

ANNUAL REPORT 2017



TASMANIAN
SYMPHONY
ORCHESTRA



RACT Symphony under the Stars with conductor Jessica Cottis, City Park Launceston.



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2017 was another highly successful year of great music-making. There is little doubt that the China tour at the beginning of the year brought many artistic benefits. We are also benefitting from the amazing talents of recent recruits amongst the musicians and the continuing professionalism of our wonderful Chief Conductor and Artistic Director, Marko Letonja.

There were many musical highlights during the year. Amongst the most memorable were the three concerts at year's end, all conducted by Marko Letonja, that showcased three of our relatively new principals: respectively, Jonathon Ramsay (Trombone), Stefanie Farrands (Viola) and Emma McGrath (Concertmaster). A truly stunning way to finish the year!

I am pleased to report that our artistic success is being reflected in growing audiences and increasing numbers of subscribers. This has helped the TSO to achieve a balanced budget (excluding the China tour). However, without the continued generous funding from the Commonwealth and Tasmanian governments, the TSO could not exist in its current form. We are grateful for this support.

Enabling all the TSO's artistic success, we have a terrific management and staff team and I want to pay tribute to their hard work and initiative.

I also want to acknowledge the vital assistance of our many volunteers and supporters. These include members of the TSO Chorus, our corporate supporters (led by our Principal Partner, RACT), the generous philanthropic support from patrons, supporters and donors, and members of TSO Friends. The TSO Foundation, under the chairmanship of Dick Shoobridge, is also doing important work to build an endowment fund to support the orchestra's long-term future.

Thank you also to members of the TSO Board who continue to provide enthusiastic and diligent oversight of the company. During 2017, Paul Oxley and Christopher Lawrence stood down as directors and were replaced by Judith Tudball and Harvey Lennon. Thank you to Paul and Christopher.

Finally, and sadly, I acknowledge Vanessa Goodwin, who was forced by ill-health to resign as Tasmanian Attorney-General and Minister for the Arts during 2017. Vanessa was a wonderful supporter of the TSO and accompanied the orchestra on its China tour.



David Rich

In a year of exceptional music-making, 2017 provided many highlights. To name a few: a thrilling Beethoven Nine, Howard Shelley's performance of all four Rachmaninov piano concertos, an all-star *Carmen*, a magical Respighi *Sleeping Beauty* with Victorian Opera, and *The Rite of Spring*. TSO musicians appeared as soloists to great effect in many concerts, including a memorable *Lark Ascending* from Concertmaster Emma McGrath. Reinforcing the quality of the TSO's performances was the Helpmann Award for 'Best Symphony Orchestra Concert' in Australia for *Tristan und Isolde*.

The year began with the orchestra's China tour. This was a major financial commitment and the benefits were audible throughout the season and beyond. The concerts in Tasmania's sister province of Fujian, and then Shanghai, were most successful; and the Fuzhou and Xiamen orchestras have already visited Tasmania as precursors to ongoing exchange programs. Apart from the investment in the China tour, the TSO achieved a break-even financial result in 2017.

Following the closure of Symphony Australia's training programs, we moved to consolidate the TSO's important national role in this area, establishing national conductor and composer training initiatives. Meanwhile, children in schools throughout the country are benefitting from TSO on-line resource packs for classroom music teachers. The first seven were produced in 2017 and can be accessed at the TSO website.

Convict Monologues was developed in conjunction with the Risdon Prison scriptwriting program and resulted in a moving performance in the prison, prior to public performances. It is noteworthy that there has been no recidivism among the inmates involved in the project.

We acknowledged the contributions of two long-serving musicians, Robert Clark (Principal Bass Trombone) and Brett Rutherford (Cello), as they retired, and noted the resignation of Monica Naselow (Violin). Elena Schwarz took up the fixed-term post of Assistant Conductor. In the management team we welcomed Samuel Cairnduff as Director of Marketing and Communications, while farewelling his predecessor Sam East, Orchestra Manager Greg Low, and Executive Assistant Fiona McAlpine.

2017 was a big, busy and successful year. Thank you to all members of the orchestra and administration staff, TSO Board, TSO Foundation Board and TSO Chorus, plus our many subscribers, TSO Friends and volunteers.



Nicholas Heyward

The year at a glance



The Tasmanian Symphony Orchestra rang in the New Year in China, performing a joint concert with the Jiangsu Performing Arts Group Symphony Orchestra in Nanjing. The TSO's nine-concert tour of the Chinese provinces of Jiangsu, Fujian and Shanghai straddled 2016-17, culminating in a gala concert in Shanghai on 7 January.



