Australia and New Zealand taking part. The 2013 winner, Samuel Butler (South Australia) was awarded a one-year mentorship with the Melbourne Symphony Orchestra in addition to a significant pack of hand crafted percussion instruments.

THE YEAR IN PERFORMANCE

In October, the MSO hosted the three final rounds of the revamped **ABC Symphony Australia Young Performers Award** for 2013, which included chamber music (with MSO musicians) for the first time. The Award featured three Melbourne-based musicians in the concerto final, which was won by pianist Hoang Pham; the MSO was conducted in the final by Christopher Seaman.

The following month the MSO and indigenous music and theatre company The Black Arm Band co-presented the world premiere of **ngangwurra means heart** at the Princess Theatre. As part of the creative process, MSO musicians Rob Cossom (percussion), Caleb Wright (viola) and the MSO's Assistant Artistic Administrator, Andrew Pogson, travelled with members of the Black Arm Band to Arnhem Land in the Northern Territory to collaborate with the local indigenous community in Maningrida.



MSO VIOLA PLAYER CALEB WRIGHT JAMS WITH LOCALS IN MANINGRIDA

SECRET SYMPHONY

2013 brought another outstanding year for our innovative **Secret Symphony** program, which attracted capacity audiences to a series of free concerts at unconventional venues, marketed solely through social media.

The first concert for the year, featuring string quintet arrangements of songs by British band Radiohead at the Famous Spiegeltent at Arts Centre Melbourne, attracted 450 people for a 300-seat venue at 10pm on a weeknight. Such was the enthusiasm for this concert, the players immediately agreed to give a second performance to fulfil the demand.

This was followed by a concert dedicated to the 100th anniversary of *The Rite of Spring* in the newly-expanded pit at the State Theatre, with the next performance comprising of Gilbert and Sullivan's one act opera *Trial by Jury* in the County Court on William Street. The performance featured the MSO Chorus and was the most ambitious staging of a Secret Symphony Concert yet.

The season concluded in style with a performance in conjunction with the Melbourne Museum's *Designing 007* exhibition. Concertgoers were entertained with a lively and often humorous performance of music from the James Bond films arranged for string quintet, before being given free entry to the exhibition.



MEMBERS OF THE MSO PERFORM AT MELBOURNE MUSEUM'S *DESIGNING 007: 50 YEARS OF BOND STYLE* EXHIBITION AS PART OF SECRET SYMPHONY

MSO CHORUS

2013 was a busy year for the MSO Chorus, who continue to be led by Chorus Master Jonathan Grieves-Smith. They easily adapted to a most diverse and demanding repertoire. Their output ranged from the classic songwriting of Irving Berlin and Cole Porter, to Mozart's Requiem, a joyous Beethoven's Ninth and the brand new demands of a new work by Brett Dean.



THE MSO CHORUS AT HAMER HALL

Brett Dean's *The Last Days of Socrates*, an MSO co-commission with The Los Angeles Philharmonic and the Berlin Radio Choir, was 25 minutes longer than originally expected, a challenge the Chorus not only met but surpassed. Their performances received glowing reviews from the composer.

In September, the Chorus returned to the more familiar ground of **Verdi's Requiem** - performing under Sir Andrew Davis in a concert that also featured the Sydney Philharmonia Choirs - and also **Tribute to the Empress** featuring Haydn's *Te Deum* and *Theresienmesse* under the baton of period performance specialist Bernard Labadie.

Members of the Chorus also took part in an ambitious staging of a **Secret Symphony** project - a performance of Gilbert and Sullivan's one-act opera *Trial by Jury* in the County Court on William Street.

The year ended with the Chorus renewing their acquaintance with Jakub Hrůša for three performances of Stravinsky's *Symphony of Psalms* as well as their annual performances of *The Messiah* under Italian baroque specialist Ottavio Dantone.

RECORDINGS

2013 saw five MSO recordings released on the international market: three through Chandos and two through ABC Classics.



MSO CHIEF CONDUCTOR SIR ANDREW DAVIS
WITH MSO CONCERTMASTER WILMA SMITH

Grainger Works for Large Chorus and Orchestra saw the MSO, MSO Chorus and Sydney Chamber Choir join forces under the baton of Sir Andrew Davis. The release was the grand finale of Chandos' long-running Grainger series. The album, which included premiere recordings of several rarely heard pieces, was warmly received by *Gramophone* magazine which described the performances as 'exemplary, these combined Melbourne and Sydney forces straining every sinew under Sir Andrew Davis' lucid lead, and they have been accorded sound of splendiferous realism and at times almost startling physical impact.' *Quarterly Review* summarised the collection as 'first-rate, and certainly attuned to the spirit of Grainger,' while *Limelight* magazine, which named it Album of the Month for June, called it 'a very fine tribute to one of Melbourne's most colourful sons.'

Also under the direction of Sir Andrew Davis, *Goossens Orchestral Works Volume Two*, another Chandos release, achieved notable international press for the Orchestra with the *International Record Review* observing the performances as 'expertly played by the Melbourne Symphony, and recorded with an attentive ear to Goossens' subtleties.'

Bartók's Orchestral Works, the Orchestra's final Chandos release for 2013, featured the composer's *The Miraculous Mandarin*, *Music for Strings, Percussion and Celeste* and *Four Orchestral Pieces Op.12* conducted by Edward Gardner. The latter work attracted praise from *Gramophone* magazine as 'imaginatively

conducted and superbly balanced,' while musicweb-international.com described the disc as 'superlative'.



ABC CLASSICS RELEASE AMY DICKSON
CATCH ME IF YOU CAN, FEATURING THE MSO

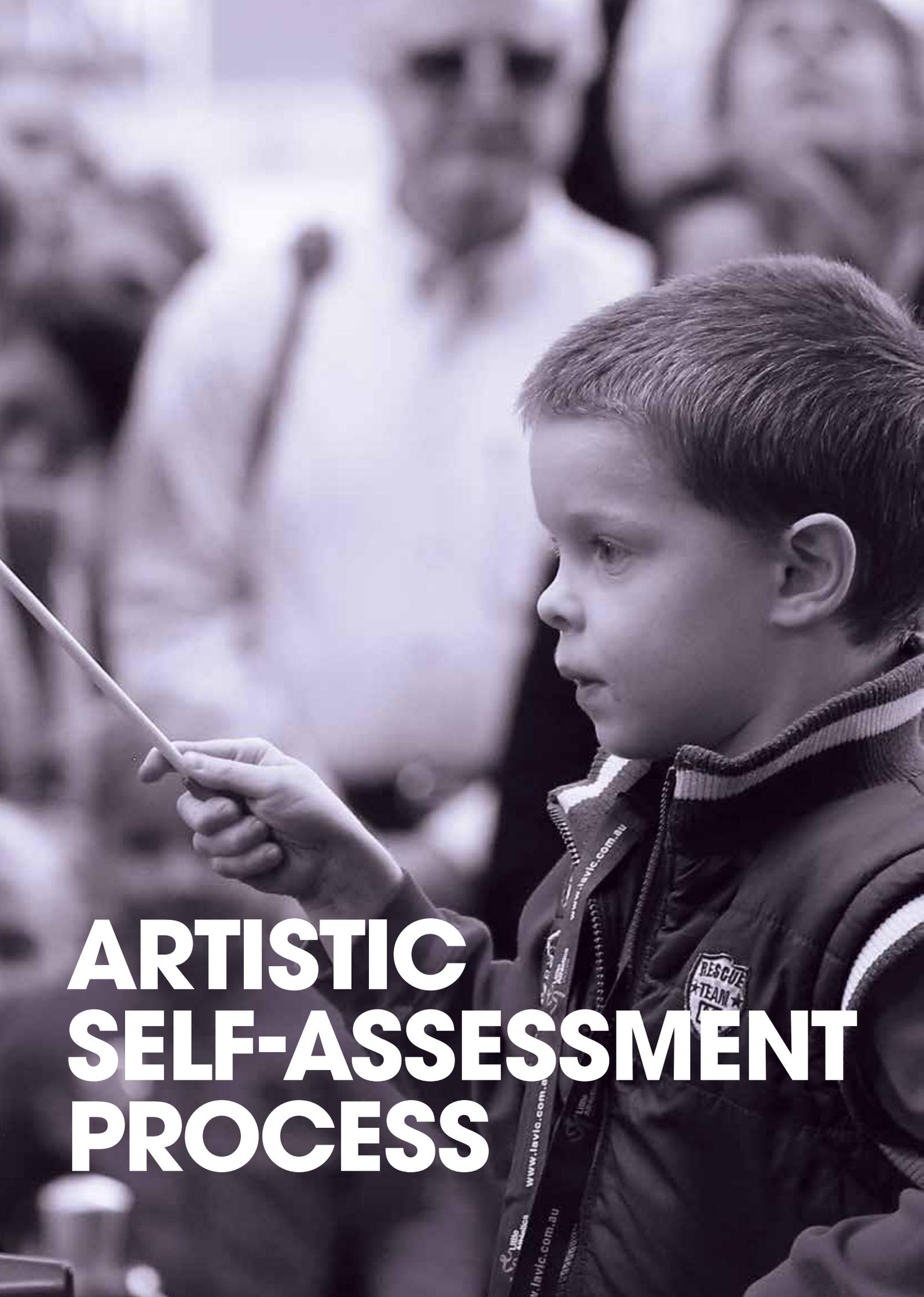
The MSO was the featured orchestra for *Catch Me If You Can*, an ABC Classics recording by Australian saxophonist Amy Dickson. Featuring works by Michael Kamen, John Williams and Mark Knopfler, the release achieved a number one ranking on the *Limelight* chart for a number of weeks, while *The Australian* noted 'the full-blooded playing from the Melbourne Symphony Orchestra under Benjamin Northey adds to the allure of this disc.'

The Orchestra's 'extremely sensitive accompaniment' to American pianist Garrick Ohlsson's performances of Brahms' two piano concertos was praised by allmusic.com in their review of *Brahms' Two Piano Concerti*, the MSO's other 2013 ABC Classic release. Conducted by Tadaaki Otaka, the publication commented 'the entire performance has the electric sense of dialogue that is common to the great concerto renditions and that yields especially large benefits in the case of Brahms.'

ORCHESTRAL HIRES

Throughout 2013 the Orchestra had several high profile engagements by third parties. These included the concert by Australian music icon Nick Cave at the Sidney Myer Music Bowl in February which involved a small number of the MSO musicians, whilst their colleagues were on stage with Tan Dun; the Opera in the Bowl concert in November and an all-Wagner program promoted by the Melbourne Festival and featuring Asher Fisch as conductor and Lisa Gasteen as soloist.

HUW HUMPHREYS
DIRECTOR OF ARTISTIC PLANNING



ARTISTIC SELF-ASSESSMENT PROCESS

INTERNAL PROCESSES

In 2013, the MSO Artistic Committee was made up of management representatives, Concertmaster, and elected musicians. Its main purpose is to assess the quality of past performances, performers and performance standards of the Orchestra and to assess forthcoming projects and program choices. During 2013, the Artistic Committee met on six occasions. All meetings are minuted and the agenda items included, but were not limited to:

- Review of performances in 2013, including soloists, conductors and programming choices
- Orchestral performance standards
- Audition processes
- Commercial projects
- Rostering issues
- Recording projects
- 2014 repertoire and season plans
- Future artistic leadership issues

Established since the integration of the Melbourne Chorale and the Melbourne Symphony Orchestra in 2008, the Chorus Committee comprises eight elected members of the MSO Chorus plus the Chorus Master and Chorus Co-ordinator; the Director of Artistic Planning attends each meeting by invitation. Since mid-2010, the Committee has formally discussed issues of artistic quality and performance standards; these deliberations are then communicated to management in writing. Additionally, each member of the MSO Chorus was surveyed in writing about a number of issues, including artistic preparation, breadth of repertoire, reaction to individual conductors and overall workload of the MSO Chorus.

The MSO continues to work diligently to maintain a formal and transparent procedure for managing the artistic proficiency of its orchestral musicians. This process continues to be refined.

