



ANNUAL REPORT 1986

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-Fourth Annual General Meeting of Members of The Australian Elizabethan Theatre Trust will be held in Studio 3 on the Second Floor of 153 Dowling Street, Potts Point, on Monday the Twenty-Fifth day of May, 1987, commencing at 5.30 p.m.

BUSINESS:

1. To receive and consider the Balance Sheet as at 31st December, 1986, and the Statements of Income and Expenditure for the year then ended together with the Statement of Directors and Auditors thereon.
2. To elect Directors:
 - (i) The following four Directors retire by rotation in accordance with the Articles of Association and, being eligible, offer themselves for re-election.
 - (a) The Hon. Mr Justice Christopher John Legoe
 - (b) Dr Toby Manford
 - (c) Mr Leonard George Teale
 - (d) Mr Timothy Carrington Yates
 - (ii) Mr Frank Murray Hooke has been appointed as a Director to fill a casual vacancy and retires in accordance with Article 43 of the Articles of Association and, being eligible, offers himself for re-election.
3. To elect Governors:
 - (i) Mrs Julien Beirne was appointed as a Governor during the year and retires in accordance with Article 66(vi) of the Articles of Association and, being eligible, offers herself for re-election.
 - (ii) Lady Primrose Potter was appointed as a Governor during the year and retires in accordance with Article 66(vi) of the Articles of Association and, being eligible, offers herself for re-election.
4. To transact any other business which may be brought before the meeting in conformity with the Articles of Association.

Dated this 13th day of April, 1987

By order of the Board
M. BENVAU
SECRETARY

PROXIES:

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on behalf of the member. A proxy need not be a member of the company.

Proxy forms must be deposited at the registered office of the company, c/- Phipson Nominees Pty. Ltd., 12th Floor, National Mutual Centre, Darwin Place, Canberra City, A.C.T. 2601 not later than 5.00 p.m. on Friday the Twenty-Second day of May, 1987.

OFFICE BEARERS

PATRON:

HER MAJESTY THE QUEEN

PRESIDENT:

Sir Ian Potter

CHAIRMAN:

Mr A. Briger, A.M.

DIRECTORS:

Alderman S. Atkinson
Mr K.E. Cowley
Sir David Griffin, C.B.E.
Mr F. M. Hooke
The Hon. Mr Justice C.J. Legoe
Dr T. Manford
Mr D.A. Mortimer
Mr L.G. Teale
Mr L.D.S. Waddy
Mr T.C. Yates

CHIEF EXECUTIVE:

Kathleen Norris

SECRETARIES:

Mr M.P. Benvau
Mr C.G. Chenoweth

AUDITORS:

Pannell Kerr Forster
Chartered Accountants

BANKERS:

Commonwealth Trading Bank of Australia

SOLICITORS:

Allen Allen & Hemsley

REGISTERED OFFICE:

c/- Phipson Nominees Pty. Ltd.,
12th Floor,
National Mutual Centre,
Darwin Place,
Canberra City, A.C.T.

COUNCIL OF GOVERNORS:

Vice-Presidents:
Mrs G. Hay, O.A.M. (NSW)
Mr N.F. Hopkins (SA)
Mr A.D. Marshall (Qld)
Mr J.B. Piggott, C.B.E. (Tas)
Miss M.E. Roper, A.M. (Vic)

GOVERNORS:

Mrs B. Bennett (NSW)
Mr D.J. Billington (NSW)
Mrs H. Butts (Qld)
Mr K.A. Conlon (SA)
Mrs J. Dames (SA)
Sir James Darling, C.M.G.,
O.B.E. (Vic)
Mr R.P. Holden (Vic)
Mr J.R. Kerrigan (NSW)
Sir Bruce Macklin, O.B.E. (SA)
Miss I. Mitchell, M.B.E. (Vic)
Mr C.G. Pryor, M.B.E. (Tas)
Mr B.R. Redpath (Vic)
Dr J.D. Sainken (WA)
Mrs J.M. Summerhayes (WA)
Miss M.L. Toyne (Vic)
Mrs J. White (NSW)
Mrs A. Williams (SA)

HONORARY MEMBERS:

Emeritus Professor
F. Alexander, C.B.E.
Dr H.C. Coombs
Sir James Darling, C.M.G.,
O.B.E.
Mrs M. Dekyvere, C.B.E.
Mrs G. Hay, O.A.M.
Sir Charles Moses, C.B.E.
Sir Ian Potter

STAFF

Pam Andrews
Susan Belford
Mark Benvau
Wendy Blacklock
Barbara Costen
Noel Ferrier
Jeremy Goldstein
Deborah Gray
Michael James
Wayne Kellett
Dennis Linehan
Carole Long
Carol Martin
David Martin
Patrick Mitchell
Sue Nicholas
Cathy Paul
Ann Robinson
Tony Rogers
Warwick Ross
Ramshah Shariff

Priscilla Shorne
Joan Shorten
Max Simms
Dick Smith
David Spiller
Roger Taylor
John Tilbrook
Anne Warwick
John Woodland
Genevieve Zambra

INTERSTATE REPRESENTATION

MELBOURNE

Carol Ormerod
G.P.O. Box 438C
Melbourne, Vic 3001
Tel: (03) 690 8384

BRISBANE

Denise Wadley
G.P.O. Box 1618
Brisbane, Qld 4001
Tel: (07) 221 9528

ADELAIDE

Veronica Bohm
28 Fifth Avenue
St. Peters, SA 5069
Tel: (08) 42 9576

PERTH

Janet Durack
P.O. Box 7227
Cloisters, WA 6000
Tel: (09) 321 4953

ELIZABETHAN SYDNEY ORCHESTRA AS AT 10/4/87

First Violins

George Ermolenko†
Gordon Bennett
Emil Kiss-Lazar
Kathryn Evans
Stephen Hague
Margaret Gabrielson
Shirley Beauman
Amanda Scott
Mirka Rozmust†
Adrian Keating†

Second Violins*(1)

Pamela Munks
Mark Fitzpatrick
Michael Wittgens
Samual Podjarski
Ann White
Vladimir Shelest
John Philp

Violas

David Dixon
Dittany Morgan†
Rodney McDonald
Franco Dal Santo
Ian Bolton
Gregory Ford
Sabina Pfuhl

Celli

Nigel Parry
Antony Morgan
Henry Urbanavicius
Janet Kidson
Pierre Emery
Margaret Iddison

Basses

Brett Berthold
Donald Wrighter
Gareth Rollinson
Jennifer Penno

Flutes

Elizabeth Pring†
Carla Kutasi†
Nick Negerevich
Anthony Ferner†

Oboes

Judith Elliott
Andrew Malec
Emma Black†
Joyce Clifton-Everest

Clarinets

Terence Stirzaker
Euan Huggett
Louise O'Brien
Marge Smith

Bassoons

Douglas Eyre
Trevor Roberts
Jonas Moham-Wild

Horns

Byron Barnes
Thomas Campbell
Elizabeth Bowtell†
Robert Gladstones
Richard Parkinson

Trumpets

James Blunt
Gregory Carr
Brian Evans
Bruce Hellmers

Trombones*(1)

Reginald McDonald
Charles MacInnes
Will Farmer

Tuba

Carolyn Johnst†

Harp

Peader O'Carroll

Timpani

David Clarence

Percussion

Bruce Cotterill
Darryl Turner
Allan Watson

†Players in their trial period

*Vacancy in the section

ELIZABETHAN MELBOURNE ORCHESTRA AS AT 31/12/86

First Violins*(1)

A. Conolan
M. Drummond
M. Migdal
P. Mortimer
C. Ruiter
N. Hughes
P. Devlishev
L. Rakhlin
H. Ridgeway

Second Violins

R. Hanna
R. Allen
A. Czech
M. Reddington
K. Bremner
S. McKenzie
M. Beers
M. Drummond

Violas

J. Migdal
G. McKean
P. King
D. Neumann
A. Farrands
M. Pierard
D. Fraser

Celli

R. Fraser
S. Morse
M. Rowe
I. Bradova
S. Meighan
A. Taylor

Basses*(1)

D. Holt
A. Tait
C. Morris

Flutes*(1)

G. Williams
M. Smith
L. Bradbury

Oboes

S. Robinson
A. Marshman
B. Harvey
G. Beatty

Clarinets

K. Stockwin
J. Neutze
D. Tod
S. Power

Bassoons

M. Neil
J. Mowson
Z. Wawryk

Horns

R. Runnels
A. Bottomley
A. Vicek
J. Deakin
D. Grant

Trumpets

R. Smithies
C. Perrin
W. Evans
J. Payne

Trombones

S. Evans
P. Davis
G. Evers
I. Denbigh

Tuba

F. Barczyk

Harp

S. Smith

Timpani

R. Augustinus

Percussion

R. Brown
C. Plummer
P. Sablinskis

*Number of vacancies in section

THE AUSTRALIAN ELIZABETHAN THEATRE TRUST

(INCORPORATED IN A.C.T.)

SONS OF CAIN

"Thanks to enlightened union decisions, David Williamson's Australian play *Sons of Cain* comes to Wyndham's with a full Australian cast — and vigorous knock-'em-down stuff it is, too, by an author known in this country for meaty melodramas of contemporary life." *Daily Telegraph, London*

"*Sons of Cain* by David Williamson. Vitriolically entertaining and gripping play about an Australian newspaper playing David to the Goliath of political corruption. The author, a card-carrying Australian, has had legal problems over it, which makes you think there's more to this than fiction. The acting is very good indeed." *The Sunday Times, London*

"This . . . exchange . . . marks a notable triumph for the commercial theatre." *London Times*

"It is a cunning play and director John Noble has underscored its points well. Staging it on a marble set with echoes of a Roman forum was a clever touch of irony. But it moves subtly and destructively in many directions. Above all, the play cunningly undermines the audience. Williamson has a wicked gift for getting the audience's collusion through their laughter and this is a wickedly funny play. Out of our own mouths, as it were, we are condemned for our apathy." *The Australian*

"Splendidly directed by John Noble, it is a magnificent addition to London's theatre repertory, and one which not only unearths the soil of Watergate but asks important questions about the ethics of investigative journalism in superficially progressive States. See it." *Time Out, London*

THE PIRATES OF PENZANCE

"Supercharged and invincible, *The Pirates of Penzance* are back once more. Their reincarnation at the Entertainment Centre deserves two adjectives which I use sparingly. It is brilliant and raucous." *Sydney Morning Herald*

"Grab a swash and buckle yourself in for a ride on this pirate ship." *The Australian*

GREAT CHINA SPECTACULAR

"Everything was a pleasure. I found myself wondering if a Canberra audience did not especially enjoy all this, a chance to see a group of people breaking all the rules and getting away with it and at the same (time) producing something beautiful. Certainly the theatre has not had a happier evening for a long time." *The Canberra Times*

NETHERLANDS DANCE THEATRE

"The Netherlands Dance Theatre, which opened a season in Melbourne at the weekend, is the most thrilling dance company to visit these shores for a long time." *Telegraph, Sydney*

"In what has been something of a plethora of modern dance in Melbourne recently, the incumbent Netherlands Dance Theatre (at the Princess) ranks with — maybe above — the best we've seen." *Sun, Melbourne*

"Such a rare opportunity to see dancing of this calibre should not be passed over by anyone." *Advertiser, Geelong*

THE FOREIGNER

"The Australian Elizabethan Theatre Trust's production of *The Foreigner*, which opened at The Regal this week, had a capacity audience rocking with appreciative laughter." *Sunday Times, Perth*

LENNON — THE MUSICAL OF THE LEGEND

"A brilliant tribute to the memory of John Lennon." *Kevin Sadler, 2GB*

"Performed with compelling force." *Sydney Morning Herald*

"The Lyric Theatre audiences could not have asked for a better way to start the 1987 theatre season than the offering on Thursday night . . . Lennon was a polished performance. The acting was superb, as was the singing and the musical selection." *Sunday Sun, Brisbane*

"This production, brought to Brisbane by the Elizabethan Theatre Trust, delivers one of the best night's entertainment in ages." *Daily Sun, Brisbane*

AN IMAGINARY LIFE

" . . . Kim Carpenter's haunting mimed study of David Malouf's novel *An Imaginary Life*, a most moving dramatic 'song without words'." *Sydney Morning Herald*

" . . . the quality of its ambitions and the brilliance of its mise en scene should make *An Imaginary Life* a yardstick to measure other experimental work by." *The National Times*

NO SUGAR

"It has been a triumphant week for Australia in Vancouver, Canada. Theatre audiences have been giving standing ovations every night to an extraordinary Australian play. The play is *No Sugar*." *Sydney Morning Herald*

"*No Sugar* is theatre at its brilliant best . . . it is a bitter-sweet play — humorous, tragic, cruel and disturbing." *The Herald, Melbourne*

THE LAST WAKE AT SHE OAK CREEK

"A full on bush musical . . . bursting with life." *The Australian*

SON OF ROMEO

"*Son of Romeo* is a very funny, serious and satisfying hour of performance art by an actor of talent and originality." *The Canberra Times*

THEATRE OF THE DEAF 1986

"It is rare indeed to encounter a performance in school which can demistify, change attitudes, entertain and strongly connect with the classroom curriculum." *Lowdown*

"With the passions of the actors' mime and the dissonant 'sound-track' of voices off-stage, this cast has succeeded in building a bridge out to their audience, creating a haunting *Godot*, at times so exaggerated it verges on savage burlesque." *The Australian*

"Waiting for *Godot* is a valuable, intelligent and humorously articulate production of Beckett's anthem to the anguish of the human condition. Their production . . . makes virtue out of apparent obstacles, and brings a refreshing clarity to the resonances of Beckett's labyrinthine absurdities." *Sydney Morning Herald*

PRESIDENT'S MESSAGE

1986 was another year in which the Trust accomplished a great deal, though we faced some testing circumstances. The Chairman in his address comments on specific activities, and the work that management and directors have undertaken. I would, however, like to call your attention to a few key areas.