EXTERNAL PROCESSES

The MSO's concerts continue to be reviewed frequently in the media, primarily through Melbourne newspapers. More than 85% of its main stage concerts had published reviews in 2013. Visiting artists (both conductors and soloists) continue to provide feedback through informal discussions with the Director of Artistic Planning and/or the Managing Director. Where appropriate, this feedback was then tabled at the Artistic Committee meetings for further discussion. Through these discussions, the MSO was able to obtain these artists' feedback about the performance of the Orchestra, and benchmark the Orchestra's performances against other orchestras with which the artist had performed. The MSO continues to receive feedback from recording partners, with each program recorded through ABC Classic FM receiving a Live Music Production Advice, which contains an assessment of the Orchestra's performance as well as views on its suitability for broadcast.

The MSO also received audience feedback informally through letters and e-mails, feedback via its website, verbal feedback at concerts, as well as via telephone and social media. In 2013, the MSO continued the formalised process of self-assessment through the Peer Review Panel. This panel comprises members of Melbourne's arts community, including journalists, music educators, performers and arts

administrators; former members of the Orchestra are also included in this group as well as a new group of younger reviewers (under 35 years of age). Panel members attend approximately ten concerts per year from our core series at Hamer Hall, as well as Town Hall Proms, Pops series and Special Projects.

Confidential feedback is received regarding the performances of conductors, soloists and the Orchestra. Other considerations are given to concert presentation, repertoire selection and their overall enjoyment of the concerts. This information is presented to the Director of Artistic Planning for feedback and review.

The MSO Education program seeks external feedback from a range of music education specialists, including teachers, academics, musicians, presenting partners and parents. Written feedback was also sought from teachers and students attending a variety of MSO Education concerts in 2013, and from program participants of the Orchestra's community outreach activities.

ARTISTIC SURVEY RESULTS

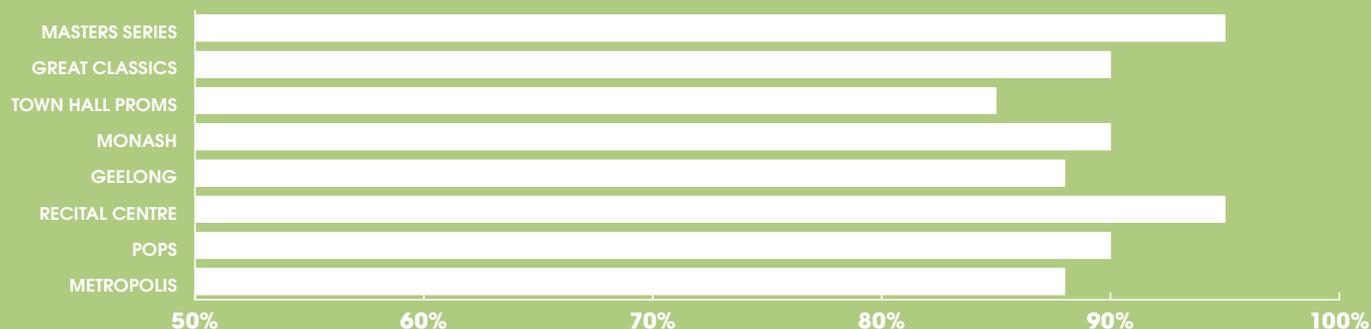
The MSO implemented an online Artistic Survey in 2009, and updated this again in 2013, to include a much more thorough overview of the full audience experience to compliment the specific artistic feedback. During 2013, feedback has been collected on a regular basis from a number of external industry professionals, of varying backgrounds and demographics, concerning the artistic standards of MSO concerts. All feedback was provided anonymously and then used for internal purposes when reviewing the performance standards of the Orchestra and Chorus, featured artists, conductors and concert presentation and programming.

In 2013, reviews for 66 concerts were received from this panel, aggregated as follows:

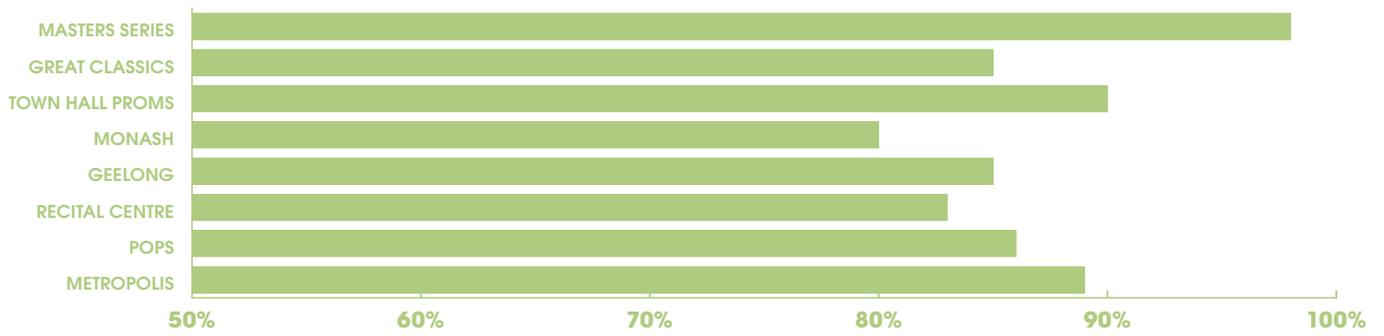
ENJOYMENT



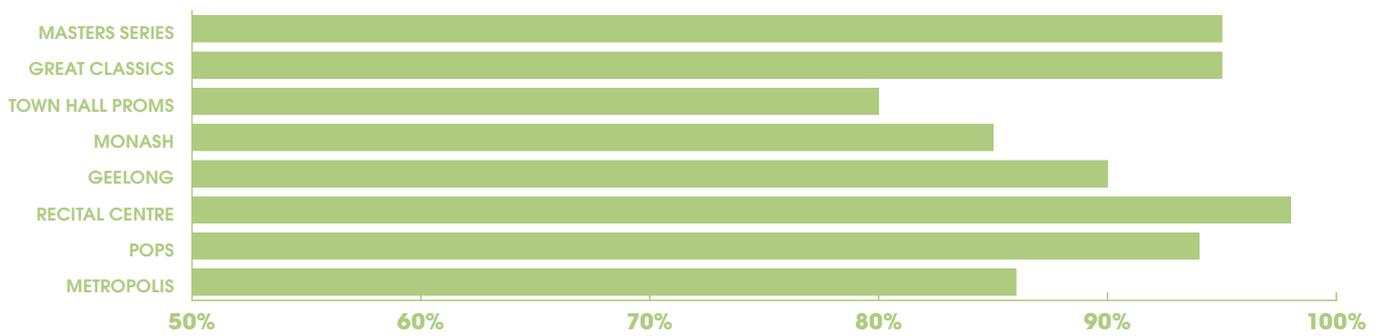
CONDUCTOR'S PERFORMANCE



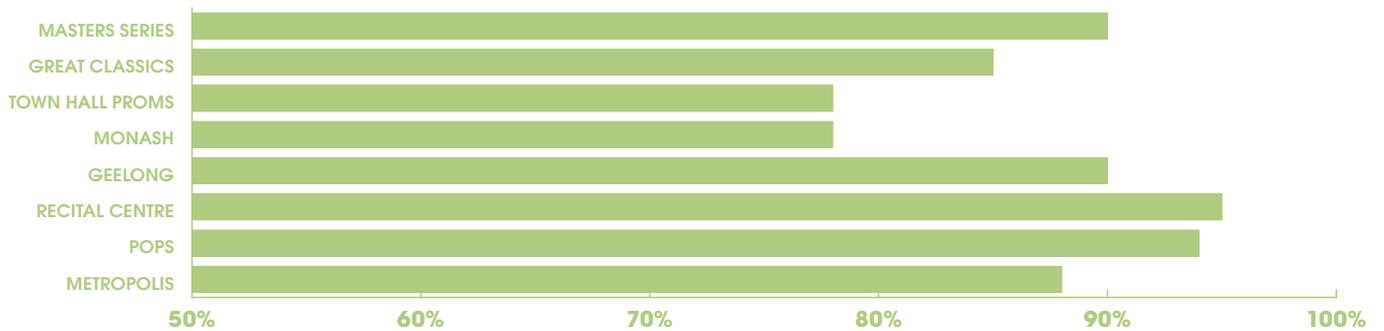
SOLOIST'S PERFORMANCE



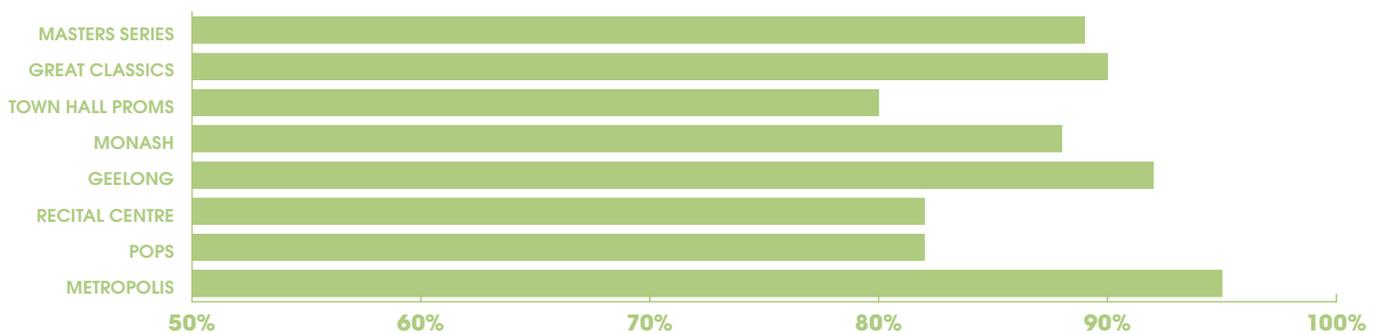
ORCHESTRA'S PERFORMANCE



PRESENTATION



PROGRAMMING



AUDIENCE ACCESS TO THE MELBOURNE SYMPHONY ORCHESTRA

The Melbourne Symphony Orchestra endeavours to maintain a balance between the financial viability of its operations and the desire to eliminate barriers to entry for many sections of the community. The return to Hamer Hall in 2012 provided further opportunity to expand the Orchestra's accessibility to as broad a range of audiences as possible.

PRICE

The MSO's 2013 pricing policy offered a diverse pricing structure, with adult single tickets ranging from \$20 to \$179, and new and existing subscribers offered discounts of up to 60% on single ticket prices. This ensured that the MSO experience remained affordable to music lovers throughout the community.

In addition, a limited number of \$40 and \$20 'last minute rush' tickets were made available to adults and concession holders respectively one hour prior to most performances; this was formally promoted through mso.com.au and Arts Centre Melbourne's website.

In February 2013, the MSO delivered its long-standing commitment to free concerts with four free performances at the Sidney Myer Music Bowl, before an audience of over 35,000 people. Over the course of the year, the MSO delivered four late-night concerts as part of its **Secret Symphony** program,

funded by City of Melbourne. These concerts, promoted exclusively via social media, provided free late-night entertainment in smaller, less formal settings and an opportunity to enjoy classical music in a more intimate environment than a traditional concert hall.

In August 2013, a free concert was held at Southern Cross station, to launch the MSO's 2014 season which included the opportunity for over 50 members of the general public to conduct the Orchestra.

Additionally, the MSO continued to offer incentives to the following groups with special needs:

Students – through an extensive education program and low-price tickets to main season concerts. Our **UPBEAT** program gave students access to \$15 tickets for all concerts (minimum purchase 3 concerts). Additionally, \$20 'student rush' tickets were available one hour prior to every performance of the main season (unless already sold out). Accompanying parents and teachers for students under 18 were also able to access tickets for \$30 per concert (minimum purchase 3 concerts).

A schools subscription to our Geelong and Monash concerts was made available starting from \$75 for a five-concert package. Additionally opportunities for students to experience the Orchestra were provided through the MSO's extensive

Education and outreach programs (please see page 22).

18 – 35s – through MUSO, the MSO's new membership program for 18 – 35 year olds which had its first full year of operation in 2013. Membership, which was free with sign up online, included access to \$30 ticket prices for twelve different concerts as well as invitations to four special events.

Seniors – through low-price single and subscription ticket options to the concert season, including weekend matinees. Seniors' Card discounts are available for selected concerts.

Concession – special prices are also available for unemployed and concession card holders.

Families – offering children's and bundled family pricing for appropriate concerts including **Wallace and Gromit's Musical Marvels**. For the first time in 2013 **Family Classic Kids** concerts were made available as a three-concert subscription.

The physically impaired – through performances in venues which provide access to people with disabilities, and through co-operation with Arts Access, in which the MSO provides a complimentary ticket to a carer accompanying a concertgoer with a disability. Audio loops for the hearing impaired are available at selected MSO venues including Hamer Hall.

LOCATION

In 2013, the MSO continued to use a variety of venues within the City (Arts Centre Melbourne at Hamer Hall, Melbourne Town Hall, Plenary Hall, Sidney Myer Music Bowl, ABC Southbank Centre, the Melbourne Recital Centre, BMW Edge and ArtPlay) as well as venues in the greater metropolitan area, including Robert Blackwood Hall at Monash University in the south-eastern suburb of Clayton and Frankston Cultural Centre. Southern Cross Station was used as the venue for an impromptu concert which launched the MSO's 2014 single tickets on sale.

The late-night **Secret Symphony** performances took place in venues around the CBD, including the Melbourne Museum, The Famous Spiegeltent, the Orchestra Pit at the State Theatre and the Supreme Court.

The Orchestra presented a five-concert subscription season at Costa Hall in Geelong, and also performed in the regional centres of Ararat, Ballarat, Warragul, Warrnambool, Hamilton, Bendigo and Shepparton, giving school and evening concerts in each venue.

LISTENING OPPORTUNITIES

Through its service agreement with the ABC, the MSO continues its long relationship with ABC Classic FM, with all major concert programs being broadcast nationally. These

broadcasts give the opportunity for the whole of Australia (both regional and metropolitan centres) to access the work of the MSO. In 2013, 31 concerts were broadcast nationally and, via the network's web stream, internationally.



BENJAMIN NORTHEY AT THE SIDNEY MYER MUSIC BOWL

FREE PRINTED PROGRAMS

Printed programs containing extensive information about the artists and repertoire were distributed free at MSO concerts for most MSO-presented concerts, and were also made available as free downloadable PDFs on the Orchestra's website.

FREE PRE & POST CONCERT EVENTS

Following the re-opening of Hamer Hall in August 2012, the MSO instigated a series of pre-concert talks and conversations designed to enhance the concert-going experience. These free events took place for ticket holders to all Hamer Hall performances in 2013, and will be a regular fixture throughout ensuing concert seasons in the venue. Free pre-concert talks also took place throughout the season in Geelong and for all evening concerts on regional tour and for the first time, pre-concert talks were also held at the Robert Blackwood Hall at Monash University. Ticket-holders to our Melbourne Town Hall Proms concerts were able to enjoy a free recital on the Town Hall organ by Calvin Bowman before each performance.

EDUCATION AND COMMUNITY OUTREACH

ARTIST DEVELOPMENT

CYBEC 21ST CENTURY AUSTRALIAN COMPOSERS PROGRAM

Four young Australian composers – Lachlan Skipworth, Jeanette Little, Holly Harrison and Samuel Penderbayne – participated in the annual **Cybec 21st Century Australian Composers Program** - with each completing a commission for an ensemble of MSO musicians, which was performed in a free public performance in January 2013. All under the age of 30, the composers had spent several months working with their mentors – Mary Finsterer, Brenton Broadstock, James Ledger, Matthew Hindson – on their ten-minute orchestral composition. The two works, those by Lachlan Skipworth and Jeanette Little, were then selected and performed again and broadcast at the Orchestra's **Metropolis** concerts in April 2013, conducted by Thomas Adès.

The Cybec 21st Century Australian Composers Program is made possible through the generous support of The Cybec Foundation.

THE
Cybec
FOUNDATION



CYBEC 21ST CENTURY AUSTRALIAN COMPOSERS PROGRAM PARTICIPANTS AND MENTORS

2013 YOUNG PERFORMERS AWARDS

In 2013 the MSO hosted the pilot year of the newly restructured **ABC Symphony Australia Young Performers Award**. As well as hosting the initial Stage One auditions for more than 70 Victorian applicants, the 12 finalists were invited to return to Melbourne for the finals. The finals consisted of public recital rounds, chamber music rounds (playing alongside MSO musicians Wilma Smith, Matthew Tomkins, Fiona Sargeant, Rachael Tobin, Nicholas Bochner, Michelle Wood, Louisa Breen and Amir Farid), and the 'grand final' concerto round with the orchestra. The three grand finalists who performed their concerto with the MSO were Hoang Pham, Andrew Kawai and Stefan Cassomenos, with the first prize awarded to Hoang for his performance of Tchaikovsky's Piano Concerto No. 1. The MSO's Director of Artistic Planning Huw Humphreys was Chair of the adjudication panel throughout all rounds.

AUSTRALIAN YOUTH ORCHESTRA / MELBOURNE SYMPHONY ORCHESTRA STRING FELLOWSHIPS

The Melbourne Symphony Orchestra continued its collaboration with the Australian Youth Orchestra in the presentation of the **String Fellowship** program. In 2013 there were eight fellows who worked closely with eight MSO musician mentors over the two-week program. Monica Curro (Assistant Principal Second Violin) led a professional development session for the violin and viola fellows on orchestral excerpts and concertos while Sylvia Hosking (Assistant Principal Double Bass) led the session for the cello and double bass fellows. Additional lectures were given by the MSO's Managing Director André Gremillet, who spoke to the fellows about his experiences in managing a professional orchestra while cellist Rohan de Korte and Assistant Orchestra Manager Angela Bristow spoke to the group about the practicalities of life in a professional orchestra. The participants also took part in group and individual sessions with Ann Shoebridge (Alexander Technique) and media professional

development workshop with ABC Classic FM Presenter Mairi Nicolson. They also participated in an MSO rehearsal conducted by Maestro Douglas Boyd, seated next to their mentor, and then attended the subsequent performance. Three of the 2013 fellows passed their casual audition and have since become professional casual musicians with the MSO, joining more than 20 graduates of the program who have also joined the MSO professionally since the program commenced in 2007.

SNARE DRUM AWARD



MSO PERCUSSIONIST ROBERT COSSOM (C) WITH FINALISTS (L-R) SAMUEL BUTLER (SA), THOMAS VON EINEM (SA), SAM RICH (NZ) AND TSOOF BARAS (QLD)

An initiative of MSO percussionist Robert Cossom, the **MSO Snare Drum Award** continued in 2013, with 11 undergraduate tertiary percussionists from Melbourne, Queensland, South Australia and New Zealand auditioning. Four students - Samuel Butler (SA), Thomas von Einem (SA), Sam Rich (New Zealand) and Tsoof Baras (Qld) - progressed to the performance final where each played a work of their choice and Anders Åstrand's *Swedish Sketches* in front of live audience and expert panel. The panel members included Robert Cossom (MSO Percussion), Robert Clarke (MSO Principal Percussion), Huw Humphreys (MSO Director of Artistic Planning), Gary France (Associate Professor of Percussion at Australia National University) and Gordon Hughes (Managing Director, Rhythmscape Publishers). The 2014 winner, Samuel Butler (SA), was awarded a one-year mentorship with the Melbourne Symphony Orchestra in addition to a hand crafted concert snare drum and case by Australia drum and percussion artisan Lou Mastro, a Just Percussion mallet pack, a Moody Drum and a bitsandpieces mallet and accessory table.

FURTHER LEARNING

PRE-CONCERT TALKS

A series of pre-concert talks, attended by concertgoers of all ages, were given before MSO performances at Hamer Hall,

Costa Hall, Deakin University, Geelong, and in all regional tour venues. The talks were presented by a range of speakers including Dr Peter Tregear, Graham Abbott, Elliott Gyger, Paul McMahon and several members of MSO staff and musicians. In addition to these events, the MSO collaborated with the University of Melbourne Conservatorium of Music to present five pre-concert performances by ensembles featuring emerging musicians which were designed to extend and enhance the audience's concert experience with complementary repertoire. These concerts also provided a valuable live performance opportunity for the musicians who participated.

ARTISTS IN CONVERSATION

Huw Humphreys (Director of Artistic Planning), Cameron Mowat (Director of Development), Alastair McKean (MSO Librarian) and Anna Melville (Artistic Coordinator) hosted various pre-concert discussions with a number of guest artists throughout 2013. Those interviewed included Brett Dean, Thomas Adès, Simone Young, Paul Stanhope, and Sir Andrew Davis.

EARS WIDE OPEN

In 2013 conductor Richard Gill presented **Ears Wide Open**, three 80-minute musical lectures for audiences of all ages with the full MSO, taking them on an interactive tour through orchestral masterworks which would subsequently feature within the Orchestra's main-stage series. These informative presentations offer a wonderful learning experience for newcomers and seasoned-concert goers alike, in addition to being fantastic complementary material for all students undertaking elective music courses.

KEYS TO MUSIC

ABC Classic FM's Graham Abbott hosted **Keys to Music** in the Iwaki Auditorium, featuring the Melbourne Symphony Orchestra and the Orchestra's Associate Principal Clarinetist, Philip Arkininstall, in a performance/lecture of Mozart Clarinet Concerto in A. This event was recorded for national broadcast on ABC Classic FM.

SCHOOLS CONCERTS

EDUCATION WEEK

Rhythm took centre stage at Education Week in 2013, with the Orchestra's annual festivities for audiences of all ages featuring programs inspired by stories and cultures from across the globe. Led by the MSO's Patricia Riordan Associate Conductor

EDUCATION AND COMMUNITY OUTREACH

Benjamin Northey, acclaimed UK composer and educator, Fraser Trainer, and dynamic percussionists O Duo (Oliver Cox and Owen Gunnell), a spectrum of concerts were presented, including **Meet the Orchestra** for primary school students, **Classic Kids** for younger audiences (ages 3 – 7), and a new early evening program titled **Rhythm Machine** for secondary school students and interested members of the general public.



EDUCATION WEEK 2013

An access program for students from low socio-economic families and primary-schools to attend concerts during Education Week was facilitated via the Orchestra's ongoing sponsored excursion initiative, made possible by the generous donations of MSO Patrons at the Orchestra's 2012 annual Gala Dinner. This initiative began in 2011, and to date has provided access to the MSO for over 4,200 children whom otherwise might not have the opportunity to experience a live orchestral concert.

Symphony in a Day provided the opportunity for more than 130 amateur musicians from across Victoria to rehearse and perform alongside musicians from the MSO, and the MSO's collaboration with the Melbourne Youth Orchestra, **Share the Chair**, was conducted by father-son team Yan Pascal and Maxime Tortelier.

Education Week also kicked off with a **Mystery Program** inspired by the Orchestra's popular **Secret Symphony** concert series, which featured members of the MSO ArtPlay Graduate Ensemble performing Terry Riley's *In C* alongside MSO musicians at the Melbourne Town Hall, and throughout the week, O Duo 'popped up' on various street corners around the CBD in a series of concerts titled **Take 5**.

Over 10,000 people experienced the Melbourne Symphony Orchestra during the 2013 Education Week. The **Take 5** pop-ups, the **Mystery Program**, **Symphony in a Day** and **Share the Chair** were free events.

MEET THE ORCHESTRA

Internationally acclaimed music educationalist and composer, Fraser Trainer and dynamic percussion duo, O Duo, delivered two very engaging programs for primary school-aged students.

The **Meet the Orchestra** program, for primary school students, incorporated a pre-concert preparation element for the audience, entitled *KAHLEHLEH*, which students had prepared in advance, enabling them to perform with the Melbourne Symphony Orchestra during the concert. Comprehensive teaching resources were provided, which enabled teachers to work on the concert material with their students before and after the excursion day. The **Rhythm Machine** program was developed to cater for the secondary and general public audience and focused on rhythm in music as a stimulus and associated compositions. It was presented at an early evening time of 6.30pm in an effort to attract a wider cross-section of the public.

MEET THE ORCHESTRA - SPONSORED EXCURSION PACKAGES

Thanks to the generosity of MSO donors, patrons and sponsors, we were able to provide 23 fully-subsidised excursions to **Meet the Orchestra** concerts during Education Week. This enabled over 1,300 primary school students from across Victoria to hear a live Orchestra – most for the very first time. The MSO worked closely with the Department of Education and Early Childhood to identify school groups from low socio-economic backgrounds, including a number of schools with a high percentage of refugee children and new arrivals. As part of the sponsored excursions, an MSO musician visited each school prior to the concert to talk about the Orchestra and their instrument/s, and teachers were offered a day of Professional Development with Fraser Trainer.