Contributions to the arts made through the Trust continued to increase. Each year we are granting more dollars to more organisations from more donors. This is a heartening sign of the importance Australians now place on a rich cultural environment.

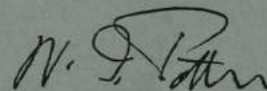
Memberships reached 9871, the highest level in 10 years. Obviously, the work we have been doing in this area over the past two years is starting to bear fruit.

The Governors have for many years been a valuable resource for the Trust. I would like to call attention to the work of just a few. Mrs. Garth Hay and her Sydney Committee again devoted their main fundraising efforts to the benefit of the Theatre of the Deaf. The Adelaide Committee continued to raise funds for a playwrights award, and the chosen play, "Redinka's Lesson" by Linda Aronson, was performed as part of the Adelaide Festival. From Western Australia, we welcomed a new Governor, Dr. Jon Sainken, and look forward to the contribution he will make.

I would also like to thank the many volunteers who work in all departments of the Trust. They help us to maintain our programmes through their energetic work on our behalf.

I have been involved with the Trust since its foundation and its activities have always been a source of great pride to me. 1986 was a challenging year for the Trust, but in our history there has never been a year without challenge, and I believe our 33-year record of meeting these eventualities, of adapting to changing conditions, and of not only surviving but thriving, is second to no other arts organisation in Australia.

I would like to thank the Chairman, Directors and Management for the work they have done, and use the vantage point of my perspective to quote Oliver Wendell Holmes. "I find the great thing in this world is not so much where we stand, as in which direction we are moving. To reach the port of heaven, we must sail sometimes with the wind and sometimes against it — but we must sail, and not drift nor lie at anchor."



Sir Ian Potter
President
13th April 1987

CHAIRMAN'S ADDRESS

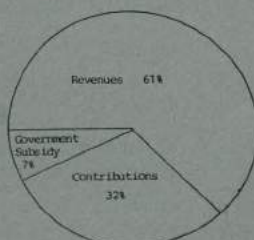
1986 was a year of mixed blessings. During this time we were able to bring to fruition many plans and projects which had been in development. We opened our Halfix booth in Martin Place. We increased our memberships substantially. We exported two fine Australian companies in new Australian plays for presentation internationally. We doubled, through acquisition, the size of our costume department and we reached an audience of more than 500,000 Australians throughout the country. We distributed more than \$3,000,000 in tax deductible donations to more than 200 organisations.

On the financial side, however, a major downturn in the entertainment industry and a number of other factors combined to affect us adversely. Fortunately, the Trust is an organisation of unique strength, one which has built up its resources over the years, and one accustomed to self-reliance, so while we do not like stormy seas, we know we can successfully sail through them as we have done on occasions in the past.

We are aware that 1986 was also a difficult year for many of our subsidised and commercial entertainment colleagues, although there is no comfort in this knowledge. Even with government assistance, developing corporate support and an ever-increasing population, the economics of the arts are very finely balanced.

For the Trust, the balance is even more delicate, because we operate largely without subsidy. Many of our programmes are of demonstrable public service and have absolutely no subsidy. These include our entrepreneurial presentations, Halfix, Membership and Management Services. Others such as Australian Content, Theatre of the Deaf and donations processing are subsidised, but at a level inadequate to maintain full operations. Rather than cut important programmes the Trust has found the necessary funding through profit-making activities.

To illustrate this practice, the chart below may be of interest.



CHAIRMAN'S ADDRESS

It shows that in 1986, excluding the Orchestra, Government Subsidy represented only 7% of the Trust's income. Sixty-one per cent came from Box Office, Trading Activities and Fees for Services, and 32% from Contributions made to the Trust and subsequently granted to other organisations. It is unlikely that any other Australian arts organisation can show such an extensive programme for so little subsidy.

The practice of cross subsidisation does, however, carry with it an inherent risk that in some year industry conditions will make it impossible to generate sufficient profits, and that any cross subsidy shortfalls and loss will have to be borne out of the Trust's own reserves. Such a year was 1986.

Our Entrepreneurial division has always been our principal profit centre. The range of entrepreneurial activities traditionally has been extensive and 1986 was no exception. "Pirates of Penzance" made its final sail to Sydney and Brisbane. "The Foreigner" toured throughout Australia. "Sons of Cain" played Brisbane and then in London's West End with an all-Australian cast. We presented the Netherlands Dance Theatre in Melbourne. "Lennon" played Sydney and Newcastle. We assisted "Glengarry Glen Ross" in Sydney, "Pearls Before Swine" in Melbourne and "The Great Chinese Spectacular" across the nation.

Netherlands Dance Theatre, a presentation out of the Adelaide Festival, has been hailed as one of the finest dance companies in the world. It has long been difficult for Australia's festivals to attract such companies unless they can offer at least one non-festival engagement. The Trust has always tried to provide this, not only to assist the festivals but to ensure that Australian audiences in non-festival cities have a chance to see some of the world's great companies.

As the Trust has no subsidy to support this policy of assistance we must hope that each attraction can stand on its own commercial merits. Regrettably, despite glowing Melbourne notices, the two-week season of the Netherlands Dance Theatre was unable to do this.

Since its inception, the Trust has sought to create international opportunities for Australian artists. In 1986 two projects which had been in train since 1984 came to fruition. "No Sugar", a production of our subsidised Australian Content division, was invited to be the official Australian representative at the World Arts Festival which was part of the Vancouver Expo. A play by Aboriginal playwright Jack Davis, which had been commissioned by the Trust, "No Sugar" was the hit of the Expo. It then came back to Australia to play to packed houses at Melbourne's Fitzroy Town Hall.

The second of our international projects was to send David Williamson's "Sons of Cain" to London. This play was acclaimed in Australian productions in Sydney, Melbourne, Adelaide and Brisbane. The Trust assembled a fine Australian cast under the direction of the Adelaide Stage Company's Artistic Director, John Noble. In partnership with London's Theatre of Comedy, "Sons of Cain" opened in the West End at Wyndham's Theatre on May 13, 1986.

Our English partner ensured a warm welcome for the Company and critical reaction to both the artists and the play was very good. In particular Max Cullen in the leading role received glowing notices.

Unfortunately, however, "Sons of Cain", a play centred on Australian politics, got caught in world politics. Only days before we opened in London the United States responded to terrorist activities by bombing Libya. This was followed shortly by a bomb blast in central London. These events had the immediate effect of emptying London of tourists and the West End of theatregoers. Many shows closed during this period, and our limited season of "Sons of Cain" was less successful than it would have been in other circumstances. Because this was an unsubsidised activity, the losses were wholly borne by the Trust and our partner.

However, by many important criteria the season of "Sons of Cain" was very successful. It showcased the work of one of our premier playwrights and some of our finest players in a world theatre capital. Each of the actors received offers of work in London — and happily all chose to return to Australia — and the audiences were vocal and enthusiastic in their appreciation. The Trust believes that we must continue to seek international opportunities, and that while the risks are obvious, the benefits to our artists and our national stature must also be considered.

Last among our entrepreneurial disappointments was "Lennon". When senior staff saw this show in London, they were captivated by the currency of its story, the superb opportunities it offered for talented young performers, and its potential to help the Trust reach younger audiences who rarely or never attend the theatre. Regrettably, however, "Lennon", despite good critical support, did not catch fire with audiences.

The role of the Trust as entrepreneur is unique in Australia. We remain committed to national touring, to the greatest outreach, to a diversity of activity, and to the creation of opportunities for Australian artists and Australian audiences. On an annual basis no other Australian performing arts organisation reaches so many people, performs in so many locations and employs so many different artists and craftsmen.

The Trust has always devoted a substantial portion of its time and resources to developing new Australian works, new Australian artists, and wider Australian audiences. Nowhere is our policy of innovation and experimentation more evident than in the work of our Australian Content Department. In addition to our work with Aboriginal artists which resulted in the "No Sugar" tour, in 1986 the work of the Department ranged from country tours to capital city presentations, and from highly experimental performance artworks to the presentation of a new Australian bush musical.

The diversity of the work of this Department is consonant with the diversity of the work elsewhere in the Trust. Under the direction of Wendy Blacklock, the Department continued in 1986 to be both innovative and supportive of young Australian talent.

Theatre of the Deaf, a young company of which we are particularly proud, took another step forward with their acclaimed production of "Waiting for Godot". This season for general audiences was in addition to maintaining their full schedule of performances for student audiences.

In July 1986 the Trust opened Halfix. Located in Sydney's Martin Place, this Trust-sponsored facility makes available to audiences reduced price theatre tickets. Sale of these tickets is, by and large, to individuals whose income rarely allows them to attend arts performances. Halfix should thus assist to develop new audiences and to increase revenue for arts entrepreneurs.

1986 was a year of major expansion for our costume division, with the addition of three retail outlets and a further 10,000 costumes to our stock. The costume area has always been one of the Trust's quiet achievers, but now looks poised for even greater accomplishment.

CHAIRMAN'S ADDRESS

In mid-1986, following three years of deliberation, and subsequent to the recommendations of the "Study into the future development of Orchestras in Australia, March, 1985", a decision was made that the Elizabethan Melbourne Orchestra should be transferred to the management of the Victorian Arts Centre. This decision was one that the Trust disagreed with, believing it was not in the best interests of the orchestra or all the user companies. However, once it was made, we took an active role to ensure that the transfer of the orchestra was orderly, and the rights of the musicians, some of whom had been our employees for twenty years, were fully protected. The transfer became effective January 1, 1987, and the Elizabethan Melbourne Orchestra is now known as the State Orchestra of Victoria. We wish them well.

The Trust continued to manage the fine Elizabethan Sydney Orchestra and looks forward to further developing the activities and quality of this ensemble. In March 1987 the Music Board of the Australia Council informed us that they had reached a decision about the future of this Orchestra, and that it was to stay under the management of the Trust. Clearly, much of the work that Orchestra Administrator Warwick Ross and his staff have done in addressing the recommendations of the Tribe Inquiry, and seeking to improve the status of the Orchestra, affected this decision. We are delighted that the question of the management of the Orchestra is now settled for the foreseeable future, and we can get on with the task of both serving our orchestral users and developing an independent music programme for this fine ensemble.

William Reid, who for many years had been Music Director of the Orchestras, retired in July with our thanks for his many years of service. In December, Ronald Thomas was named Music Director. Mr. Thomas is one of Australia's finest musicians. He has pursued a career as a conductor, soloist and concertmaster in Europe for many years. His decision to return to Australia and take up a role with the Elizabethan Sydney Orchestra is a welcome one.

Mr. Frank Hooke joined the Board of Directors in 1986. Senior Corporate Counsel for ESSO, and formerly their Director of Corporate Affairs, Mr. Hooke brings a range of skills to his position as a director. He has a strong commitment to the arts, and substantial practical management experience. He has already begun to take an active role in the life of the Trust and we look forward to the contributions he will make.