'O DUO' PERFORM AT EDUCATION WEEK

CLASSIC KIDS

The Orchestra presented three programs in the **Classic Kids** series in 2013 to more than 6,000 kindergarten-aged children and their teachers. With a focus on providing a balance between education and entertainment, all three programs offered young children an innovative introduction to a symphony orchestra and its music.

In early May, the Orchestra premiered a new orchestral work

for Australian children, based on a book written and illustrated by Australian POWs David Griffin and Leslie Greener in Changi in 1942. Commissioned by Symphony Services Australia, Father Arthur Bridge AM and the Robert Salzer Foundation, *The Happiness Box* tells the story of three animal friends as they journey through the jungle on a quest to discover the secret of happiness.

Award-winning composer Bryony Marks scored the work for young audiences, with each character in the book being specifically linked to individual instruments in the Orchestra, similar to a modern-day *Peter and the Wolf*. The friends' adventure was narrated by Stephen Curry and projections of the illustrations from the original book were displayed throughout the performances.

During Education Week, Oliver Cox and Owen Gunnell of O Duo hosted the Classic Kids concerts, presenting a fun-filled program themed around "Magic and Monsters" at the Melbourne Town Hall, and in November, Melvin Tix presented his much loved "Clowning Around" program in Iwaki Auditorium, Melbourne, and Costa Hall, Geelong, the latter supported by the Geelong Friends of the MSO.

FAMILY CLASSIC KIDS

Family Classic Kids is a continuation of the MSO's Classic Kids Schools series. The performances, which were open to families, were held on Saturdays, and provided, a way to introduce children and grandchildren to the symphony orchestra. The series has proved to be highly popular, and in 2013 enabled over 2,600 young children and their parents to enjoy the sights and sounds of a symphony orchestra.

SCHOOL WORKSHOPS

Musicians of the MSO visited over 20 schools in 2013, to lead workshops, perform or present to class groups about music. These included ESL schools and outer-metropolitan and regional schools.

CHORAL CONDUCTING WORKSHOP

A full-day **Choral Conducting Workshop** for primary and secondary teachers and community choral conductors was presented in March 2013. The workshop provided professional development for 17 observers and 10 participants, who had the opportunity to conduct 25 MSO Chorus members under the tutelage of MSO Chorus Master, Jonathan Grieves Smith.

OPEN REHEARSALS

Nine open rehearsals were facilitated for schools wanting their students to experience the Orchestra in rehearsal.

REGIONAL SCHOOL CONCERTS

The Orchestra presented education concerts in six regional cities throughout Victoria in 2013, as part of its **Powercor Regional Touring** program. In each venue, the Orchestra offered two concerts – one to lower primary students and one to upper primary students. All concerts were tailored to the audience's age and musical knowledge, and introduced students to the various sections and instruments of the Orchestra through a variety of repertoire, including Prokofiev's *Peter and the Wolf*, *Indian Pacific* by Australian composer James Ledger, and an opportunity for the students to sing *Waltzing Matilda* with the Orchestra.



MSO VIOLA PLAYER CALEB WRIGHT AND JUSTINE CLARKE WITH ELLA AT THE ROYAL CHILDREN'S HOSPITAL

ROYAL CHILDREN'S HOSPITAL

The Melbourne Symphony Orchestra was involved in a collaborative initiative with the Royal Children's Hospital (RCH) Education Institute as part of their Creative Arts Week in June 2013. The focus of the collaboration was to enhance Arts education experiences for children and young people with health conditions, and their families. This project allowed the MSO to bring music to the hospital community, specifically to inpatients who otherwise would not have the opportunity to attend MSO events. As part of this initiative, the Orchestra presented a 30-minute performance suitable for a children's audience at the Ella Latham Theatre featuring presenter Justine Clarke and conductor Paul Fitzsimon. For those children who were unable to leave their ward rooms, access to the performance was simulcast via the hospital TV channel. Well-known classics were incorporated into the program, including Tchaikovsky's *Sleeping Beauty*, *Twinkle Twinkle* and the *Play School* Theme.

UP CLOSE AND MUSICAL

300 VCE Elective Music students joined leading Australian composer, Paul Stanhope, Andrew Macleod (Principal Piccolo), Rob Clarke (Principal Percussion) and Louisa Breen (Piano) in two composer-performer workshops which provided students with the opportunity to learn about the compositional process,

EDUCATION AND COMMUNITY OUTREACH

and engage in a discussion about ways that performers and composers work together in the lead-up to a world premiere performance.

The composer-performer workshops were complemented by a downloadable online study resource and exclusive access to the MSO's rehearsal and world premiere performance of Paul Stanhope's *Piccolo Concerto* at Hamer Hall in June.

UPBEAT

The MSO's discounted **UPBEAT** three-concert subscription package were rebranded and made available to school groups, music schools and home educators in 2013. Approximately 581 UPBEAT subscriptions were sold, equating to over 2,300 teachers, accompanying parents and students enjoying the experience of live orchestral performance through this program.

COMMUNITY OUTREACH

Melbourne Symphony Orchestra has a strong commitment to its work in the community and each year presents a dynamic and responsive series of workshops and creative projects in schools and other settings around Melbourne.

SYMPHONY IN A DAY

Symphony in a Day invited active amateur musicians from across Victoria to join the MSO for a larger-than-life performance of symphonic greats at the Melbourne Town Hall at the conclusion of Education Week. This event resulted in a high level of engagement between the MSO and over 30 community orchestras state-wide, with over 130 amateur musicians joining 50 MSO musicians for afternoon workshops, rehearsals and a public performance for family and friends. *Symphony in a Day* was conducted by the MSO's Patricia Riordan Associate Conductor Chair, Benjamin Northey.

THE PIZZICATO EFFECT

In October 2013, the MSO's partnership with Meadows Primary School in Broadmeadows - **The Pizzicato Effect** - entered its fifth year of operation. Over the past few years, this philanthropically funded program has grown considerably, and now encompasses the whole school, with students starting their musical training in Prep, and progressing to group instrumental lessons on violin, viola, cello or double bass from Grade Three. As early as Grade Four, the children were encouraged to participate in the ensemble (run afterschool), and lunchtime 'practice clubs', that provided a regular opportunity for students

to revise and hone their skills under supervision of a qualified tutor.

Our teaching team now encompasses eight MSO teaching artists, including two volunteers and one student intern (via our on-going partnership with the Melbourne University Masters of Music Teaching program), and a curriculum to underpin the students' learning has been developed.



MSO PRINCIPAL GUEST CONDUCTOR DIEGO MATEUZ WITH THE STUDENTS OF THE PIZZICATO EFFECT

The partnership continued to attract a lot of public attention, with the students being invited to perform at numerous high profile events, such as The City of Hume's Social Justice Conference in May, and the Australian Council for Education Research conference 'How the Brain Learns' in August as well as their own mid-year and end-of year concerts at the school. Additionally, the students had the opportunity to attend the MSO's Meet the Orchestra concert at Education Week in late May; meet the Orchestra's new Principal Guest Conductor, Diego Matheuz and perform for their peers in 'Strings Alive' - a collaborative workshop performance for children participating in philanthropically funded primary school instrumental programs.

The impact of the program within the school and the Broadmeadows community continued to be hugely positive, and at the start of Term 3, a sub-committee of the School Council was formed by parents wanting to further support and advocate the program within their broader networks. Classroom teachers were also encouraged to learn alongside their students, and have reported improved focus, self confidence and behaviour in their classrooms as a result of the program happening within the School.

A recent survey of student data conducted by Melbourne University, which compared those who have remained in the program with the school medium, pointed to significantly improved performance across the areas of literacy and numeracy. The results of the research into the developmental assets, social-emotional wellbeing and educational impact acquired from participation in program will be released in early 2014.

MSO ARTPLAY ENSEMBLE PROGRAM

The award-winning **MSO ArtPlay Ensemble** program is a unique suite of collaborative projects between MSO musicians and young players aged between 8 and 13 years. The program focuses on composition and performance, and complements the young musicians' instrumental learning by providing opportunities for intensive development in composition, improvisation, ensemble skills and performance, along with access to MSO rehearsals, performances, conductors and soloists.

The 2013 MSO ArtPlay Ensemble comprised of 28 young musicians of varying musical ability from across Victoria, who were selected as a result of their positive involvement in an Open Workshop at the start of the year. The Ensemble met for four intensive workshops, each being based on a piece of repertoire which was being featured in the MSO's main-stage programming. The first workshop was inspired by the music of Thomas Adés: *Scenes from the Tempest* and *Tevot*, whilst the second and third workshops were based on Stravinsky's *Petroushka* and included a public performance as part of the MSO's Stravinsky Festival Open Day at Hamer Hall in mid-August. The fourth workshop formulated a response to Beethoven's Symphony No.1 (first movement). Opportunities were also provided for the young musicians to attend MSO concerts featuring this repertoire throughout the year. Financial assistance to attend the workshops was provided by MSO and ArtPlay to enable greater participation.

MSO ARTPLAY GRADUATE ENSEMBLE

The **MSO ArtPlay Graduate Ensemble** program brings together graduates of past MSO ArtPlay Ensemble programs (aged 10-16) to undertake various projects. In 2013, the MSO ArtPlay Graduates met to form the core ensemble for a community 'jam' at the Sidney Myer Music Bowl prior to the second MSO Summer concert at the Bowl. This program was led by Gillian Howell and linked into the Hungarian-inspired concert repertoire that evening.

In May, the **MSO ArtPlay Graduate Ensemble** met on a second occasion as part of the orchestra's annual Education Week to form the core ensemble for our opening night performance. Advertised to the public as a **Mystery Program**, clues about the performance were provided via social media channels as the night drew closer. The program consisted of Terry Riley's seminal work *In C*, and also involved musicians of the MSO and tertiary students from the University of Melbourne. It was directed by Fraser Trainer in collaboration with Oliver Cox and Owen Gunnell of O Duo. Audience members were invited to move through the Orchestra during the performance and observe players at close proximity.

CITY BEATS

City Beats is a free annual program that provides four class groups of 20 school children from diverse backgrounds with an opportunity to make music. The program focuses on collaborative composition and playing and improvising on a range of percussion instruments. Co-presented with ArtPlay, the first three workshops were led by Gillian Howell and a team of MSO musicians. In the fourth workshop, led by Erica Rasmussen and Zakiya Kurdi, the participants had the opportunity to respond to the music they have composed through the medium of visual arts. In 2012, four schools from across Victoria participated in this program.

MSO FAMILY JAMS

The MSO ran four free **Family Jams** across two mornings in 2013. MSO Family Jams provided the opportunity for members of the community to make music with musicians of the MSO. Over the course of an hour, participants in these free public workshops developed an original piece of music around the repertoire the Orchestra is performing in the current concert season. Each workshop culminated in a performance by participants, open to the general public. These sessions were led by Gillian Howell (June) and Lachlan Davidson (September) and a team of MSO Musicians. Federation Square generously provided sponsored access to BMW Edge for the Jams in support of the Orchestra's Community Outreach programs.

MSO JAMS FOR JUNIORS

Nine **Jams for Juniors** sessions were facilitated across three mornings in 2013. These free public Jams for babies, small children and their parents were led by Karen Kyriakou and an ensemble of MSO musicians. All sessions were fully subscribed, with over 400 young children and their parents participating across the three dates. Federation Square generously provided sponsored access to BMW Edge for two of the Jams in support of the Orchestra's Community Outreach programs. The third Jam was run at Hamer Hall as part of the Russian Festival Open Day Festivities in August.

MSO LEARN

MSO Learn App for iPhone and iPad was launched in June 2011 to coincide with the Orchestra's inaugural Education Week. The App combines stunning graphics with uncompressed audio to produce an experience which integrates live performance, education and communication technology for users of all ages to enhance their appreciation of the workings of an orchestra. *MSO Learn* continues to attract between 300 to 500 downloads a week, and by the end of 2013 had achieved 50,000 downloads with a reach extending not only within Australia but internationally.

GOVERNMENT AND PRIVATE SECTOR SUPPORT

In 2013 the MSO Development team supported the delivery of the Orchestra's artistic, education and audience development programs and nurtured the Company's long-term future. Continuing to widen our funding base and increase the breadth of support is a fundamental goal and we gratefully acknowledge the support from individual donors, philanthropic trusts, corporate partners and all three levels of government.

Corporate partner and philanthropic giving totalled \$4.1 million, a 25% increase from the previous year. Individual giving increased by 21% to \$3.47 million from 3,800 donors. This was achieved by a widened range of support opportunities from ticket add-on contributions to Artist Chairs and our many education programs. Sponsorship revenue contributed \$635,727 from a total of 14 sponsors. We were also privileged to receive the support of bequests, fulfilling the wishes of two long-term concert-goers.

PARTNERSHIPS

Private, corporate and government sector support is fundamental to the success and financial viability of the Melbourne Symphony Orchestra. In 2013 the MSO continued its strong relationship with Emirates with a further three year extension as Principal Partner, and Powercor continued their support of regional Victoria through their support of Orchestra's regional touring program. We also welcomed a new Maestro Partner, Lend Lease with their innovative commissioning program in celebration of the community.

We also acknowledge the ongoing relationships with all our Corporate Partners, which helped make 2013 a mutually wonderful and rewarding year.

GOVERNMENT

All levels of government provided invaluable on-going support for the Orchestra. In particular, the MSO gratefully acknowledges the contributions from the Australia Council for the Arts, Arts Victoria and the City of Melbourne. Their support is vital to our continued success and underpins the MSO's dedication to providing the best possible live orchestral experience for its diverse audiences.

GALA DINNER

The MSO Gala Dinner, **The Symphony Banquet**, held on Thursday 8 August raised funds which will enable disadvantaged students to enjoy live orchestral music through the Orchestra's Education and Outreach program. Hosted by 774 Presenter, Rafael Epstein, **The Symphony Banquet** honoured the Honourable Alan Goldberg AO QC who was presented with an MSO Life Membership for his distinguished work with MSO since 1987. The evening included a live auction and pledge, and raised more than \$231,000 which included \$74,000 in pledge donations.

EVENTS

Along with a busy calendar of events for existing partners, a series of fundraising and stewardship events were held in 2013, including **First Rehearsal Call**, which introduced the Melbourne Symphony Orchestra Chorus with Sir Andrew Davis to new supporters. Other events throughout the year offered opportunities for our supporters to meet our musicians, guest artists and leadership with a highlight being our dinner with violinist James Ehnes. Education continues to be a focus for many donors who came together for the annual Education Week lunch and performance held at the Melbourne Town Hall.



MSO PATRONS DR PAUL NISSELLE AM, LADY PRIMROSE POTTER AC WITH MSO MANAGING DIRECTOR ANDRÉ GREMILLET

SPECIAL PROJECTS

Many of the Orchestra's special projects were supported through explicit philanthropic giving. In 2013, successful grant applications resulted in the generous project support from ten Trusts and Foundations (see page 31 for listing).

These gifts enable key projects to be delivered throughout the year, across the Orchestra's range of activities, from well-established programs such as the **Cybec 21st Century Composers** program, to our education residency **The Pizzicato Effect**. The very generous grant from the **Pratt Foundation** also enabled MSO to continue its audience development initiative for young music lovers aged 18-35, called MUSO.

An additional project grant from The Australia Council was crucial to the creation of **nganwurra means heart**, a new and exciting collaboration with The Black Arm Band. The project saw two of the MSO's musicians – Rob Cossom (percussion) and Caleb Wright (viola) – and the MSO's Assistant Artistic Administrator, Andrew Pogson join members of the Black Arm Band in Maningrida, an indigenous community in the Northern Territory on the coast of Arnhem Land. This culminated in a world premiere performance in Melbourne.

The financial support of individual donors supports the vision of the company and we are delighted to have both ongoing and new supporters contribute throughout the year. We are grateful for the inspirational new support of the Ullmer Family

Foundation, to our **Meet the Orchestra** education concerts, which commenced this year. Support for the double basses formed the basis of our **Instrument Appeal** through to 30 June 2013. Over 300 people responded to our call out to replace our decades-old transportation cases for the Orchestra. We received over \$60,000 in donations to ensure that this important project could happen. Thanks to the generosity of over 200 donors we also reached our **UPBEAT Appeal** target of \$50,000, enabling more young people to experience the joy of live orchestral music through this subsidised ticket initiative. Our matched-gift challenge meant that every new gift to this Appeal was matched by a pledge from Betty Amsden OAM. Over 25% of supporters to this new appeal were first-time donors.

MSO ARTIST CHAIRS

The **MSO Artist Chair program** invites supporters to invest in the Orchestra's future in a very significant way, through a commitment to directly support a player position for a minimum of three years. Such investment is rewarded with a unique connection to this heartland of the Orchestra - our wonderful musicians - and allows us to celebrate some of the extraordinary members of our supporter community who believe in the Orchestra and Chorus' rich contribution to Melbourne's artistic landscape.

In 2013 two new Chairs were announced: **The Gross Foundation Principal Artist Chair** honouring the memory of Elizabeth Gross with a gift of \$300,000 over three years for the Principal Second Violin Chair, held since 2010 by Matthew Tomkins; and the **MS Newman Family Principal Cello Chair**. The generous support of this chair, currently held by David Berlin, is especially apposite as David celebrates his 25th year with the MSO in 2014.

These two new Artist Chairs join the **Patricia Riordan Associate Conductor Chair**, named in honour of a wonderful woman and longstanding supporter with her husband Roger and the Trustees of the Cybec Foundation and the **Joy Selby Smith Orchestra Leadership Chair** for a landmark player leadership development program being implemented progressively.

To bring major international artists to Melbourne is an ongoing aspiration for the MSO, particularly in the international market place. **The Marc Besen AO and Eva Besen AO International Guest Chair** directly helps the MSO in this regard and in 2013 supported violinist, Christian Tetzlaff.

Our grateful thanks are extended to our continuing benefactor, Harold Mitchell AC, recognised through the **Harold Mitchell Concertmaster Chair**, held by Wilma Smith.

We look forward to working with our committed supporters again in 2014, and thank all our Corporate Partners, Trusts, Foundations and Donors for their generous involvement and support.



MSO SUPPORTERS

ARTIST CHAIR BENEFACTORS

Harold Mitchell AC Concertmaster Chair
Patricia Riordan Associate Conductor Chair
Joy Selby Smith Orchestral Leadership Chair
Marc Besen AO and Eva Besen AO
International Guest Chair
MSO Friends Chair

HONORARY APPOINTMENTS

Mrs Elizabeth Chernov
Education and Outreach Patron
Sir Elton John CBE *Life Member*
The Honourable Alan Goldberg AO QC
Life Member
Geoffrey Rush *Ambassador*

PROGRAM BENEFACTORS

Meet the Orchestra
Made possible by the
Ullmer Family Endowment
MSO UPBEAT
Supported by Betty Amsden OAM

TRUSTS AND FOUNDATIONS

Ken and Asle Chilton Trust,
managed by Perpetual

The Phyllis Connor Memorial
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Bourke and Equity Trustees
Limited
Cybec Foundation
Erica Foundation

Ivor Ronald Evans Foundation,
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Endowment
Zinnell/Hughes Trust,
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Anonymous (3)

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In Honour of Norma and Lloyd
Rees, Dr Sam Ricketson, Tom and
Elizabeth Romanowski, Delina
Schembri-Hardy, Max and Jill
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and Geoffrey A Smith, Dr Sam
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AM, Elaine Walters OAM, Erna
Werner and Neil Werner OAM,
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and Dr John Miller AO, Joanne
Wolff, Peter and Susan Yates,
Mark Young, *Anonymous (14)*

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Elizabeth Proust AO
Glenn Sedgwick
The Gabriela and George
Stephenson gift in tribute to the
great Romanian pianist Dinu
Lipati
Lyn Williams AM
Anonymous (2)

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Swansson, Dr Cheryllyn Tillman,
Mr and Mrs R P Trebilcock,
Michael Ullmer, Mr Tam Vu,
Marian and Terry Wills Cooke,
Mark Young, *Anonymous (14)*
*We gratefully acknowledge support
received from the Estates of Gwen
Hunt, Pauline Marie Johnston, Peter
Forbes MacLaren, Prof Andrew
McCredie, Miss Sheila Scotter AM
MBE, Molly Stephens, Jean Tweedie,
Herta and Fred B Vogel.*

correct as at 31.12.2013

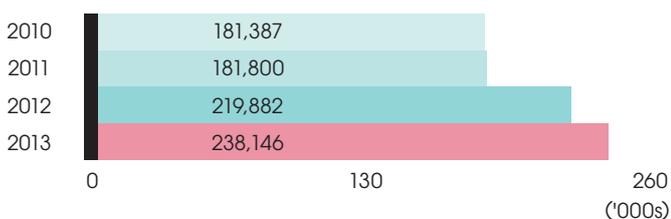
PRINCIPAL PATRONS

Dr Bronte Adams
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Dominic and Natalie Dirupo
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Jill and Robert Grogan
Louis Hamon OAM
Nereda Hanlon and Michael
Hanlon AM
Hartmut and Ruth Hofmann
Peter and Jenny Hordern

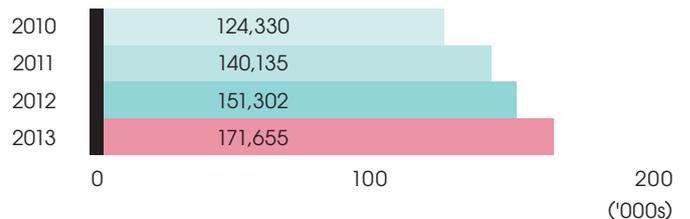
KEY PERFORMANCE STATISTICS

In 2013 the Melbourne Symphony Orchestra gave 171 performances to an audience of 238,146.

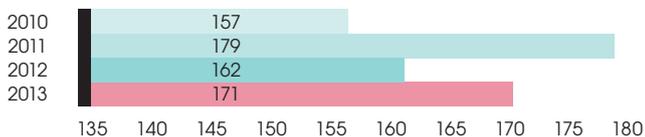
TOTAL AUDIENCE



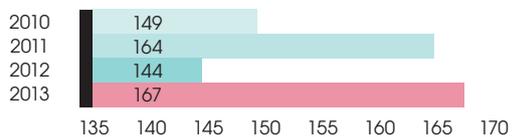
TOTAL PAID ATTENDANCE



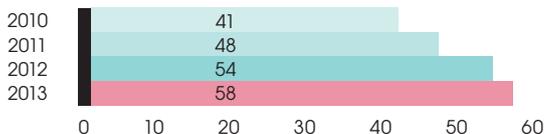
NUMBER OF PERFORMANCES



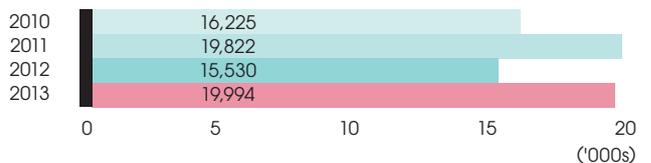
SELF-PRESENTED CONCERTS



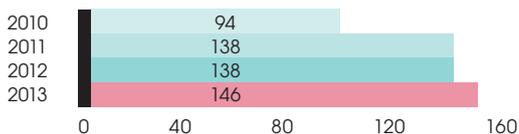
SCHOOL CONCERTS



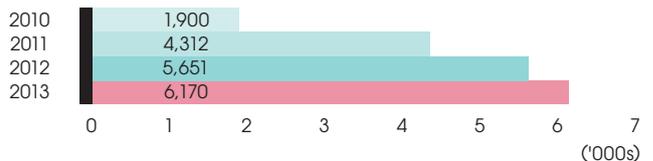
SCHOOL CONCERT ATTENDANCES



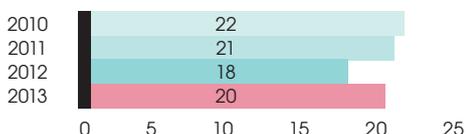
OUTREACH WORKSHOPS/SEMINARS



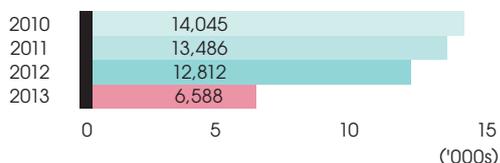
OUTREACH WORKSHOPS/SEMINARS - PARTICIPANTS