Once again it is my pleasure to thank some of the many people who help to make the Trust possible. First among these must be Sir Ian Potter, President of our Council of Governors. Sir Ian has been involved with the Trust since its foundation and his commitment to Trust objectives is still an inspiration to the rest of us. I would also like to thank the Governors, the State Committees and all the many volunteers who work long hours on behalf of the Trust. An organisation like ours is always dependent for its success on the efforts of unsung heroes. We have too many to name them all, and I would not run the risk of omitting anyone, but I must acknowledge the tremendous help they have given.

I would also like to salute the unstinting work by the Trust Directors and Management. We are fortunate that we have always had great continuity and commitment in each of these groups.

As the Trust has always run a lean staff structure we generally have to ask our management team for 110% effort. Happily the effort is consistently forthcoming and I would like to acknowledge the dedication and professionalism of our Chief Executive Kathleen Norris and her team.

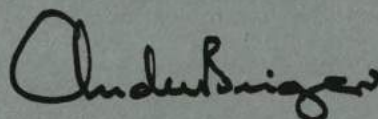
Despite the difficulties of 1986, the Trust remains committed to its policy of diversity, outreach and employment. However, the directors and management are aware that we must continue to seek ways to secure the financial future of the institution without reliance on either government subsidy or high-risk entrepreneurial ventures.

While it is possible to assume that 1986 was a cyclical bad year, theatre is always a high-risk business and steps must be taken to protect the Trust by ensuring it does not happen again. Since our presentations are one-off rather than recurring activities, we are able to exercise greater control in this area than other companies.

Additionally, there have been changes initiated which will be of key significance in the future.

- The computerisation of our financial information will be completed in 1987. This will give management and directors more sophisticated reporting and monitoring systems.
- Over the past two years we have been conducting a systematic review of our assets, to ensure that our resources are deployed to the best advantage of the company.
- Management and directors have initiated an orchestrated fund-raising effort designed to significantly increase our support from private and corporate donors.
- All programmes have been reviewed and commercial objectives established in some areas. Others, such as membership, have been set minimum targets of financial self-sustenance.
- We are seeking new opportunities for our entrepreneurial skills. For example, we have undertaken a management role with two fine Australian music ensembles, "Soloists of Australia" and "Ozpop". This enables us to use our expertise without financial risk to the Trust.
- We continue to seek other secure sources of income which can be used to cross-subsidise our loss-making public service activities. Our costume department, for example, was expanded in 1986 because it had the potential to become a profitable commercial operation.

In these ways we will protect our ability to continue to innovate, to develop, to serve both the artists and the audiences of Australia. Over its 33-year history the Trust has seen many changes and developments and surmounted many obstacles. We look proudly on our achievements and must continue to use these as a base to build for the future.



Andrew Briger, A.M.
Chairman
13th April 1987

CHIEF EXECUTIVE'S REPORT

The Trust has rarely had as challenging a year as 1986. We had many successes in areas such as orchestras, membership, costume department, Australian Content, Theatre of the Deaf, and Halftix. Unfortunately, these were offset by difficulties in the Entrepreneurial area.

The Trust is blessed with a management and directors courageous and committed to a high level of activity and achievement. 1986 has been a testing year for us all, and one that none intend to see repeated. However, it was also a year in which much was accomplished. The Trust has a long history of meeting challenges, of dealing with adversity, and of getting on with business. In its thirty-three-year history, it has dealt with declining subsidy, changes in activities, and changes in audience response patterns. It has been able to remain at the heart of the arts in Australia, and intends to continue this position.

PERFORMANCE ACTIVITIES

The Trust's performance activities fall into three areas: the Entrepreneurial department, which is wholly unsubsidised and produces and presents large Australian and international attractions; Australian Content, which is committed to support new-form dance and theatre works by Australian artists; and the Theatre of the Deaf, our company of deaf and hearing actors which performs both in schools and for general audiences.

In 1986, the Entrepreneurial department had responsibility for "Pirates of Penzance", Netherlands Dance Theatre, "Sons of Cain", "The Foreigner", "Having a Ball", "Lennon" and "Sugar Babies"; the Australian Content department was involved in "An Imaginary Life", "Honeyspot", "Magpies Nest", "No Sugar", "Winter/Passion", "True Blue", "The Last Wake at She Oak Creek", "Son of Romeo" and "Angels Tomorrow" and Theatre of the Deaf productions included "Odd Bods", "Bundle of Sticks", "Silent Video", "The Moon Between Two Houses" and "Waiting for Godot".

As in previous years, the Trust retained its commitment to national touring. The difficulties and expense of touring productions are considerable, and continually increasing rather than diminishing. However, as Australia's foremost national entrepreneur, the Trust is determined to reach an audience that is not only diverse in interest but in geographical location as well. In 1986, productions in which the Australian Elizabethan Theatre Trust was involved once again played every State and Territory of our nation.

THE ENTREPRENEURIAL DEPARTMENT

Noel Ferrier	Executive Producer for Musical Theatre
John Woodland	Entrepreneurial Administrator
Dennis Linehan	Entrepreneurial Administrator
Pamela Andrews	Entrepreneurial Co-ordinator

Activities in which the Entrepreneurial Department is involved fall into three categories: principle presentations, management presentations, and investment presentations.

Each year the Trust is offered literally hundreds of projects and can become involved in only a fraction of these. The Entrepreneurial department must maintain the difficult balance of trying to present attractions of merit but which will also be successful commercially. This is necessary because the Entrepreneurial department not only has no subsidy for its activities but is called upon to cross-subsidise other areas of Trust activities.

The year 1986 proved to be for the Entrepreneurial department one of the most difficult years in Trust memory. A general national downturn in audience attendance, the declining value of the Australian dollar relative to foreign currencies, and an international diplomatic crisis, combined to affect us.

By the end of 1986, it was apparent that there was a need to restructure and reorientate the departments activities, to ensure that the department and the Trust itself are better protected in future.

During 1986, Jeff Kovel, Entrepreneurial department director and a Trust employee for more than fifteen years, left the Trust. He oversaw many exciting entrepreneurial projects during his tenure with the Trust. Management and directors combined to wish him great success in his new pursuits.

In order to best handle the ongoing needs of sponsorship and marketing of the Entrepreneurial and other Trust departments, the Trust set up a Marketing department in 1986.

This department was established in June 1986 when David Martin was appointed Marketing Manager. The department is directly responsible for the co-ordination of the Trust's public relations, sponsorships and Entrepreneurial department ticket sales activities. It also assists all other departments where required with their advertising and promotional needs.

The Marketing department also is currently involved in the development of new areas of income for the Trust, including corporate memberships, sponsorships, project management and other entrepreneurial activities within our industry.

CHIEF EXECUTIVE'S REPORT

PRINCIPAL PRESENTATIONS

PRODUCTION	VENUES	NO. OF PERFORMANCES	ATTENDANCE
Lennon	NSW season, Enmore Theatre, Newcastle Civic Centre, Bankstown Sports Club	56	23,471
Netherlands Dance Theatre	Princess Theatre, Melbourne, VIC Presented in association with The Adelaide Festival of Arts	14	11,104
Pirates of Penzance	Sydney Entertainment Centre, NSW Lyric Theatre, Queensland Performing Arts Complex, Brisbane. Presented in association with The Victoria State Opera.	32 32	53,962 57,049
Sons of Cain	Suncorp Theatre, Brisbane, QLD Wyndham's Theatre, London, England. Presented in association with The Theatre of Comedy, London.	31 70	13,059 19,170
Sugar Babies	Her Majesty's Theatre, Sydney, NSW Presented in association with J.C. Williamson P/L.	70	64,061
The Foreigner	Newcastle Civic Theatre, NSW Queensland Performing Arts Centre, Brisbane Adelaide Festival Centre, SA Noarlunga, SA Regal Theatre, Perth, WA Queens Theatre, Geraldton, WA Footbridge Theatre, Sydney, NSW	8 19 17 6 21 5 41	6,073 16,886 6,984 1,533 10,909 2,709 15,916

INVESTMENT PRESENTATIONS

Corpse	Twelfth Night Theatre, Brisbane, QLD Pilbeam Theatre, Rockhampton, QLD Civic Theatre, Townsville, QLD Civic Theatre, Cairns, QLD Playhouse Theatre, Darwin, NT Araluen Art Centre, Alice Springs Footbridge Theatre, Sydney, NSW Regal Theatre, Perth, WA Presented in association with the Gordon Frost Organisation.	41 6 6 6 6 6 59 32	unavailable 1,588 252 1,604 unavailable 1,066 20,383 2,982
Glengarry Glenross	Playhouse, Sydney Opera House, NSW Presented in association with Gary Penny Productions.	67	19,369
Pearls Before Swine	Universal Theatre, Melbourne, VIC Presented in association with Trust Me Productions.	29	2,845
Phillip Glass Ensemble	Concert Hall, Sydney Opera House, NSW School of Music, Canberra, ACT Concert Hall, Victorian Arts Centre, Melbourne, VIC Concert Hall, Queensland Performing Arts Centre, Brisbane, QLD Presented in association with Musica Viva, Australia.	1 1 1 1	2,078 453 1,471 936

MANAGEMENT PRESENTATIONS

Great China Spectacular	Her Majesty's Theatre, Sydney, NSW Boondall Complex, Brisbane, QLD Seagull Club, Tweed Heads, QLD Civic Theatre, Newcastle, NSW Canberra Theatre, ACT Palais Theatre, Melbourne, VIC Festival Theatre, Adelaide, SA Victorian Country venues Albury Cinema Centre	8 2 2 4 5 14 5 12 3	
Having a Ball	Seymour Centre, Sydney Canberra Theatre, ACT Comedy Theatre, Melbourne, VIC	54 6 55	33,000 21,337 4,475 20,261

CHIEF EXECUTIVE'S REPORT

AUSTRALIAN CONTENT DIVISION

Wendy Blacklock Administrator
David Spiller Company Manager
Sue Nicholas Co-ordinator

The Australian Content Department was exceptionally busy in 1986 as research, commissioning and workshops were co-ordinated in addition to eight productions in sixteen venues. These venues were as diverse as basketball courts, art galleries, school playgrounds, town halls, as well as traditional theatre spaces.

The product presented included the work of a performance artist and her company, a bush musical, a solo mime artist playing all the parts in Romeo and Juliet, a modern dance company, a children's play and a visual adaptation of a well-known novel.

The highlight of the year was the re-mounting of the Western Australian Theatre Company's production of Jack Davis' play, "NO SUGAR". Commissioned by the Department in 1984, this play had been chosen to represent Australia at the World Theatre Festival held in conjunction with Vancouver Expo '86. It performed alongside the Kirov Ballet from the USSR, the Beijing People's Theatre from China and the State Theatre of Heidelberg. The two-week season was completely sold out and a week in Ottawa followed before the company returned to an equally successful season in Melbourne. In preparation for the Bicentennial celebrations, a further Aboriginal play has been commissioned from Jack Davis and it is anticipated that this will tour both nationally and internationally.

The Australian Content department received subsidy from the Theatre, Music and Literature Boards of the Australian Council and BP as a corporate sponsor.

PRODUCTION	VENUES	NO. OF PERFORMANCES	ATTENDANCE
An Imaginary Life	Belvoir St. Theatre, Sydney, NSW	37	5,000
Honeyspot	Victorian Tour	41	6,000
	Belvoir St. Theatre, Sydney, NSW	32	6,000
Magpies Nest	Workshop (AETT)	1	65
No Sugar Expo '86	Vancouver, Canada	12	4,000
	Ottawa, Canada	4	1,000
	Fitzroy Town Hall, Melbourne, VIC	17	4,000
Winter/Passion	NSW Art Gallery	5	400
	Atheneum 2 Melbourne, VIC	10	600
True Blue	Studio, Victorian Arts Centre, VIC	5	1,000
The Last Wake at She Oak Creek	Stables Theatre, Sydney, NSW	30	2,000
Son of Romeo	TAU Community Centre, Canberra, ACT	3	200
	Wollundry Rooms, Wagga Wagga, NSW	7	400
	Mitchell College, Bathurst, NSW	3	300
	Schools, Wollongong, NSW	3	400
	Performance Space, Sydney, NSW	9	400
Angels Tomorrow	Performance Space	14	500
		233	32,265

THEATRE OF THE DEAF

Priscilla Shorne Administrator
Patrick Mitchell Artistic Director
Carol-Lee Aquiline Assistant Artistic Director

1986 saw the Theatre of the Deaf continue to move forward. In addition to its regular in-schools work, the company presented a season as part of the Adelaide Festival Fringe, and a highly acclaimed production of "Waiting for Godot" for general audiences.