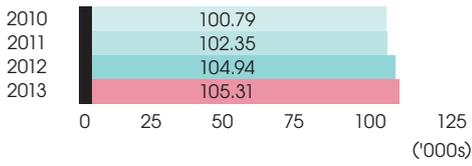
REGIONAL CONCERTS



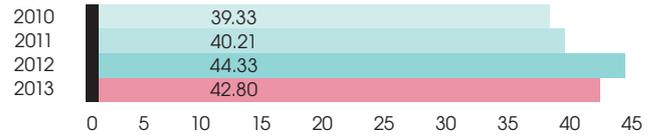
REGIONAL PAID ATTENDANCES



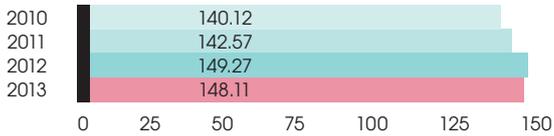
MUSICIANS (FTEs) - AVG THROUGHOUT YEAR



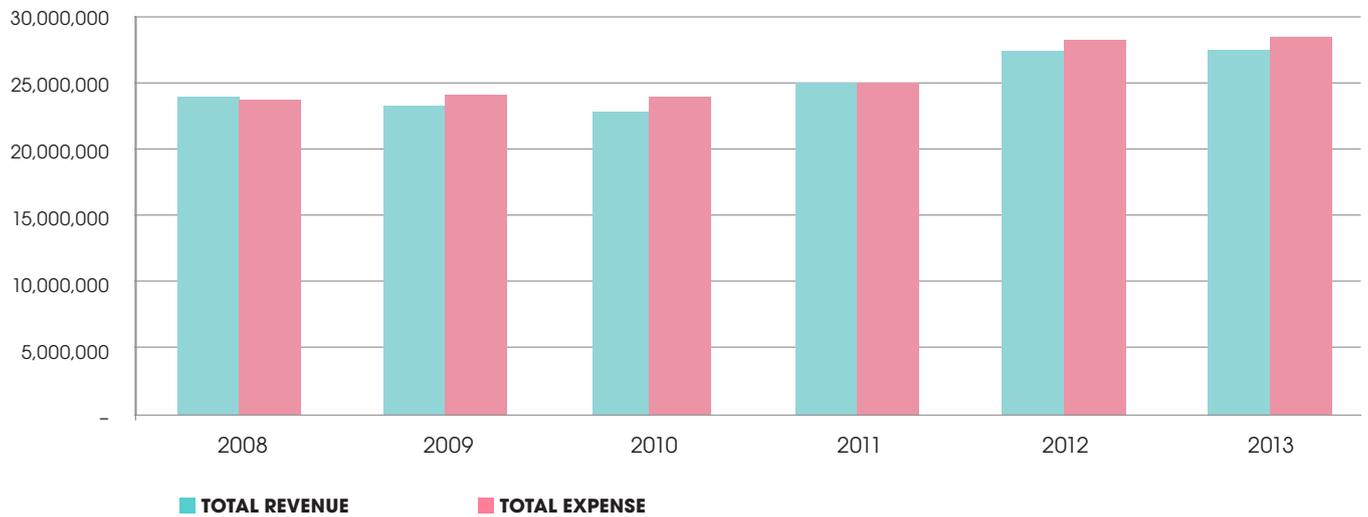
MANAGEMENT STAFF (FTEs) - AVG THROUGHOUT YEAR



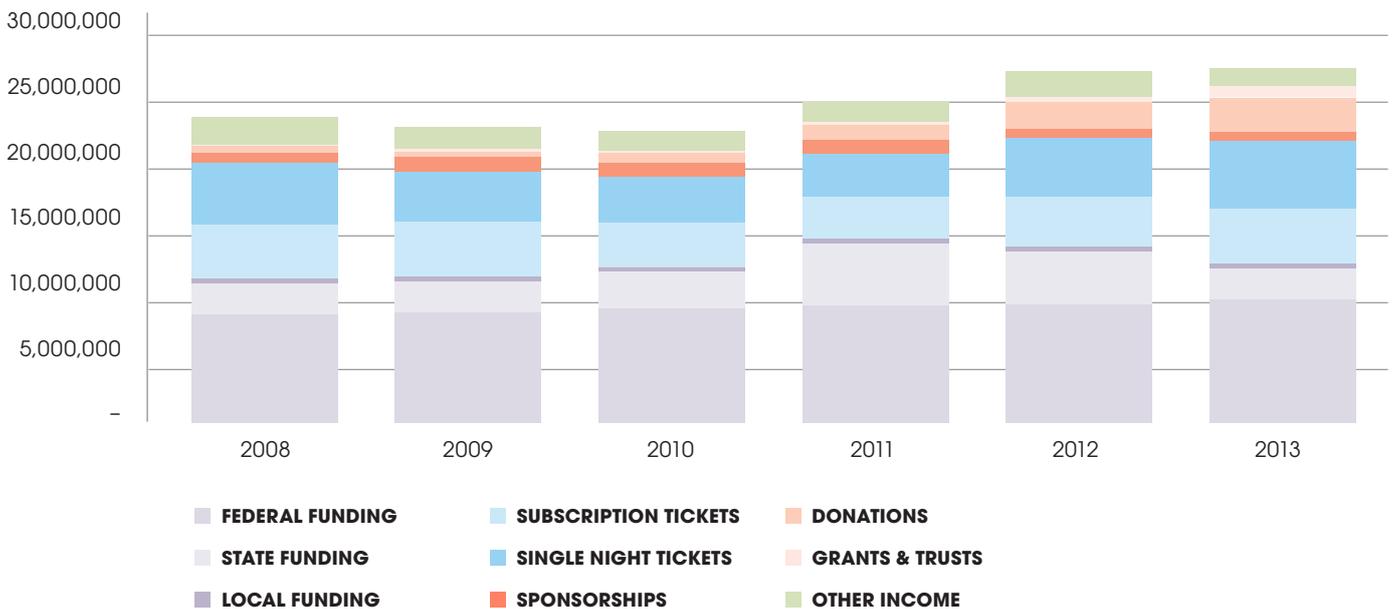
TOTAL EMPLOYEES (FTEs) - AVG THROUGHOUT YEAR



REVENUE AND EXPENSES



INCOME TYPES





MELBOURNE SYMPHONY ORCHESTRA PTY LIMITED

ABN: 47 078 925 658

ANNUAL FINANCIAL REPORT

31 DECEMBER 2013

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their report together with the financial report of Melbourne Symphony Orchestra Pty Limited (the Company) for the year ended 31 December 2013 and the auditor's report thereon.

DIRECTORS

The Directors of the Company during the financial year and until the date of this report are as follows:

Name	Date of Appointment
Mr H Mitchell AC (Chairman)	Director since 27 November 2008
Mr A Gremillet (Managing Director)	Director since 15 October 2012
Hon. A Goldberg, AO QC	Director since 15 March 2000 (retired 31 December 2013)
Dr B Adams	Director since 24 November 2004 (retired 31 December 2013)
Mr P Biggs	Director since 1 January 2007
Ms A Peacock	Director since 1 January 2007
Mr M Ullmer	Director since 1 January 2007
Mr K Wong	Director since 1 January 2007
Mr A McKean	Director since 23 March 2009
Cr R Leppert	Director since 2 February 2013
Mr D Li	Director since 1 July 2013
Mr A Dyer	Director since 12 December 2013
Mr D Gorog	Director since 17 February 2014

COMPANY SECRETARY

Mr O Carton	Appointed 13 February 2004
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PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the performance of symphonic music, education and community outreach activities. There were no significant changes in the nature of the activities of the Company during the year.

REVIEW AND RESULTS OF OPERATIONS

The operating result for the year ended 31 December 2013 was a deficit of \$838,819 (equivalent result for the year ended 31 December 2012 was a deficit of \$798,816). In the Company's first complete season back in the refurbished Hamer Hall, overall sales increased by more than \$1 million when compared to 2012. Total donations and sponsorship income has increased by approximately \$820,000. These increases however, have not been sufficient to offset the decrease in non-recurring government funding received in 2012 relating to the closure of Hamer Hall, increases in venue costs and adjustments to various balance sheet provisions.

The Company presented 171 performances during the twelve months ended 31 December 2013 (31 December 2012: 162). The majority of the concerts were held in Melbourne.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

ENVIRONMENTAL REGULATION

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements, as they apply to the Company.

LIKELY DEVELOPMENTS

The Company will continue to present performances of symphonic and other orchestral music during the next financial year. The Company is focussing on building its ticket sales revenue, philanthropic and corporate sponsorship income.

DIVIDENDS

No dividends were paid, declared or recommended during or since the end of the financial year.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

Since the end of the previous financial year, the Company has not indemnified, nor made a relevant agreement for indemnifying against a liability, any person who is or has been an officer or auditor of the Company.

Insurance premiums

During the financial year, the Company has paid premiums in respect of Directors' and officers' liability, legal expenses and insurance contracts. Since the end of the financial year, the Company has paid or agreed to pay premiums in respect of such insurance contracts for the year ended 31 December 2014. Such insurance contracts insure persons who are or have been directors or officers of the Company against certain liabilities (subject to certain exclusions).

Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Unless otherwise stated in this report, no matter or circumstance has arisen since 31 December 2013 that has significantly affected, or may significantly affect:

- (a) the Company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Company's state of affairs in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 38.

Signed in accordance with a resolution of the Directors:



Harold Mitchell AC

Chairman
Melbourne
28 March 2014



Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
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Fax: +61 3 8650 7777
ey.com

Auditor's Independence Declaration to the Directors of Melbourne Symphony Orchestra Pty Limited

In relation to our audit of the financial report of Melbourne Symphony Orchestra Pty Limited for the financial year ended 31 December 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

Joanne Lonergan
Partner
28 March 2014

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	2012
	Note	\$	\$
REVENUES			
Revenue from government	3a	482,776	1,955,801
Government funding via parent entity	3b	12,406,362	12,251,751
Ticket sales	4	9,154,821	8,147,822
Sponsorship and donation revenue	5	4,103,198	3,283,279
Other revenue	6	1,283,224	1,690,285
		27,430,381	27,328,938
EXPENSES			
Employee expenses		15,729,808	15,466,257
Artists fees and expenses		3,229,792	3,095,433
Marketing expenses		2,575,158	2,554,195
Production expenses		3,767,657	4,036,285
Selling expenses		331,356	538,348
Depreciation and amortisation	7	280,422	157,049
Management fee		336,174	366,079
Other expenses		2,018,833	1,914,108
		28,269,200	28,127,754
Surplus/(Deficit)		(838,819)	(798,816)
TOTAL COMPREHENSIVE INCOME/(DEFICIT)		(838,819)	(798,816)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	15	2,566,862	2,312,985
Other financial assets	10	7,427,357	7,106,904
Receivables	8	1,211,735	1,522,525
Other	9	635,518	310,130
TOTAL CURRENT ASSETS		11,841,472	11,252,544
NON-CURRENT ASSETS			
Receivables	8	22,347	23,093
Plant and equipment	11	527,518	483,773
Intangible assets	12	239,536	380,853
TOTAL NON-CURRENT ASSETS		789,401	887,719
TOTAL ASSETS		12,630,873	12,140,263
CURRENT LIABILITIES			
Payables	13	1,981,457	1,821,365
Prepaid ticket sales		5,133,850	4,127,495
Provisions	16	2,880,409	2,701,790
TOTAL CURRENT LIABILITIES		9,995,716	8,650,650
NON-CURRENT LIABILITIES			
Provisions	16	224,254	239,891
TOTAL NON-CURRENT LIABILITIES		224,254	239,891
TOTAL LIABILITIES		10,219,970	8,890,541
NET ASSETS		2,410,903	3,249,722
SHAREHOLDERS' EQUITY			
Contributed equity	14	438,002	438,002
MSO Foundation reserve	21b	3,267,791	3,116,927
MSO RIS reserve	21c	3,762,399	3,600,783
Retained surplus/(accumulated deficit)	21a	(5,057,289)	(3,905,990)
TOTAL SHAREHOLDERS' EQUITY		2,410,903	3,249,722

The Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	Contributed Equity	Retained Surplus/ (deficit)	MSO Foundation Reserve	MSO RIS Reserve	Total Equity
	(Note 14)	(Note 21)	(Note 21)	(Note 21)	
SHAREHOLDERS' EQUITY	\$	\$	\$	\$	\$
As at 31 December 2011	438,002	(2,385,852)	2,590,734	3,405,654	4,048,538
Total comprehensive income/(deficit)	-	(798,816)	-	-	(798,816)
Transferred to reserves	-	(721,322)	526,193	195,129	-
As at 31 December 2012	438,002	(3,905,990)	3,116,927	3,600,783	3,249,722
Total comprehensive income/(deficit)	-	(838,819)	-	-	(838,819)
Transferred to reserves	-	(312,480)	150,864	161,616	-
As at 31 December 2013	438,002	(5,057,289)	3,267,791	3,762,399	2,410,903

The Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from government funding (incl GST)		14,178,052	15,628,307
Receipts from ticket sales		9,773,150	9,819,647
Receipts from sponsorships (incl GST) and donations		4,464,676	2,031,321
Receipts from other revenue		1,096,454	1,326,007
Interest received		450,495	749,760
Payments to suppliers, employees and artists (incl GST)		(29,205,646)	(28,714,797)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		757,181	840,245
CASH FLOWS FROM INVESTING ACTIVITIES			
Monies placed on Term Deposit		(320,454)	(893,050)
Payment for property, plant and equipment	11	(182,850)	(223,780)
Payment for intangible assets	12	-	(381,810)
Proceeds from sale of plant and equipment		-	9,091
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(503,304)	(1,489,549)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES			
		-	-
NET INCREASE/(DECREASE) IN CASH HELD		253,877	(649,304)
Cash & Cash equivalents at the beginning of the financial year		2,312,985	2,962,289
CASH & CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	15	2,566,862	2,312,985

The Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. CORPORATE INFORMATION

The financial report of the Company for the year ended 31 December 2013 was authorised for issue in accordance with a resolution of Directors on 28 March 2014.