The practice of commissioning new works for the company was continued and for the production of "Waiting for Godot", a special sign language script was developed by company members.

Theatre of the Deaf requires a very high level of commitment and energy from company members. It is not uncommon for the company to play in as many as a dozen of geographically disparate schools in one week. Additionally, the performance style, which is energetic and targeted to young audiences, requires immense concentration.

The company has been fortunate over the period of its development that it has had an incredibly dedicated complement of deaf actors that has been the backbone of its performances. In 1986, a founding member, David London, took seven months leave of absence before deciding to resign in December. Martha Rundell, who had been with the company for four years, also decided to move on to other things. Regrettably, both of these talented performers will be lost to the theatre industry because there is no other company which provides similar opportunities for deaf actors. One of the long-term goals of the Theatre of the Deaf is to develop to the point where talented deaf actors can be continuously employed without continually having to face the arduousness of daily in-schools performance.

CHIEF EXECUTIVE'S REPORT

The Theatre of the Deaf is sponsored by the Theatre Board of the Australia Council and the New South Wales Ministry for the Arts. During 1986, special grants were received from the Touring and Access Board and Design Arts Board of the Australia Council. Corporate sponsorship was given by Unilever Australia Ltd., Esso Australia Ltd., TNT Ltd., AGC Ltd., Comalco Ltd., National Australia Bank, CSR Ltd., Macquarie Charitable Foundation Ltd., Commonwealth Bank of Australia and the ANZ Bank Ltd.

PRODUCTION	VENUES	NO. OF PERFORMANCES	ATTENDANCE
Odd Bods by Richard Tulloch for infant schools	Sydney metropolitan schools and schools in Adelaide as part of Adelaide Festival Fringe	45	6,541
Bundle of Sticks by Greg McCart for high schools	Sydney metropolitan schools	15	2,379
Silent Video by Richard Tulloch for primary schools	Schools in NSW, Tasmania and South Australia	206	31,300
The Moon Between Two Houses by Suzanne Lebeau for infant schools	Sydney metropolitan schools and schools in Tasmania	37	5,300
Waiting for Godot by Samuel Beckett	Downstairs Theatre, Seymour Centre	23	2,300
		326	47,820

AETT ORCHESTRAS

Warwick Ross Administrator
Ronald Thomas Music Director

During 1986, the Elizabethan Sydney Orchestra gave 169 performances with The Australian Opera and 62 with the Australian Ballet. The Elizabethan Melbourne Orchestra gave 52 performances with The Australian Opera, 108 with the Australian Ballet and 22 with the Victoria State Opera.

Management of the Orchestras created a concert policy which is designed to profile musicians as an orchestra in concert and as individuals in chamber music concerts. Two concerts were presented by the AETT for the Elizabethan Sydney Orchestra and two concerts for the Elizabethan Melbourne Orchestra during 1986.

In November 1986, Ronald Thomas was appointed as orchestral music director following the retirement of William Reid who had given many years of service to the Trust. Mr. Thomas' international reputation and experience will be great assets to the Trust. He has already begun to immerse himself in the workings of the orchestra and many of the procedures he plans to introduce will secure the artistic future of the Elizabethan Sydney Orchestra for the years to come.

Management sought to increase musicians' remuneration by involving the orchestra in activities outside the Opera/Ballet requirements. Considering the limits of availability, only one major project was achieved, which was the recording of the music by the Elizabethan Sydney Orchestra for the MELBA television series. This engagement offered the musicians a total of \$16,700 in extra salaries.

A long-needed User Agreement between Orchestra Managements and User Companies was established during the year. This agreement now will be contained annually in the Conditions of Grant set down by the Australia Council and will clearly identify user company and orchestral management's rights and responsibilities, obviating many of the problems that have arisen in the past.

On March 10, 1986, the AETT was advised by the Australia Council of Council's intention to implement the recommendations of the Tribe Report and proceed with the handover of the Elizabethan Melbourne Orchestra to the Victorian Arts Centre Trust. The ownership of the Orchestra was transferred to the Victorian Arts Centre Trust on December 31, 1986. The point of departure was a moment of some sadness as the Elizabethan Melbourne Orchestra had been a part of the Trust since its foundation. The Orchestra will in future be known as the State Orchestra of Victoria.

The Elizabethan Sydney Orchestra receives subsidy from the Music Board of the Australia Council and the Office of the Minister for the Arts.

INTERNATIONAL ACTIVITIES

In 1986 the Trust undertook two exciting international projects. As part of the exchange with London's Theatre of Comedy, the Trust exported an Australian cast in an Australian production of David Williamson's "SONS OF CAIN". This opened on May 13 at Wyndham's Theatre in London. The play received warm critical response — the London theatre community was extremely welcoming to its Australian colleagues, and our partner Theatre of Comedy provided excellent local support to the production.

Unfortunately, the play opened just a few weeks after the American bombing of Libya. This bellicose incident decimated audiences in London's West End. Part of our planning in exporting this production had been to present it during the period of the year when London's theatre district is crowded with domestic and international theatre-goers. We did not anticipate the Libyan bombing, and certainly we could not have anticipated the effect that it would have on audiences and consequently on the box-office.

CHIEF EXECUTIVE'S REPORT

Nonetheless, the export of "Sons of Cain" was an important milestone. We sent our foremost playwright and many of our best players to perform in the area which is still a centre of English-speaking theatre.

Our second export activity was less fraught. The Australian Content department took the Western Australian Theatre Company's production of Jack Davis' "No Sugar" to be part of the World Festival at Vancouver's Expo '86. The production played to packed houses and showcased an important new Australian work.

Subsequently, the production played elsewhere in Canada before coming home to an acclaimed season at Melbourne's Fitzroy Town Hall.

These two projects are disparate in style and content but unified by their totally Australian character. The Trust was proud to be able to create new opportunities and international recognition for the work of Australian artists.

HALFTIX

Jo Litson	Booth Manager
Sean McKenna	Assistant Manager

In 1986 in response to a perceived need within the arts community, the Australian Elizabethan Theatre Trust established Halftix. This facility located in Sydney's Martin Place sells half-price tickets to live arts and entertainment attractions on the day of the performance.

Before undertaking this project, the Trust carried out extensive research which showed that approximately 28 per cent of Sydney's annual pool of tickets, or a total of about 800,000 tickets, go unsold. This represents a yearly loss to the arts and entertainment industry in excess of \$1.5 million. It is to sell some of these tickets and to capture some of this loss that Halftix was established.

Initial projections indicated that the project was unlikely to be self-supporting in less than three years; however, continuing its practice of assessing each project on its individual merits and allocating Trust resources where necessary, a decision was made that Halftix was an important investment on behalf of the arts community.

The Booth opened in July 1986, sharing facilities with the kiosk under the control of the Sydney Visitors and Convention Bureau.

Since its opening, the Halftix Booth has returned to Sydney's arts community \$250,000 in revenue and accounted for approximately 18,000 ticket sales.

Sales have built slowly but steadily as entrepreneurs realise the benefits of the booth and as public awareness increases. At peak periods, the booth is presently selling 1000 tickets a week. Companies who initially were worried that Halftix would compromise their own box-office figures carefully monitored their sales and are now extremely supportive.

Booth staff have worked closely with these companies to ensure that the facility is being used to maximum benefit and that there is no adverse impact on full-price ticket sales. Generally, booth sales figures reflect those of full-price box-offices. Better-known shows sell best but do have a spin-off effect on less well-known performances.

Halftix has yet to reach its peak. In 1987, promotional activities will be continued and accelerated; however, already Halftix is demonstrating that it has a growing audience. The prime location of the site continues to generate much interest from passersby and tourists and enquiries are constant.

No user surveys have yet been undertaken but it is the opinion of booth staff, based on sales patterns and the nature of enquiries, that they are already capturing an audience that would otherwise not be attending Sydney's range of arts and entertainment performances.

Halftix receives no government subsidy.

MEMBERSHIP

Carole Long	Manager
Carol Ormerod	Melbourne Representative
Denise Wadley	Brisbane Representative
Veronica Bohm	Adelaide Representative
Janet Durack	Perth Representative

By the end of December 1986, the Membership department had enrolled 3448 new members nationally resulting in a net growth of 1500 members. We had 9811 members and 60 Associates, topping the previous highest figure of 9,607 achieved on June 30, 1974.

At the beginning of 1986, Trust News had been revamped in each State and all membership materials had been redesigned. We were therefore well placed to test a range of promotional opportunities to achieve large-scale member acquisition.

A regular influx of Members was generated by word of mouth, brochure distribution to theatres and inserts in theatre programmes, direct marketing and advertisements in the Sydney, Melbourne and Brisbane press. Direct mail campaigns were undertaken in the same States.

A renewal rate of 77.75 per cent was achieved for the full year compared with 78 per cent the previous year. As the number of first-year renewals (which are normally associated with lower renewal rates) was considerably larger in 1986 than in 1985, this renewal rate is considered satisfactory.

CHIEF EXECUTIVE'S REPORT

During 1986, \$5,500 was received from members in unconditional donations. This resulted from low-key solicitations in both new-member enrolment forms and renewal notices. As a result, plans were prepared to test a more high profile approach to Members for donations early in 1987. Consideration is also being given to introducing a corporate level of membership.

Membership has been a quiet achiever over the past two years, experiencing annual growth and gradually reducing its losses. While it is still a financial drain on the Trust as a whole, regular growth should result in an operation which is fully breakeven by 1988.

The Membership department receives no government subsidy.

COSTUMES

Michael James Manager
Deborah Gray Assistant Manager

1986 was a year of change and expansion for the Trust's Costume department.

The first six months of the year saw the promotion and then success of a "making to order" service for costumes in the Trust's newly established workroom. One of the workroom's major orders for the year was the dressing of 800 toy bears for David Jones' toy departments Christmas display.

Also in 1986 the workroom was for the first time since the mid-1970s capable of producing costumes in large numbers for Trust productions. All the costumes for "LENNON" and the majority of the stretchware for "SUGAR BABIES" were made in-house.

In mid-year, the Trust acquired a chain of costume hire shops called "Motley's", with branches at Hurstville, Parramatta and Kent Street, Sydney. Included in the purchase of the three shops was a small dancewear manufacturing company called "Arabesque". The addition of three retail outlets and approximately 10,000 costumes will enable the Trust to serve a much wider public and will, over time, increase the profitability of the Costume division.

Apart from their main function of hiring costumes, the costume shops are also being used to promote the Trust's other hire departments, Halfix, Trust Membership and Trust productions. All of the new shops covered their costs and turned a profit for the five months of Trust ownership in 1986.

1987 will be a year of consolidation for the department, with focus on securing more orders for the workroom, production of a catalogue for Arabesque, and completing integration of the new shops into departmental operations.

The Costume department is an unsubsidised area of Trust activities.

ELECTRICS DEPARTMENT

Roger Taylor Manager

The Electrics department faced fierce competition in 1986, with the lighting hire business generally becoming considerably more competitive. Costs were controlled by keeping staffing levels moderate, and late in the year new equipment was added to the stock for initial use on "Lennon". This equipment continued to upgrade the department's inventory and should hire well in 1987.

In addition to hires to Trust productions, including "An Imaginary Life", "Lennon" and "Sugar Babies", the department hired to performances by the Berlin State Orchestra, Shakespeare in the Park, "Guys And Dolls" and "Pearls Before Swine". Many amateur theatrical groups and high schools were also provided with equipment.

This Department is an unsubsidised operation.

SCENERY DEPARTMENT

Roger Taylor Manager

The Trust continued to maintain its unique position in the area of curtains and rostra. This equipment is in constant demand and worked to capacity. Constant attention has to be paid to stock maintenance and in future an investment in new stock is likely to be warranted.