The Company is a proprietary limited company incorporated in Australia. The ultimate parent of the Company is Melbourne Symphony Orchestra Holdings Limited (MSOHL).

MSOHL is a public company limited by guarantee and was incorporated in Australia on 19 October 2006 and subsequently purchased all shares in the Company from the Australian Broadcasting Corporation (ABC) for \$10.

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on the basis of historical costs and, except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by the Company and, except where there has been a change in accounting policy, are consistent with those of the previous period.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

The financial report is presented in Australian dollars.

B) STATEMENT OF COMPLIANCE

Compliance with IFRS

The financial report complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the International Accounting Standards Board.

C) REVENUE RECOGNITION

Revenues are recognised at fair value of the consideration received net of the amount of Goods and Services Tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Ticket sales

Ticket sales are recognised at the time of concert performance. The value of tickets sold in advance of each concert is recorded as prepaid ticket sales and recognised as a liability.

Sponsorship revenue

Sponsorship revenue is recognised during the period in which sponsorship benefits are provided. Sponsorship revenue is traditionally paid in advance – the value of unearned sponsorship revenue is recognised as a liability.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C) REVENUE RECOGNITION (continued)

Government funding revenue

Funding revenue comprises funding from the Federal Government through the Australia Council for the Arts, the State Government of Victoria through the Ministry for the Arts and the City of Melbourne.

Funding revenue was received from the Australia Council for the Arts through the Major Performing Arts Board, and the Victoria Ministry for the Arts, through Arts Victoria, under the terms of the Tripartite Funding Agreement entered into in January 2007 and the Deeds of Variation dated 22 December 2009, 23 December 2010 and 21 June 2013. Funding is received based on payment schedules contained in those agreements between the funding bodies and MSOHL. The agreement was entered into for the three years ending 31 December 2014.

A Tripartite funding agreement between MSOHL, the Australia Council for the Arts through the Major Performing Arts Board, and the Victoria Ministry for the Arts, through Arts Victoria was entered into for a period of three years ending 31 December 2014. Refer to note 22 "Economic Dependency" with respect to funding secured for 2015.

Funding revenue is recognised when due under the terms of the funding agreement. Special purpose funding, which requires the Company to fulfil an obligation outside its normal operations, is recognised at the time the obligation is fulfilled.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received. Government grants relating to costs are deferred, held as unearned revenue, and recognised in the profit or loss over the period necessary to match them with the costs that they intended to compensate.

Interest revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

Sale of non-current assets

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The surplus or deficit on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Donations, bequests and grants

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

D) INCOME TAX AND GOODS AND SERVICES TAX (GST)

The Company is exempt from income tax as it is an exempt charitable institution in accordance with Subdivision 50-B of the Income Tax Assessment Act 1997.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

E) CASH AND CASH EQUIVALENTS

Cash and cash equivalents, including short-term deposits with a maturity of three months or less, are carried at face value of the amounts deposited. The carrying amounts of cash and cash equivalents, including short-term deposits, approximate net fair value.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F) RECEIVABLES

Trade receivables, which generally have 30-90 day terms, are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt. Management consider such objective evidence to include, but not be limited to formal correspondence from a trade receivable indicating its inability to repay the amount outstanding.

G) OTHER FINANCIAL ASSETS

Other financial assets are term deposits that do not meet the definition of cash and cash equivalents. Other financial assets are recorded at amortised cost using the effective interest rate method where the amount is materially different from the face value of the term deposit. Otherwise, the term deposits are recorded at face value.

H) IMPAIRMENT OF NON-FINANCIAL ASSETS OTHER THAN GOODWILL

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstance indicate that the impairment may have reversed.

I) PLANT AND EQUIPMENT

All items of plant and equipment are carried at their historical cost of acquisition, being the fair value of the consideration provided plus the incidental costs directly attributable to the acquisition, less any accumulated impairment losses, less accumulated depreciation, and recoverable amount.

Subsequent additional costs

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the asset, will flow to the Company in future years.

Costs that do not meet the criteria for capitalisation are expensed as incurred.

The residual values, useful lives and amortisation methods of all items of plant and equipment are reviewed and adjusted if appropriate, at each financial year-end.

Intangible assets

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Intangible assets include the online ticket system on the Company's website and Tessitura Customer Relationship Management (CRM) ticketing system. Costs capitalised include external direct costs of materials and service, and payroll related costs relating to the time spent by those employees directly engaged on the project. Amortisation is calculated on a straight line basis over 3 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

J) LEASES

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases (notes 7 and 20). Payments made under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K) DEPRECIATION

Useful lives

Items of plant and equipment, leasehold improvements, computer equipment and musical instruments are depreciated using the straight-line method over their estimated useful lives. Assets are depreciated from the date of acquisition. Depreciation rates and methods are reviewed annually for appropriateness. Depreciation is expensed.

The depreciation rates used for each class of asset are as follows:

Asset class	Depreciation rates
Plant & equipment	10% - 30%
Musical instruments	10% - 20%
Computer equipment	20% - 30%
Leasehold improvement	10% - 30%

L) PAYABLES

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

M) EMPLOYEE BENEFITS

Employee benefits comprise wages and salaries, annual and long service leave, and contributions to superannuation plans.

Wages, salaries and annual leave

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The provision for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

The provision is calculated using estimated future increases in wage and salary rates, including related on-costs, and expected settlement rates based on turnover history and is discounted using the rates attaching to national government bonds at balance date which most closely match the terms of maturity of the related liabilities.

N) CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The following critical accounting policies have been identified for which significant judgements, estimates and assumptions are made.

Provision for employee benefits

Probabilities regarding staff turnover, when staff take leave and future wage rates are based on historical experience.

O) MARKETING COSTS

Advertising and promotional costs are expensed as incurred. The treatment has been applied from 1 January 2012. Prior to 1 January 2012, marketing costs for the next year's performances were capitalised in prepayments. Marketing costs in 2011 for the 2012 program of approximately \$509,000 were capitalised in prepayments as at 31 December 2011. This amount was expensed in 2012. Marketing costs in 2012 also include the advertising and promotional costs for the 2012 and 2013 programs as these were expensed as incurred.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P) COMPARATIVES

Where a change in accounting treatment has resulted in significant differences between financial years, prior year data has been reclassified to assist comparison.

2013	2012
\$	\$

3. FUNDING REVENUE

A) FUNDING FROM GOVERNMENT

Arts Victoria - Melbourne Symphony Orchestra Chorus Grant	125,590	130,144
Arts Victoria - Hamer Hall Closure Revenue Impacts funding	-	1,069,570
Arts Victoria - Hamer Hall Closure Expense Impacts funding	-	399,977
Australia Council for the Arts - "Settlement Stories" Grant received/(refunded)	-	(20,000)
Australia Council for the Arts - "Interconnections" Grant	-	30,000
City of Melbourne - Annual Grant	327,186	316,110
City of Melbourne - "Late Nights" Festival Grant	30,000	30,000
	482,776	1,955,801

B) FUNDING FROM PARENT

Australia Council for the Arts - Annual Grant	10,125,840	9,888,516
Arts Victoria - Annual Grant	2,280,522	2,363,235
	12,406,362	12,251,751

TOTAL FUNDING

	12,889,138	14,207,552
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Provision of funds by MSOHL to the Company originates from federal and state governments, through the Australia Council for the Arts and Arts Victoria and is paid to MSOHL. A funding agreement between MSOHL and the Company provides the basis for the funds to be passed to the Company.

4. TICKET SALES REVENUE

Subscription sales	4,031,101	3,708,000
Single night ticket sales	5,123,720	4,439,822
	9,154,821	8,147,822

5. SPONSORSHIP AND DONATION REVENUE

Sponsorship	635,727	656,605
Donations	2,125,724	2,013,000
Bequests	431,922	3,543
Grants and trusts	909,825	610,131
	4,103,198	3,283,279

6. OTHER REVENUE

Interest	426,808	542,063
Orchestral hire	654,493	981,465
Other	201,923	166,757
	1,283,224	1,690,285

2013	2012
\$	\$

7. EXPENSES

Net Surplus/(Deficit) for the year has been arrived at after charging the following items:

Depreciation:

Plant and equipment	25,293	5,458
Office equipment, furniture and fittings	14,266	12,697
Computers	18,928	26,284
Leasehold improvements	17,239	2,774
Musical instruments	63,379	66,739
Total Depreciation (Note 11)	139,105	113,952
Amortisation (Note 12)	141,317	43,097
Total Depreciation and Amortisation	280,422	157,049

Superannuation expense	1,829,917	1,830,550
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Operating lease rental expenses

Lease payments - car	17,611	-
Lease payments - office equipment	20,297	23,506
Lease payments - office rental	189,588	208,154

8. RECEIVABLES

A) TRADE AND OTHER RECEIVABLES

Current

Trade receivables	1,009,527	1,445,803
GST receivable	202,208	85,412
Provision for impairment of receivables	-	(8,690)
	1,211,735	1,522,525

Non-current

Other receivables	22,347	23,093
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B) TRADE AND OTHER DEBTORS AGEING:

0 to 60 days	1,008,147	1,432,026
61 to 90 days	1,100	-
Over 90 days	22,627	36,870
Total trade and other receivables	1,031,874	1,468,896

Trade receivables are non-interest bearing and are normally settled in 30 days. Other receivables amounts generally arise from transactions outside the usual operating activities of the Company.

9. OTHER CURRENT ASSETS

Prepayments	576,480	227,405
Accrued interest	59,038	82,725
Total Other Current Assets	635,518	310,130

2013	2012
\$	\$

10. OTHER FINANCIAL ASSETS

MSO RIS term deposit	3,864,144	3,697,596
MSO Foundation term deposit	3,563,213	3,409,308
	7,427,357	7,106,904

Investments held in the MSO Reserves Incentive Scheme (RIS) reserve of \$3,864,144 (2012: \$3,697,596) comprises funds which are set aside, unencumbered and held in escrow, for 15 years until 3 June 2019. Refer note 21(c).

Investments held in the MSO Foundation reserve of \$3,563,213 in 2013 (2012: \$3,409,308) are those with maturity of more than 90 days. These funds are set aside for the long term viability of the MSO and are governed by the MSO Foundation Constitution.

11. PLANT AND EQUIPMENT

	Plant and equipment	Musical instruments	Office equipment	Leasehold Improvements	Computer equipment	Total
<i>Cost:</i>	\$	\$	\$	\$	\$	\$
Opening balance	187,901	1,284,120	67,226	27,744	265,497	1,832,488
Additions	-	84,066	24,214	52,194	22,376	182,850
Closing balance	187,901	1,368,186	91,440	79,938	287,873	2,015,338
<i>Accumulated depreciation:</i>						
Opening balance	109,050	953,012	49,051	4,311	233,291	1,348,715
Depreciation expense (Note 7)	25,293	63,379	14,266	17,239	18,928	139,105
Disposal	-	-	-	-	-	-
Closing balance	134,343	1,016,391	63,317	21,550	252,219	1,487,820
Net book value, 31 December 2013	53,558	351,795	28,123	58,388	35,654	527,518
Net book value, 31 December 2012	78,851	331,108	18,175	23,433	32,206	483,773

12. INTANGIBLE ASSETS

	Website	Tessitura CRM	Total
<i>Cost:</i>	\$	\$	\$
Opening balance	142,065	281,885	423,950
Additions	-	-	-
Disposals	-	-	-
Closing balance	142,065	281,885	423,950
<i>Accumulated amortisation:</i>			
Opening balance	3,946	39,151	43,097
Amortisation expense (Note 7)	47,355	93,962	141,317
Disposal	-	-	-
Closing balance	51,301	133,113	184,414
Net book value, 31 December 2013	90,764	148,772	239,536
Net book value, 31 December 2012	138,119	242,734	380,853

2013	2012
\$	\$

13. PAYABLES

Trade creditors	1,293,329	1,287,680
Other creditors and accruals	442,356	252,906
Prepaid other revenue	245,772	280,779
Total Payables	1,981,457	1,821,365

Trade payables are non-interest bearing and are normally settled in 30 days.

14. CONTRIBUTED EQUITY

Share capital

438,002 (2012: 438,002) ordinary shares, fully paid	438,002	438,002
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On 31 December 2006 MSOHL purchased all shares of the Company that were previously held by the ABC.

15. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank and short-term deposits at call. Cash assets as at the end of the financial year as shown in the statement of cash flows are as follows:

Cash	1,566,862	1,112,985
Cash equivalents	1,000,000	1,200,000
	2,566,862	2,312,985

Cash equivalents at 31 December 2013 of \$1,000,000 (2012: \$1,200,000) include short term deposits which had a maturity date of less than three months at year end.

2013	2012
\$	\$

16. EMPLOYEE BENEFITS

Current

Annual Leave	651,666	793,309
Long Service Leave	2,228,743	1,908,481
	2,880,409	2,701,790

Non-current

Long Service Leave	224,254	239,891
	3,104,663	2,941,681

Aggregate employee benefits presented above include on-costs. The present value of employee benefits not expected to be settled within twelve months of balance date have been calculated using the following:

Assumed rate of increase in wage and salary rates	3.0%	3.0%
Discount rate (weighted average)	4.2%	3.4%
Settlement rate	10 years	10 years
Full-time equivalent employees at year-end	148.11	149.27

17. KEY MANAGEMENT PERSONNEL

A) DETAILS OF KEY MANAGEMENT PERSONNEL

(i) Directors

The numbers of meetings of the Company's board of directors held during the year ended 31 December 2013, and the numbers of meetings attended by each director were:

NAME	POSITION HELD	HELD	ELIGIBLE	ATTENDED
Mr H Mitchell AC	Chairman, Non-Executive Director	6	6	6
Mr A Gremillet	Managing Director	6	6	6
Hon. A Goldberg, AO QC	Deputy Chairman, Non-Executive Director – retired 31 December 2013	6	6	5
Dr B Adams	Non-Executive Director – retired 31 December 2013	6	6	4
Mr P Biggs	Non-Executive Director	6	6	4
Ms A Peacock	Non-Executive Director	6	6	5
Mr M Ullmer	Non-Executive Director	6	6	6
Mr K Wong	Non-Executive Director	6	6	3
Mr A McKean	Director	6	6	6
Mr D Li	Non-Executive Director – appointed 1 July 2013	6	3	3
Mr A Dyer	Non-Executive Director – appointed 12 December 2013	6	0	0
Mr R Leppert	Non-Executive Director – appointed 2 February 2013	6	6	5

2013	2012
\$	\$

B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

Compensation (9 people; 2012: 10 people)	1,222,255	1,239,248
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Key management personnel comprise board appointed personnel and other persons having the responsibilities for planning, directing and controlling the major activities of the Company. The Directors positions are on an honorary basis, as such, Non-Executive Directors do not receive remuneration for their role as a Director of the Company.

C) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Refer to note 18 for details of significant transactions between the Company and key management personnel.

18. RELATED PARTIES

A) DIRECTORS

The names of each person holding the position of Director of the Company during the financial year are detailed in the Directors' Report and note 17.

B) PARENT ENTITY

The ultimate holding company of the Company is MSOHL which owns 100% of the equity in the Company. The Directors of MSOHL are also Directors of the Company. An agreement between MSOHL and MSOPL exists whereby MSOHL has agreed to fund the Company via contributions from the Australia Council for the Arts through the Major Performing Arts Board and the Victoria Ministry for the Arts through Arts Victoria. A service agreement that is governed by the contents of the Tripartite Agreement exists between the two entities MSOHL and the Company. Corporate costs associated with MSOHL have been met by the Company.

C) KEY MANAGEMENT PERSONNEL

Details of compensation for key management personnel is in note 17(b).

D) TRANSACTIONS WITH OTHER RELATED PARTIES

The following transactions occurred with related parties:

i. Donations

Donations received from Directors and director-related entities in 2013 were \$901,667 (2012: \$1,113,500). Table purchases and auction proceeds from Directors and director-related entities at the Company's annual gala in 2013 were \$54,900 (2012: \$32,100).

ii. Sponsorship

Sponsorship from director-related entities in 2013 was \$10,100 (2012: \$20,000).

iii. Grants revenue

Cr Rohan Leppert is a Councillor of the City of Melbourne which made grants to the Company for various purposes (refer note 3a). Total grants from the City of Melbourne in 2013 were \$357,186 (2012: \$346,110).

iv. Purchases of services

A director-related entity, Mitchell Communication Group, supplied media buying services to the Company of \$969,000 in 2012. In 2013, Mitchell Communication Group was no longer a director-related entity.

v. Complimentary tickets

From time to time, complimentary tickets are provided to Board members as part of their role in development activities for the Company.

E) LOANS TO/FROM RELATED PARTIES

There are no loans to or from the Company with related parties (2012: nil).

F) TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

	2013	2012
	\$	\$

19. AUDITOR'S REMUNERATION

Audit of the financial report	32,395	31,000
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20. EXPENDITURE COMMITMENTS

Artists fees contracted, but not provided for, and payable:

Within one year	812,019	693,150
One year or later, but not later than five years	1,234,000	1,755,500
	2,046,019	2,448,650

Car lease expenditure committed as per agreements:

Within one year	10,493	-
One year or later, but not later than five years	-	-
	10,493	-

Consulting (Professional Services) contracts as per agreements

Within one year	41,700	20,000
One year or later, but not later than five years	-	15,000
	41,700	35,000

Rental leases committed as per agreements (Administrative, Box Office premises and van)

Within one year	41,229	70,713
One year or later, but not later than five years	46,013	97,734
	87,241	168,447

The Company has provided the lessor of the MSO Box Office with a bank guarantee of \$25,012 (2012: \$40,687) which can be drawn upon by the lessor in the event that the Company does not meet its contractual obligations under the lease agreement.

Expenditure commitments are contracted up to the following dates:

- Artist fees – 31 December 2016
- Consulting (Professional Services) – 31 October 2014

2013	2012
\$	\$

21. RESERVES

A) RETAINED SURPLUS/(ACCUMULATED DEFICIT)

Retained surplus/(deficit) at the beginning of the year	(3,905,990)	(2,385,852)
Surplus/(deficit) from ordinary activities for the year	(838,819)	(798,816)
Transfer of interest earned on and donations to the MSO Foundation Reserve	(150,864)	(526,193)
Transfer of interest earned on MSO RIS Reserve	(161,616)	(195,129)
Retained surplus/(accumulated deficit) at year end	(5,057,289)	(3,905,990)

B) MSO FOUNDATION RESERVE

Opening balance	3,116,927	2,590,734
Transfer from Retained surplus/(accumulated deficit)	150,864	526,193
Accumulated funds at year end	3,267,791	3,116,927

The purpose of the MSO Foundation Reserve is to accumulate capital to ensure the long-term viability and financial security of the Company. The interest accrued on the investment of the Fund, and the capital as permitted in its constitution, may be used for MSO projects that come within the purposes of the MSO Articles of Association.

C) MSO RESERVES INCENTIVES SCHEME (RIS)

Opening balance	3,600,783	3,405,654
Transfer from Retained surplus/(accumulated deficit)	161,616	195,129
Accumulated funds at year-end	3,762,399	3,600,783

The MSO Reserves Incentives Scheme (RIS) is designed to encourage and assist major performing arts companies to strengthen their balance sheets by building reserves to a level that is sufficient to underpin their financial health and provide a base from which can be taken appropriate artistic and access risks.

The Australia Council and the Victorian Government have, together with the Company, contributed funds which are set aside, unencumbered and subject to the terms and conditions of the Reserves Incentives Scheme Funding Agreement. All income received on the funds received must be re-invested with the funds received and held in escrow for 15 years. These funds are not accessible to the Company until 3 June 2019 and have not been used to secure any liabilities of the Company.

22. ECONOMIC DEPENDENCY

Provision of federal and state funding via the parent company, MSOHL, to the Company is in respect of funds payable as a result of the Orchestra Review Implementation Funding Agreement. It originates from federal and state governments, through the Australia Council for the Arts and the Victoria Ministry for the Arts and is paid to MSOHL. A funding agreement between MSOHL and the Company provides the basis for the funds to be passed to the Company. As a result, the company is economically dependent on MSOHL, and in turn, on the Australia Council for the Arts and the Victoria Ministry for the Arts.

A tripartite funding agreement between MSOHL, the Australia Council for the Arts through the Major Performing Arts Board, and the Victoria Ministry for the Arts, through Arts Victoria was entered into for a period of three years ending 31 December 2014.

Funding from the Australian and Victorian Governments through the Tripartite Funding Agreement has been secured for 2015. The Company has received confirmation from the Australian and Victorian Governments that funding for the Tripartite Funding Agreement will be extended for the 2015 financial year subject to the Company continuing to comply with the terms of the relevant agreement and providing certain financial reports on a monthly basis.

23. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 December 2013 (31 Dec 2012: Nil).

24. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 31 December 2013 that has significantly affected, or may significantly affect:

- (a) the Company's operations in future financial years; or
- (b) the results of those operations in future financial years; or
- (c) the Company's state of affairs in future financial years.

25. ENTITY INFORMATION

Melbourne Symphony Orchestra Pty Limited is a company limited by shares, incorporated in Australia and having its registered office address and principal place of business at:

ABC Southbank Centre
120 - 130 Southbank Boulevard
Southbank VIC 3006

The postal address of Melbourne Symphony Orchestra Pty Limited is:

GPO Box 9994
Melbourne VIC 3001

DIRECTORS' DECLARATION

In the opinion of the Directors of Melbourne Symphony Orchestra Pty Limited ("the Company"):

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 31 December 2013 and of its performance, as represented by the results of its operations and its cash flows for the period ended on that date; and
 - (ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Harold Mitchell AC
Chairman

Melbourne
28 March 2014



André Gremillet
Managing Director

Melbourne
28 March 2014

Independent auditor's report to the members of Melbourne Symphony Orchestra Pty Limited

Report on the financial report

We have audited the accompanying financial report of Melbourne Symphony Orchestra Pty Limited, which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

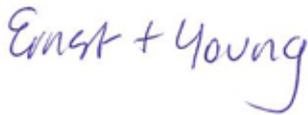
Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

- a. the financial report of Melbourne Symphony Orchestra Pty Limited is in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards - Reduced Disclosure Requirements; and the Corporations Regulations 2001; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.



Ernst & Young



Joanne Lonergan
Partner
Melbourne
28 March 2014



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PRINCIPAL PARTNER



GOVERNMENT PARTNERS



MAESTRO PARTNER



CONCERTMASTER PARTNERS

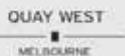


REGIONAL
TOURING

ASSOCIATE PARTNERS



SUPPORTING PARTNERS



SUPPLIERS

Kent Moving and Storage

Quince's Scenicruisers

Melbourne Brass and Woodwind

Sputnik Agency