Major department clients in 1986 included the mini series "Cyclone Tracy" and "Vietnam", the Australian tour by Pope John Paul II, and more secular tours by Julie Anthony and Dire Straits. Bread-and-butter activities also included television commercials, product launches, conventions and seminars for companies such as McDonalds, Schwarzkopf, Prime Computers and the AMP Society. Equipment was also provided for Trust shows such as "Sons of Cain", "Lennon" and "Sugar Babies".

This Department is an unsubsidised operation.

FINANCIAL SERVICES

Mark Benvau Director

In 1986, the Financial Services department of the Trust administered more than \$3,000,000 in contributions to 201 organisations throughout Australia. The two Trust superannuation schemes for the performing arts were maintained and the several hundred members of these two funds serviced.

CHIEF EXECUTIVE'S REPORT

Financial Services administered a number of small grants for State and Federal funding agencies, acted as trustee of the Armstrong Martin Scholarship, and provided financial and administrative advice to numerous organisations and individual artists. Each week the department receives many requests ranging from simple to complex for advice and information about arts management.

The department continued the process of computerisation in 1986. Complicated, time consuming, and occasionally nerve-wracking, this process will enable us to maintain better and more current control over our own financial operations, and to extend our portfolio of financial services.

Don Grace, Financial Controller of the Trust since 1975, left the Trust in August 1986. Don had seen the Trust through lean times and fat, through periods of expansion and contraction, and through a range of programme changes. He was a most congenial colleague amongst the management, a skilled arts politician and a financial stalwart for many years. Though he will be missed, we were fortunate in being able to replace him with a gentleman of considerable skill in the financial direction of large organisations. In September, Mark Benvau moved across from The Australian Opera to join the Trust. Mark has great depth of expertise and skill in the financial area, and will continue the traditions established by Don Grace.

DIRECTORS' REPORT

Directors

1. Board

The names of Directors of the Company in office at the date of this report and details of their qualifications and special responsibilities are as follows:

Director & Qualifications	Experience	Special Responsibilities
Andrew Briger, A.M., A.A.S.T.C., L.F.R.A.I.A., A.R.A.P.I. (age 64)	More than 40 years' experience as an Architect and Planner. Chairman Sydney Youth Festival Committee. Director Australian Theatre for Young People. Former Deputy Lord Mayor of Sydney, member of N.S.W. Urban Design Advisory Committee and former member of various State Advisory Committees and Authorities. Chairman and Director of the Architectural firm of Clarke, Perry and Blackmore Pty. Ltd.	Chairman of the Board of Directors. Chairman of Finance Committee. Deputy Chairman Orchestras Council.
Sir David Griffin, Kt., C.B.E., L.L.B. (age 71)	Extensive legal practice in the fields of company law and taxation until 1965. Former Chairman of Nabalco Pty. Ltd. and Barclays Bank Group in Australia. Presently Chairman of Vanguard Insurance Co. Ltd., Robert Bosch (Australia) Pty. Ltd. and Mirvac Funds Ltd. A Director of John Fairfax Ltd. and several other public companies. Lord Mayor of Sydney 1972-1973.	Deputy Chairman of Directors. Chairman Orchestras Council. Member of Finance Committee.

DIRECTORS' REPORT

Director & Qualifications	Experience	Special Responsibilities
The Rt. Hon. Sallyanne Atkinson, B.A. (age 44)	More than 15 years' experience as a journalist and for the past 8 years has been an Alderman of the Brisbane City Council and is currently the Lord Mayor of Brisbane.	
Kenneth Edward Cowley (age 52)	More than 20 years' experience in the Newspaper Industry where he has held senior management posts. Managing Director News Ltd., Director News Ltd. and News Corporation Ltd. and several other companies. Member of Senate of University of N.S.W. and Trustee of Art Gallery of N.S.W.	Member of Finance Committee.
Frank Murray Hooke (age 45)	More than 20 years' experience in law, a practising solicitor and business executive. Last 14 years with Esso Australia Ltd. as legal counsel and as General Manager for Government and Public Affairs, was responsible for sponsorships, government and public relations and corporate advertising for Esso.	Member of Finance Committee.
The Hon. Mr. Justice Christopher John Legoe, M.A.(Cantab.) (age 58)	Over 25 years' experience in the legal profession as a Barrister at Law, Queens Counsel and a Justice of the Supreme Court of South Australia. Former Chairman of the Collingrove Committee of the National Trust of South Australia. Deputy Chairman of the Law Reform Commission of South Australia and is a Foundation Member of the Institute of Arbitrators of Australia.	
Dr. Toby Manford, Ph.D. (age 50)	Over 30 years' active and administrative experience in various aspects of the performing and visual arts in Western Australia. Member of Claremont School of Art Foundation, Western Australian Representative of the Australiana Fund. Formerly a tutor in History at University of Western Australia, Member of the Senate of Murdoch University and A.B.C. Advisory Board.	
David Allan Mortimer, B.Ec.(Hons.), A.A.S.A.C.P.A. (age 41)	Over 20 years' experience in the finance and transport industries. Finance Director of T.N.T. Ltd., Director of several public companies.	Member of Finance Committee.

DIRECTORS' REPORT

Director & Qualifications	Experience	Special Responsibilities
Leonard George Teale (age 64)	Over 40 years' experience as an actor, director, writer and producer in theatre, television, radio and films. Trustee of National Parks and Wildlife Foundation of N.S.W.	
Lloyd Dengate Stacy Waddy, L.L.B., R.F.D. (age 47)	More than 20 years' experience in the legal profession as a Barrister at Law. Chairman of The Marionette Theatre of Australia Ltd. and Braeside Music and Drama Ltd. A director or committee member of several other organisations.	
Timothy Carrington Yates (age 53)	Over 30 years' experience in business, principally with Yates Seeds, of which he was a Director from 1971 to 1987, specialising in marketing. Director of several companies.	Member of Finance Committee.

A Director must be a member of the company.

- The company is limited by guarantee and accordingly does not issue shares.
- Contracts are entered into in the normal course of business by the company with companies of which some Directors are common to both. Since the end of the previous year no Director has received or become entitled to receive a benefit by reason of a contract made by the company with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest.
- The principal activities of the company during the financial year were the administration of the Elizabethan Sydney and Melbourne Orchestras; the presentation, promotion and assistance of drama, music and dance throughout Australia; making and hiring of costumes and other theatrical equipment. There have not been any significant changes in the nature of these activities during the financial year.
- The year's activities resulted in an operating deficit of \$1,943,821 which has been included under Funds in the Balance Sheet. The company is exempt from income tax.
- The company's Memorandum of Association prohibits the distribution of income and property by way of dividend or bonus and no dividend or bonus has been paid or declared since the end of the previous financial year.
- A review of the operations of the company during the financial year and the result of those operations is contained in the Chairman's Report and the Chief Executive's Review of Operations on pages 7 to 13 of this Annual Report.
- In the opinion of the Directors there was no significant change in the state of affairs of the company during the year not otherwise disclosed in this report or the accounts.
- There are no matters or circumstances that have arisen since the end of the financial year other than those referred to in the accounts, the notes thereto and this Annual Report that have significantly affected or may significantly affect the operations of the company, the results of these operations or the state of affairs of the company in the financial year subsequent to that financial year.

DIRECTORS' REPORT

10. In the opinion of the Directors disclosure of information regarding likely development in the operations of the company and the expected results of those operations would prejudice the interests of the company. Accordingly this information has not been included in this report.

SIGNED this thirteenth day of April 1987 in accordance with a resolution of the Directors of The Australian Elizabethan Theatre Trust.

ANDREW BRIGER, A.M., Chairman of Directors

TIMOTHY YATES, Director

BALANCE SHEET

AS AT 31ST DECEMBER 1986

	NOTES	1986 \$	1985 \$
FUNDS AND RESERVE			
Accumulated Funds			
General		(1,219,414)	595,046
Orchestral		358,461	234,122
		(860,953)	829,168
Entrepreneurial Development Fund	2	—	200,000
		(860,953)	1,029,168
Asset Revaluation Reserve	2	1,456,249	228,000
TOTAL FUNDS AND RESERVE		\$595,296	\$1,257,168
Represented by:			
FIXED ASSETS	3	2,384,294	883,546
CURRENT ASSETS			
Cash at Bank and on Deposit		312,849	2,018,525
Amounts Receivable	4	447,023	489,784
Subsidies Receivable		—	112,500
Stock on Hand		40,364	6,256
Prepayments		183,841	141,937
Advance Production Costs	1(h)	1,204,871	507,607
		2,188,948	3,276,609
TOTAL ASSETS		4,573,242	4,160,155
From which has been deducted:			
NON-CURRENT LIABILITIES			
Membership Fees Received in Advance	10(c)	—	10,557
CURRENT LIABILITIES			
Bank Overdraft (Secured)	5	317,941	—
Amounts Payable		1,996,080	794,437
Provisions for Specific Purposes	6	436,721	766,712
Donations Received in Advance	1(g)	265,472	176,485
Membership Fees Received in Advance	10(c)	—	89,939
Subsidies Received in Advance		647,566	956,400
Funds for Special and Specific Purposes	7	314,166	108,457
		3,977,946	2,892,430
TOTAL LIABILITIES		3,977,946	2,902,987
NET ASSETS		\$595,296	\$1,257,168
LEASE COMMITMENTS	11		
CAPITAL EXPENDITURE COMMITMENTS	12		

The above Balance Sheet is to be read in conjunction with the accompanying notes.

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31ST DECEMBER 1986

	Note	GENERAL ACTIVITIES		TRUST ORCHESTRAS		TOTAL ACTIVITIES	
		1986 \$	1985 \$	1986 \$	1985 \$	1986 \$	1985 \$
INCOME							
Box Office and Other Receipts from Productions		4,285,862	5,764,518	9,817	—	4,295,679	5,764,518
Trading Activities, Rents and Recoveries		961,466	1,237,461	—	—	961,466	1,237,461
Administrative Fees and Sundry Income		779,459	461,648	762,798	806,803	1,542,257	1,268,451
Donations and Sponsorships		3,175,745	2,977,448	—	—	3,175,745	2,977,448
Subsidies	8	642,340	730,919	4,117,500	3,851,000	4,759,840	4,581,919
		<u>9,844,872</u>	<u>11,171,994</u>	<u>4,890,115</u>	<u>4,657,803</u>	<u>14,734,987</u>	<u>15,829,797</u>
EXPENDITURE							
Salaries and Other Personnel Costs		3,280,380	3,556,289	4,183,180	4,092,139	7,463,560	7,648,428
Fares, Freight and Travel		595,145	365,434	272,120	233,699	867,265	599,133
Advertising and Promotion		1,498,215	916,624	7,008	—	1,505,223	916,624
Production and Theatre Costs		2,689,233	2,608,002	74,000	138,733	2,763,233	2,746,735
Premises, Administration and Provisions		750,770	741,425	229,468	147,261	980,238	888,686
Grants	9	3,099,289	2,899,923	—	—	3,099,289	2,899,923
		<u>11,913,032</u>	<u>11,087,697</u>	<u>4,765,776</u>	<u>4,611,832</u>	<u>16,678,808</u>	<u>15,699,529</u>
Operating (Deficit)/Surplus for the year	10	(2,068,160)	84,297	124,339	45,971	(1,943,821)	130,268
Extraordinary Item							
Surplus from Sale of Investments		—	238,178	—	—	—	238,178
Operating Surplus/(Deficit) and Extraordinary Item		(2,068,160)	322,475	124,339	45,971	(1,943,821)	368,446
Accumulated Funds at 1st January		595,046	272,571	234,122	188,151	829,168	460,722
		(1,473,114)	595,046	358,461	234,122	(1,114,653)	829,168
Transfer from Entrepreneurial Development Fund	2	200,000	—	—	—	200,000	—
Transfer from Asset Revaluation Reserve	2	53,700	—	—	—	53,700	—
ACCUMULATED FUNDS/(DEFICIENCY OF FUNDS) at 31st December		<u>\$(1,219,414)</u>	<u>\$595,046</u>	<u>\$358,461</u>	<u>\$234,122</u>	<u>\$(860,953)</u>	<u>\$829,168</u>

The above Statement of Income and Expenditure is to be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

1 STATEMENT OF ACCOUNTING METHODS

(a) Accounting

The accounts for the company have been prepared under the Historical Cost Convention modified by the revaluation of Freehold Land and Buildings, Musical Instruments and Costumers and in accordance with the unrevised Schedule Seven of the Companies Act, 1981.

Divisional Statements of Income and Expenditure have been prepared in respect of the General Activities of the company and the Elizabethan Trust Orchestras. These have been amalgamated to give total Income and Expenditure after the elimination of intercompany income and charges.

The Australia Council, as one of its conditions of subsidy for the Elizabethan Trust Orchestras, requires the balance of any surplus or loss arising from the annual activities of the orchestral division to be disclosed in the Balance Sheet as a separate definable item under Accumulated Funds.

(b) Going Concern

The financial statements have been prepared in accordance with generally accepted accounting principles including the going concern principle.

The ability of the company to maintain its operations is dependent on the continuing support of various governments by way of subsidies.

(c) Depreciation

Freehold Buildings have been depreciated at the rate of two per centum per annum. Leasehold Improvements have been amortised over the period of the lease. Other Fixed Assets are depreciated over their estimated useful life using the straight line method of depreciation.

(d) Stock on Hand

Stock on Hand consists of consumable stores and supplies and has been valued at the lower of cost and net realisable value with cost being the main basis. Cost has been determined by the first in first out method.

(e) Funds for Specific and Special Purposes

(i) Special Purposes

The company has entered into a number of agreements with the Australia Council to administer certain grants either on its behalf or at its direction. A condition in each agreement is that the amount of the grant and its expenditure is to appear in the annual financial accounts of the company. In addition, certain deposits, grants and theatre ticket sales are administered on behalf of other organisations. Special Purpose Funds have not been brought into account in determining the net result of the company (refer Note 7).

(ii) Specific Grants

Expenditure for Specific Grants together with sufficient income to meet that expenditure has been included in the Statement of Income and Expenditure. The balance of these grants has not been included in determining the net result of the company (refer Note 7).

(f) Subsidies

Subsidies are received from:

- (i) The Australia Council and the State Government of Victoria which cover a period that corresponds with the company's financial year, and
- (ii) Other State Governments and City Councils which cover a period that does not correspond with the company's financial year.

Income from subsidies is brought into account on a time basis over the period of the subsidy notwithstanding that the level of activity being funded may vary from one period to the next.

(g) Donations Received

Donations received for the support of activities carried out in the financial period are included as income in the Statement of Income and Expenditure whereas donations received in support of future activities are deferred until such time as expended.

(h) Productions in Progress

Where the company has theatrical productions in progress the practice is for the running costs for the tour of each activity to be accumulated and reduced by box office income until completion, at which time the result is determined and the company's share brought to account. All costs are carried forward at balance date on the basis that it is reasonably expected that future revenue sufficient to absorb the cost carried forward will be derived. In the instance of the Trust's major production of 1986/87, SUGAR BABIES, it is planned to undertake a tour of the Eastern Coast of Australia, to extend over a period exceeding the first six months of the calendar year 1987. In calculating the value of SUGAR BABIES as an asset of the Trust, it must be borne in mind that while every effort is made, based on past experience, to make such calculation of value accurate, the final value of the asset depends upon actual box office returns.

(i) Provision for Sick Leave

Members of the Elizabethan Trust Orchestras are entitled to accumulate a limited number of sick leave days. To meet possible contingencies a provision for each permanent member of those orchestras has been provided in the accounts.

Administration of the Melbourne Orchestra was handed over to another administering body on 31st December, 1986. Accordingly, the sick leave provision for that orchestra was reversed. The provision in respect of the Sydney Orchestra has been increased to provide for full entitlement under the award rather than six weeks sick leave as had been provided in prior years. This change in accounting policy has reduced the orchestra and total activities result by \$151,876 (refer Note 6).

(j) Membership Fees

Membership fees are brought to account on a cash received basis. This procedure is a change from the method adopted in prior years, whereby membership fees were brought to account on a time basis. The effect of this change is disclosed in Note 10(c).

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1986**

2 TRANSFERS TO/(FROM) RESERVES	1986 \$	1985 \$
Entrepreneurial Development Fund		
Balance 1st January	200,000	200,000
Transfer to General Funds	(200,000)	—
Balance 31st December	—	\$200,000
Asset Revaluation Reserve		
Balance 1st January	228,000	—
Revaluation of Musical Instruments and Equipment	—	228,000
Revaluation of Freehold Land and Buildings	1,026,600	—
Revaluation of Costumes	255,349	—
Revaluation reversed for Musical Instruments and Equipment sold during the year	(53,700)	—
Balance 31st December	\$1,456,249	\$228,000
3 FIXED ASSETS	1986 \$	1985 \$
Freehold Land		
At Officers' Valuation 31st December, 1986	490,000	—
At Independent Valuation 31st December, 1976	—	135,000
	490,000	135,000
Freehold Building		
At Officers' Valuation 31st December, 1986	835,000	—
At Independent Valuation 31st December, 1976	—	190,000
	835,000	190,000
Less Accumulated Depreciation	—	22,800
	835,000	167,200
Being Land and Building at 153-165 Dowling Street, Potts Point.		
Plant and Equipment		
At Cost	566,581	383,595
Less Accumulated Depreciation	154,418	112,693
	412,163	270,902
At Directors' Valuation 31st December, 1976	36,709	36,709
Less Accumulated Depreciation	36,709	36,709
	—	—
Costumes		
At Officers' Valuation 31st December, 1986	433,000	—
Less Accumulated Depreciation	—	—
	433,000	—
Musical Instruments and Equipment		
At Cost	29,107	47,829
Less Accumulated Depreciation	11,786	22,838
	17,321	24,991
At Directors' Valuation 31st December, 1985	187,806	248,636
Less Accumulated Depreciation	37,562	—
	150,244	248,636
Leasehold Improvements		
At Cost	51,740	147,269
Less Accumulated Amortisation	5,174	110,452
	46,566	36,817
	\$2,384,294	\$883,546

Officers' Valuations at 31st December, 1986 are based on independent valuations. These independent valuations are in excess of the officers' valuations.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

4 AMOUNTS RECEIVABLE	1986	1985
	\$	\$
Amounts Receivable	487,023	496,086
Less Provision for Doubtful Debts	40,000	6,302
	<u>\$447,023</u>	<u>\$489,784</u>
 5 BANK OVERDRAFT		
Bankers for the company hold a registered mortgage over Land and Buildings to support Bank borrowings if and when required.		
 6 PROVISIONS FOR SPECIFIC PURPOSES		
Long Service Leave		
Balance 1st January	311,414	264,808
Add Additional Provision	5,786	78,299
Less Leave Taken	(207,228)	(31,693)
Balance 31st December	<u>109,972</u>	<u>311,414</u>
Sick Leave		
Balance 1st January	355,298	169,257
Add Additional Provision	151,876	186,041
Less Provision no longer required	(180,425)	—
Balance 31st December	<u>326,749</u>	<u>355,298</u>
International Touring		
Balance 1st January	100,000	—
Add Amount Provided	—	100,000
Less Provision used during year	(100,000)	—
Balance 31st December	<u>—</u>	<u>100,000</u>
	<u>\$436,721</u>	<u>\$766,712</u>

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1986**

7 FUNDS FOR SPECIAL AND SPECIFIC PURPOSES	Balance 1.1.86 \$	Subsidy \$	Net Expenditure \$	Balance 31.12.86 \$
(A) Special Purposes:				
(i) Australia Council				
Facilities Directory	20,000	—	—	20,000
International Theatre Institute	131	42,880	22,342	20,669
Red Weather Theatre Co.	223	—	—	223
Women and Theatre Project (C. Westwood)	867	—	—	867
Aboriginal Dance Theatre	1,456	13,500	14,723	233
Sydney Youth Festival Committee Ltd.	3,911	—	1,146	2,765
Biennale Funds	—	114,293	58,137	56,156
(ii) New South Wales Ministry for the Arts				
— Arts Network	—	4,000	1,896	2,104
(iii) Other funds held	268	—	—	203,632
	<u>26,856</u>			<u>306,649</u>
(B) Specific Subsidies:				
(i) Australian Content				
Australia Council				
Annual	81,601	214,000	289,821	5,780
“No Sugar”	—	10,000	10,000	—
“Imaginary Life”	—	2,500	2,500	—
“Last Wake at the She Oak”	—	5,000	5,000	—
Department of Foreign Affairs				
“No Sugar”	—	20,000	20,000	—
Australian Bicentennial Authority				
“Lonely Call”	—	6,500	6,500	—
New South Wales Ministry for the Arts				
“Last Wake at the She Oak”	—	2,500	2,500	—
“Imaginary Life”	—	5,000	5,000	—
Western Australian Government				
“No Sugar”	—	50,000	50,000	—
		<u>315,500</u>	<u>391,321</u>	
(ii) Theatre of the Deaf				
Australia Council				
Annual	—	69,600	67,863	1,737
Literature Board —				
T. Strachen	—	2,500	2,500	—
Theatre Board —				
Touring and Access	—	13,740	13,740	—
“Waiting for Godot”	—	20,000	20,000	—
New South Wales Ministry for the Arts				
Annual	—	40,000	40,000	—
	<u>\$108,457</u>	<u>145,840</u>	<u>144,103</u>	<u>\$314,166</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

8 SUBSIDIES INCOME

	State Governments									Dept. of Foreign Affairs 1986 \$	Australian Bicentennial Authority 1986 \$	Dept. of Aboriginal Affairs 1985 \$	TOTAL	
	Australia Council 1986 \$	1985 \$	New South Wales 1986 \$	1985 \$	Victoria 1986 \$	1985 \$	Queensland 1986 \$	1985 \$	W.Aust. 1986 \$				1986 \$	1985 \$
Australian Content														
General	214,000	200,000	—	—	—	—	—	—	—	—	—	—	214,000	200,000
Specific	17,500	65,000	7,500	—	—	—	—	—	50,000	20,000	6,500	44,268	101,500	109,268
Theatre of the Deaf														
General	69,600	65,000	40,000	40,000	—	—	—	—	—	—	—	—	109,600	105,000
Specific	36,240	10,458	—	—	—	—	—	—	—	—	—	—	36,240	10,458
Orchestras														
General	3,660,000	3,421,000	232,500	220,000	220,000	210,000	—	—	—	—	—	—	4,112,500	3,851,000
Specific	—	—	5,000	—	—	—	—	—	—	—	—	—	5,000	—
Princess Theatre	—	—	—	—	100,000	273,000	—	—	—	—	—	—	100,000	273,000
General Activities	32,000	30,000	—	—	—	—	49,000	48,000	—	—	—	13,000	81,000	91,000
TOTAL	4,029,340	3,791,458	285,000	260,000	320,000	483,000	49,000	48,000	50,000	20,000	6,500	57,268	4,759,840	4,639,726

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

9 GRANTS

	State	1986 \$	1985 \$
Adelaide Chamber Orchestra	SA	1,500	300
Adelaide Committee Playwriting Award	SA	—	175
Adelaide Festival of Arts Inc.	SA	18,250	50,150
Adelaide School of Drama (Les Enfants) Inc.	SA	—	550
Armidale Community Radio Co-Operative Limited	NSW	1,865	1,685
ACT Opera and Music Theatre Association	ACT	350	—
The Academy of Turkish Music and Fine Arts	NSW	30	—
The Adelaide Repertory Theatre Inc.	SA	80	—
C. Anderson (to study Worker's Theatre)	VIC	2,000	—
Art Unit	NSW	—	25
Arts Council of New South Wales Ltd.	NSW	2,500	500
Association for Community Theatre Incorporated	SA	5,000	—
The Astra Chamber Music Society	VIC	12,000	11,000
Australia Council	NSW	10,000	42,820
Australia Music Centre Ltd.	NSW	370	—
The Australian Ballet	VIC	70,800	22,897
The Australian Ballet School	VIC	6,100	6,150
The Australian Boys' Choral Institute	VIC	1,000	—
Australian Chamber Orchestra Pty. Ltd.	NSW	37,000	100
The Australian Children's Choir	VIC	5,620	—
Australian College of Entertainers Co. Ltd.	VIC	—	2,000
Australian Copyright Council	NSW	70	—
The Australian Dance Foundation Limited	QLD	4,695	39,493
Australian Dance Theatre	SA	5	100
Australian Film and Television School	NSW	72,500	—
Australian Film Institute	VIC	40,000	35,500
Australian Heritage Dancers	NSW	40,703	—
Australian Intersarsity Choral Societies' Association	QLD	4,450	—
Australian Musicians' Guild Limited	VIC	60	—
Australian National Eisteddfod Society	ACT	400	—
Australian National Playwrights' Conference	NSW	4,875	5,550
The Australian Opera	NSW	489,612	514,433
Australian Opera Auditions Committee (NSW)	NSW	13,581	29,915
Australian Rock Company	NSW	50,000	12,000
The Australian Society of Authors Limited	NSW	2,064	461
Australian Theatre for Young People	NSW	555	10
Australian Writers' Guild Ltd.	NSW	500	—
The Biennale of Sydney	NSW	11,000	—
The Late Blackwater Mine Workers Memorial Construction Committee	QLD	13,700	—
Boiler Theatre Company Inc.	SA	—	280
A. Borzewski (to study Theatre Director)	VIC	—	1,000
Braeside Music and Drama Ltd.	NSW	—	1,000
Brisbane Arts Theatre	QLD	350	50
The Brisbane Community Arts Centre Ltd.	QLD	975	950
Brisbane Light Opera Company	QLD	275	3,100
Brisbane Warana Festival Ltd.	QLD	33,645	83,460
Brown's Mart Community Arts Project	NT	1,120	500
Burdekin Cultural Executive	QLD	—	2,000
Burley Griffin Incinerator Complex Limited	VIC	5,000	250
Cairns Community Broadcasters Incorporated	QLD	3,060	6,332
Cairns Little Theatre	QLD	100	—
Cairns Youth Orchestra	QLD	10	450
L. Campbell (travel grant to study Mime)	QLD	500	500
Canberra Community Arts Front Inc.	ACT	970	2,396
Canberra Dance Ensemble Inc.	ACT	—	1,000
Canberra Youth Orchestra Society Inc.	ACT	875	56,600
Canberra Youth Theatre Company Inc.	ACT	443	—
Cara Centre Limited	NSW	2,917	30,200
Carclew Youth Performing Arts Centre Inc.	SA	4,970	—
Castlemaine State Festival	VIC	7,155	—
Central and Northern Queensland Theatre Co. Ltd.	QLD	10,000	2,700
Central Coast Music Centre	NSW	1,200	—
Central Western Regional Theatre Co.	NSW	—	50

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

	State	1986 \$	1985 \$
Children's Activities Time Society Inc.	WA	—	2,000
Circus Australia Limited	VIC	7,500	—
City of Nunawading	VIC	5,035	195
City of Sydney Cultural Council	NSW	8,272	18,670
City of Warrnambool	VIC	5,000	2,908
Cladan Cultural Exchange Institute of Australia	NSW	12,000	41,700
Coffs Harbour Community Music Education Centre	NSW	31	631
The Community Music Centre of Mackay Inc.	QLD	25	—
Community Radio Federation Limited	VIC	300	100
Company B Limited	NSW	4,848	3,295
Confederation of Australian Professional Performing Arts Limited	NSW	2,000	500
Crafrers Organ & Choral Music Society	SA	43,578	5,000
Crafts Council of Australia	NSW	2,400	350
Creative School Holiday Club Limited	VIC	2,000	—
Dance Works Limited	VIC	3,000	—
Dandenong Ranges Music Council	VIC	5,000	—
Darwin Performing Arts Centre	NT	13,550	14,250
Darwin Theatre Group Inc.	NT	—	450
Death Defying Theatre	NSW	2,146	—
Drama Studio	NSW	—	500
Early Music Society of Victoria	VIC	—	530
Eastern Suburbs Community Theatre Co. Ltd. (Theatre Works)	VIC	300	—
J. Eccles (travel grant to attend Congress of Theatre Critics)	NSW	—	500
Embroiderers' Guild Queensland Limited	QLD	150	2,706
Ensemble Productions Pty. Limited	NSW	15,320	14,575
Ensemble Theatre Project Inc.	ACT	18,855	—
Entr'acte Theatre	NSW	3,000	—
Eurobodalla Access Radio Inc.	NSW	100	—
Expressions — Queensland Dance Theatre Limited	QLD	4,845	200
Fay Mokotow — Memorial Trust Fund	NSW	15	—
The Federated Music Clubs of Australia (NSW Council)	NSW	107,267	158,333
Fellowship of Australian Composers	NSW	1,098	3,832
Fellowship of Australian Writers (WA Section)	WA	—	160
C. Ferraro (travel grant to study singing)	VIC	—	1,000
Festival of Perth	WA	—	10,000
Filmfest Limited	VIC	1,500	—
Flederman Pty. Ltd.	NSW	1,275	400
The William Fletcher Trust	NSW	10,000	—
Flynn of the Island Fund	QLD	16,345	—
Fortune Theatre Company Inc.	ACT	—	1,000
Four's Company — Ballarat Theatre-In-Education Team	VIC	1,500	—
S. Fraser & J. Refshauge (travel grant for dancer/choreographer)	VIC	—	1,000
Fremantle Arts Centre Press	WA	10,700	—
Friends of the Conservatorium Newcastle	NSW	—	100
Fringe Network Ltd.	VIC	200	900
Geelong Association of Music and Art	VIC	510	1,350
Geelong Performing Arts Centre	VIC	—	75
Gilbert and Sullivan Society	NSW	10	145
Glen Innes Arts Council	NSW	2,895	4,979
Gosford Musical Society	NSW	31,561	—
Griffin Theatre Company	NSW	5,500	25,250
Handspan Theatre Ltd.	VIC	550	4,090
The Harkness Studio Ltd.	NSW	8,718	4,274
G. Harris (travel grant to study opera)	SA	1,000	—
Hay Arts Council	NSW	—	50
Hervey Bay Theatre Inc.	QLD	—	1,000
Marjorie Hesse Memorial Trust	NSW	3,873	—
R. J. Hill (travel grant to study viola)	NSW	1,000	—
Hole in the Wall Theatre	WA	100	100
Hunter Orchestra Limited	NSW	12,315	5,722
Hunter Valley Theatre Company Ltd.	NSW	15	100
Italian Arts Festival Society Inc.	VIC	—	2,000
The Junior Strings of Melbourne	VIC	1,000	—

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1986**

	State	1986 \$	1985 \$
J. Keuneman (travel grant to study cello)	VIC	500	—
Kinetic Energy Dance Company	NSW	730	—
Lane Cove Centrehouse Association	NSW	—	450
Launceston Community FM Group Inc.	TAS	155	—
A. Lyssa (travel grant to attend Biennial Congress)	NSW	—	500
Leonine Consort Pty. Ltd.	NSW	2,000	—
The E. V. Llewellyn Memorial Fund	NSW	200	7,480
Lyric Opera of Queensland Ltd.	QLD	37,100	35,700
Mackay Cultural Centre Trust	QLD	300,830	481,203
Mackay Youth Orchestra	QLD	7,000	—
Marian Street Theatre Ltd.	NSW	1,100	200
The Marionette Theatre of Australia Limited	NSW	13,500	15,120
Melbourne Chorale	VIC	5,500	11,500
Melbourne International Festival of Organ and Harpsichord	VIC	1,750	750
Melbourne Musicians Society	VIC	1,265	—
Mildura Eisteddfod Society	VIC	500	500
M. Millane (to study theatre lighting design)	NSW	2,000	1,000
W. Morrison (travel grant to study piano)	VIC	2,000	—
The Mount Players	VIC	5,900	—
Murray River Performing Group Limited	VIC	—	40,000
Music & Opera Singers Trust Limited	NSW	5,317	6,619
Music Broadcasting Society of New South Wales Co-operative Limited	NSW	18,340	15,811
Music Broadcasting Society of Queensland Ltd.	QLD	3,405	1,571
Music Broadcasting Society of Victoria Ltd.	VIC	839	4,175
Musica Viva Australia	NSW	55,360	20,472
National Book Council	VIC	2,475	—
National Institute of Dramatic Art	NSW	107,217	280,159
National Music Camp Association	SA	550	5,000
National Screenwriters Conference	VIC	1,000	—
D. Natoli (travel grant to study singing)	VIC	—	1,000
New Theatre	NSW	121	100
Nimrod Theatre Company Limited	NSW	62,900	22,200
North Queensland Ballet & Dance Co. Ltd.	QLD	5,000	1,000
Nunawading Arts Council	VIC	—	500
The Old Quarry Amphitheatre Trust	WA	10,500	—
Open Channel Co-operative Limited	VIC	31,000	20,000
Opera Foundation Australia	NSW	104,550	70,200
Opera Mode	NSW	50	—
Orange Regional Arts Foundation Ltd.	NSW	—	100
Overland Magazine	VIC	3,000	3,650
P.A.C.T. Co-operative Limited	NSW	560	2,050
J. Pascoe (travel grant to study ballet)	NSW	—	2,000
Perth City Ballet Inc.	WA	1,000	—
Playbox Theatre Company	VIC	126,784	14,992
Plays Plus Players Theatre Company Inc.	WA	100	50
S. Pulo (travel grant to study drama)	VIC	500	—
Presbyterian Church of Australia, Parish of Balmain-Rozelle (Piano Fund)	NSW	1,030	5,365
Progressive Music Broadcasting Association Inc.	SA	1,180	1,840
The "Q" Theatre Group Pty. Ltd.	NSW	80	45
Quadrant Magazine Co. Limited	NSW	47,851	15,000
Queensland Arts Council	QLD	5,250	37,300
The Queensland Ballet	QLD	310	11,035
Queensland Children's Theatre and Creative Workshop Association Ltd.	QLD	—	24,000
Queensland Potters' Association	QLD	512	540
Queensland Theatre Company	QLD	—	3,000
Queensland Youth Orchestra Council	QLD	11,842	2,260
Riverina Theatre Company Limited	NSW	12,660	250
Royal Queensland Art Society	QLD	200	—
Royal Queensland Theatre Company	QLD	1,500	500
Royal South Street Society	VIC	4,000	—
St. Stephen's Church for Monday Music	NSW	4,700	3,800
M. Sargent (travel grant to study flute)	VIC	—	2,500
E. Sellars (travel grant to study violin)	VIC	—	2,000

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1986**

	State	1986 \$	1985 \$
Shire of Kilmore (publication History of Kilmore)	VIC	6,575	5,700
Shire of Lowan (Nhill Memorial Theatre)	VIC	—	695
The Shopfront Theatre for Young People Co-operative Ltd.	NSW	34,100	1,823
The Song Company Pty. Ltd.	NSW	11,860	—
The South East Cultural Trust	SA	6,000	—
South Pacific Liszt Society	NSW	—	1,000
Spoletto Melbourne Foundation Inc.	VIC	44,700	—
The State Opera of South Australia	SA	22,264	22,815
State Theatre of South Australia	SA	8,850	12,150
Street Arts Community Theatre Company	QLD	50	50
Sugar and Spite Incorporated	QLD	800	—
Peter Summerton Foundation	NSW	50	—
The Sydney Committee Limited	NSW	31,981	6,925
Sydney Dance Company	NSW	10,178	2,000
Sydney Film Festival	NSW	8,370	5,050
Sydney International Piano Competition	NSW	—	34,500
Sydney Jewish Choral Society	NSW	6,990	—
Sydney Philharmonia Society Ltd.	NSW	1,615	1,025
Sydney Savage Club	NSW	—	470
Sydney Symphony Orchestral Subscribers' Committee (ABC Sinfonia Scholarship Fund)	NSW	650	1,100
Sydney Symphony Orchestra Tour Foundation	NSW	11,100	—
The Sydney Theatre Company Limited	NSW	12,500	12,025
Sydney Youth Orchestra Association Ltd.	NSW	250	1,330
D. Taine (travel grant to study the trombone)	VIC	1,000	—
Tamworth Foundation for Musical Education	NSW	17,500	—
Tamworth Regional Music Centre	NSW	17,455	—
Tasman Theatre Foundation	NSW	1,890	1,000
Tasmanian Theatre Trust	TAS	970	77,242
Theatre of the Deaf	NSW	12,000	14,206
Through Art, Unit (TAU) Community Association Inc.	ACT	—	100
Toe Truck Theatre	NSW	—	100
Townsville Community Music Centre	QLD	1,295	834
The Travers Foundation	NSW	100	—
T.N. Theatre Company	QLD	30,205	10,500
2MBS Music Foundation	NSW	1,100	3,460
Victoria State Opera	VIC	236,630	121,333
Victoria State Opera Foundation	VIC	9,315	6,425
Victoria Youth Arts Festival Association Inc.	VIC	5,000	7,000
Victorian Arts Council	VIC	2,000	—
Victorian Fellowship of Australian Writers	VIC	400	400
Victorian Junior Symphony Orchestra	VIC	—	100
Victorian Ministry for the Arts	VIC	—	12,128
Wagga Wagga Community Media Co-operative Ltd.	NSW	20	70
The Wagner Society	NSW	669	5,636
Richard Wagner Society Inc.	VIC	1,250	14,725
J. Wegner (travel grant to study opera)	NSW	1,000	—
West Australian Ballet Company Inc.	WA	47,920	12,100
West Gippsland Regional Arts Centre	VIC	800	—
The Western Australian Opera Company Inc.	WA	26,250	20,650
Western Australian Theatre Company Inc.	WA	51,500	—
Western Australian Youth Orchestra	WA	1,000	1,500
The Western Sinfonia	NSW	255	—
Western Sydney Performing Arts Foundation Ltd.	NSW	10	—
Woden Valley Youth Choir Inc.	ACT	100	1,200
Wollongong City Council	NSW	24,047	—
Wollongong 150th Anniversary Committee Ltd.	NSW	—	1,000
Young Musicians' Trust Inc.	SA	10	517
TOTAL		\$3,099,289	\$2,899,923

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1986

	1986 \$	1985 \$
10 OPERATING RESULT for the year has been determined after:		
(a) Including as Income		
Dividends received from other corporations	—	11,812
Interest received from other corporations	291,381	378,330
Surplus from sale of Fixed Assets	28,631	1,260
Bad debts recovered	—	1,756
(b) Charging as Expenses		
Auditors' remuneration for audit of company's accounts (no other benefits were received by the Auditors)	22,273	19,000
Depreciation and amortisation of Fixed Assets	164,695	97,674
Interest paid to other corporations	38,007	11,577
Deficit on sale of Fixed Assets	25,069	5,644
Provision for Long Service Leave	5,786	78,299
Provision for Sick Leave (written back)	(28,549)	186,041
Provision for International Touring	—	100,000
Provision for Doubtful Debts	33,698	4,616
Bad debts written off against the Provision for Doubtful Debts	—	4,589
Rental expenses — operating leases	344,543	344,670
(c) Including as Abnormal — membership fees for future periods brought to account as income on change in method of accounting to a cash receipts basis	135,863	—
11 LEASE COMMITMENTS		
Operating Lease Payable		
Not later than one year	482,542	111,015
Later than one year but not later than two years	487,331	—
Later than two years but not later than five years	86,998	—
	\$1,056,871	\$111,015
12 COMMITMENT FOR CAPITAL EXPENDITURE		
Purchase of computer equipment	—	\$61,590

13 SEGMENT REPORTING

The company operates predominantly in Australia in the Performing Arts and Entertainment Industry.

STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS

FOR THE YEAR ENDED 31ST DECEMBER 1986

	1986 \$	1985 \$
SOURCES OF FUNDS		
Funds from Operations (refer Note below)		
Inflow of funds	14,734,987	15,829,797
Less: Outflow of funds	16,511,807	15,233,131
	(1,776,820)	596,666
Reduction in Assets		
Current Assets		
Cash at Bank and on Deposit	1,705,676	—
Amounts Receivable	42,761	—
Subsidies Receivable	112,500	—
Prepayments	—	17,682
Proceeds from Sale of Investments	—	368,864
Proceeds from Sale of Fixed Assets	75,646	14,010
Increase in Liabilities		
Current Liabilities		
Bank Overdraft	317,941	—
Amounts Payable	1,201,643	168,956
Donations Received in Advance	88,987	—
Membership Fees Received in Advance	—	5,698
Funds for Special and Specific Purposes	205,709	18,159
	\$1,974,043	\$1,190,035
APPLICATIONS OF FUNDS		
Increase in Assets		
Current Assets		
Cash at Bank and on Deposit	—	36,124
Amounts Receivable	—	100,693
Subsidies Receivable	—	112,500
Stock on Hand	34,108	3,487
Prepayments	41,904	—
Advance Production Costs	697,264	332,615
Fixed Assets		
Capital Expenditure	484,209	105,946
Reduction in Liabilities		
Current Liabilities		
Subsidies Received in Advance	308,834	365,600
Donations Received in Advance	89,939	101,289
Long Service Leave Paid	207,228	31,693
International Touring Paid	100,000	—
Non-Current Liabilities		
Membership Fees Received in Advance	10,557	88
	\$1,974,043	\$1,190,035

NOTE

Reconciliation of funds from operations with operating (deficit)/surplus for the year before extraordinary item is as follows:

Operating (Deficit)/Surplus before Extraordinary Item	(1,943,821)	130,268
Add/(Less) Non-Funds Items		
Depreciation and Amortisation	164,695	97,674
Deficit on Sale of Fixed Assets	25,069	4,384
Provision for Long Service Leave	5,786	78,299
Provision for International Touring	—	100,000
Provision for Sick Leave	(28,549)	186,041
Funds from Operations	\$(1,776,820)	\$596,666

STATEMENT BY DIRECTORS

In accordance with a resolution of the Directors of the Australian Elizabethan Theatre Trust, in the opinion of the Directors:

- (a) The accompanying Statement of Income and Expenditure is drawn up so as to give a true and fair view of the result of the company for the year ended 31st December, 1986.
- (b) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the company as at that date.
- (c) At the date of this Statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The Accounts have been made out in accordance with applicable approved accounting standards.

For and on behalf of the Board

ANDREW BRIGER, A.M., Chairman of Directors

TIMOTHY YATES, Director

Sydney, 13th April, 1987

AUDITORS' REPORT

We have audited the accounts of the company in accordance with Australian Auditing Standards. The accounts consist of the Directors' Statement, Balance Sheet, Statement of Income and Expenditure, Statement of Sources and Applications of Funds, and accompanying Notes.

In our opinion the accounts are properly drawn up in accordance with the provisions of the Companies Act, 1981, and so as to give a true and fair view of:

- (i) the state of affairs of the company as at 31st December, 1986, and of the result of the company for the year ended on that date; and
- (ii) the other matters required by Section 269 of that Act to be dealt with in the accounts;

and are in accordance with applicable approved accounting standards and Australian Accounting Standards.

Sydney, 13th April, 1987

Pannell Kerr Forster
C. R. Sargent
Chartered Accountants

ACKNOWLEDGEMENTS

Your Board of Directors would like to acknowledge with appreciation the generous support of the:

- Australian Government (through the Australia Council)
- Australian Government (through the Department of Aboriginal Affairs)
- State Governments:
 - Victoria (through the Ministry for the Arts)
 - New South Wales (through the Ministry for the Arts)
 - Queensland (through the Minister for the Arts)
 - Western Australia (through the Western Australian Arts Council)

and the following Corporations and Foundations:

- AGC Ltd.
- ANZ Bank Ltd.
- BP Australia Ltd.
- Comalco Ltd.
- CSR Ltd.
- Commonwealth Bank of Australia
- ESSO Australia Ltd.
- George Alexander Foundation
- Ian Potter Foundation
- Macquarie Charitable Foundation Ltd.
- National Australia Bank
- Thomas Nationwide Transport Ltd.
- Unilever Australia Ltd.

PROXY FORM

I
of
being a member of The Australian Elizabethan Theatre Trust hereby appoint
.....
of
or failing him/her
of

as my proxy to vote for me and on my behalf at the Annual General Meeting of the company to be held on the Twenty-Fifth day of May, 1987, and at any adjournment thereof.

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote on behalf of the member. A proxy need not be a member of the company. Proxy forms must be deposited at the registered office of the company c/o Phipson Nominees Pty. Ltd., 12th Floor, National Mutual Centre, Darwin Place, Canberra City, A.C.T. 2601 not later than 5.00 p.m. on Friday the Twenty-Second day of May, 1987.

In the event of a poll, I desire to vote on the resolution as indicated below.

Please indicate with an X how you wish your vote to be cast. Unless otherwise instructed, the proxy may vote as he/she thinks fit.

The Resolutions are Numbered as in the Notice of Meeting.

Resolution No.

FOR

AGAINST

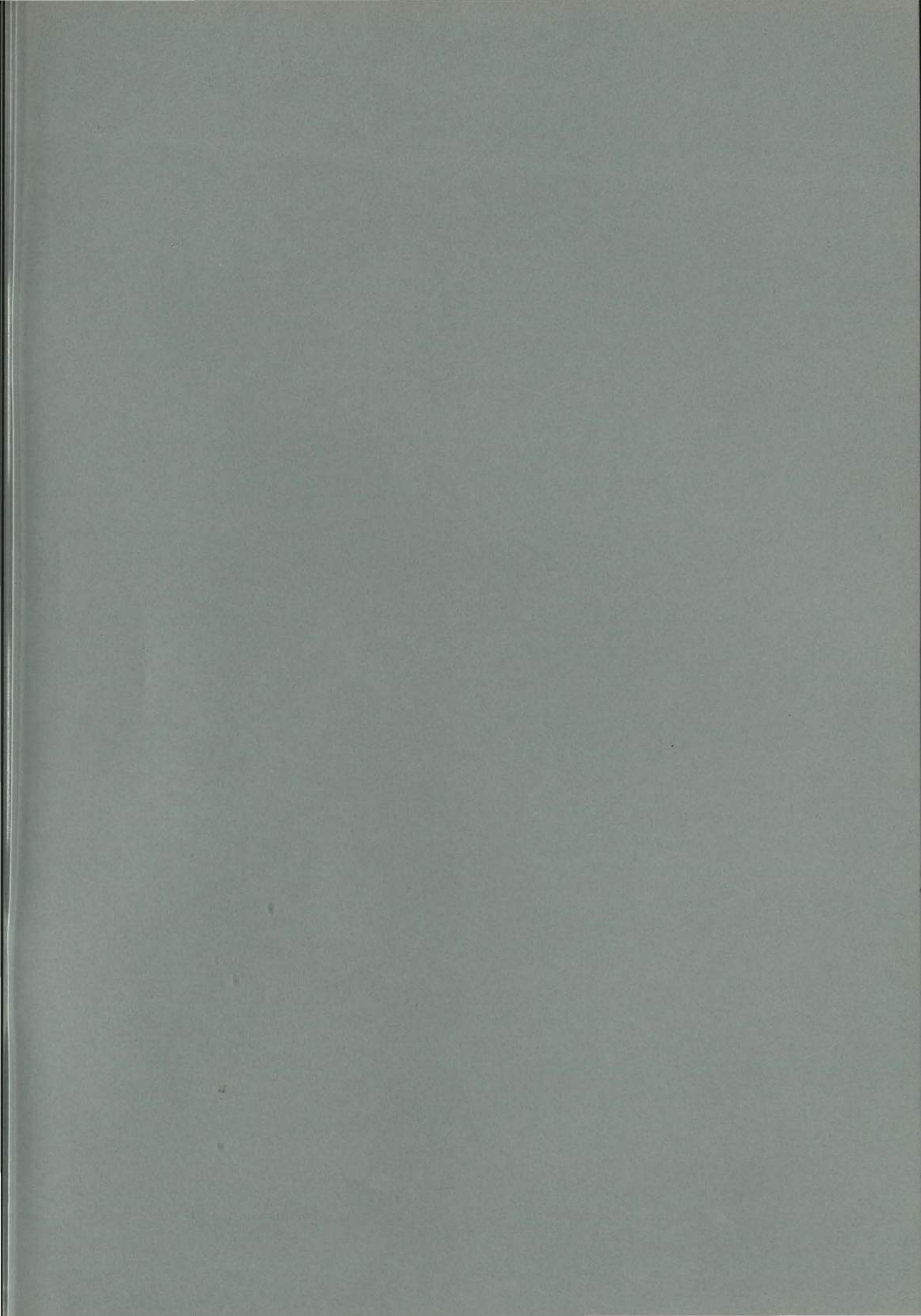
1	2(i)(a)	2(i)(b)	2(i)(c)	2(i)(d)	2(ii)	3(i)	3(ii)

Signed day of 1987

.....
Signature of Member

.....
Signature of Witness





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Paid
Australia

IF UNDELIVERED PLEASE RETURN TO
AUSTRALIAN ELIZABETHAN THEATRE TRUST
P.O. BOX 137, KINGS CROSS 2011