Hobart's Red Square was filled to capacity for the first ever outdoor TSO Live Sessions on 4 February, featuring Wind, Brass and Percussion of the TSO with guest artist, vocalist Maria Lurighi. In another first, TSO

Live Sessions played to a full house at Willie Smith's Apple Shed, near Huonville, on 19 August.

The 2017 subscription season commenced with Beethoven's Symphony No 9 under Chief Conductor and Artistic Director, Marko Letonja, in Hobart on 4 March.

Lorina Gore performed many of the numbers for which Dame Nellie Melba was famous in *Ode to Nellie Melba*, a program which played in Hobart, Launceston, Burnie and Zeehan, 10-18 March.

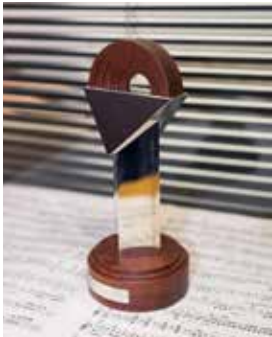
Kindy Classics, in March and April, attracted 1,000 children from 15 different schools in southern Tasmania, including students from Geeveston, Bridgewater and Lauderdale.

The TSO Chorus celebrated its 25th anniversary in 2017. Nearly 30 choristers travelled to Berlin in May for Mitsingkonzert, an annual choral fest hosted by the Berlin Radio Choir and Orchestra, and had the pleasure of singing in the famed Philharmonie.

The year at a glance



The TSO performed with Norwegian metal band Ulver as part of Dark Mofo in June. The TSO's other Dark Mofo events were a concert in Federation Concert Hall, featuring music by Cage, Pärt and Vasks, and three sold-out performances of Respighi's *The Sleeping Beauty* in the Theatre Royal, a collaboration with Victorian Opera.



Pianist Howard Shelley, conductor Alexander Shelley, and the TSO performed the complete piano concertos of Rachmaninov over two concerts in Hobart in mid July.

The TSO's concert performance of *Tristan und Isolde* in November 2016, conducted by Marko Letonja and featuring Nina Stemme and Stuart Skelton in the title roles, was awarded 'Best Symphony Orchestra Concert' at the 17th Annual Helpmann Awards, held in Sydney on 24 July.

Marko Letonja conducted a concert performance of *Carmen* in Hobart on 12 August. Renowned Russian

mezzo-soprano Elena Maximova sang the title role, Argentinean tenor Marcelo Puentes sang Don José, and Teddy Tahu Rhodes sang Escamillo. *Carmen* was a collaboration with Victorian Opera.



Megan Washington + the TSO played to a capacity audience in Federation Concert Hall on 24 October.

Convict Monologues was premièred in Risdon Prison in November in a theatrical production involving TSO musicians, inmate writers and actors, prison staff and community volunteers. A follow-up performance, with professional actors, took place in the Hobart Convict Penitentiary. *Convict Monologues* was a collaboration between the TSO and Risdon Prison Creative Writing Program.

The year at a glance



Marko Letonja conducts *Carmen*, in a concert performance with Elena Maximova and Marcelo Puente.



The TSO performed throughout Tasmania in 2017. In addition, concerts were given in the following cities in China in 2017 as part of the 2016-17 China tour: Fuzhou, Nanjing, Puxian, Shanghai, Xiamen and Zhenjiang. The TSO Chorus performed in Sydney and a sizeable contingent of choristers performed in Berlin.

The year in review

STATISTICS (TASMANIAN SYMPHONY ORCHESTRA HOLDINGS LTD)

PERFORMANCE ACTIVITIES	NUMBER OF PERFORMANCES	ATTENDANCE
Hobart Mainstage		
Hobart Master Series	12	11,313
Family Classics Series	3	2,830
Matinee Series	4	2,612
Recital*	1	666
Baroque	3	2,513
Specials	5	4,154
Commercial	4	3,745
Live Sessions	4	1,139
Launceston		
Launceston Series	6	3,423
Regional Tasmanian		
Specials	2	415
Brass Tour	3	650
Hire	1	300
Free Concerts		
RACT Symphony under the Stars (Glenorchy & Launceston)	2	14,000
International		
China	6	4,400
Collaborations		
Dark Mofo	5	4,000
Xiamen Philharmonic Orchestra**	2	1,148
Victorian Opera	1	1,068
Education Performances		
Education concerts	3	3,051
Education concert Launceston	1	723
Kindy Classics	3	708
Mini Maestros	4	829
TSO Chorus Features		
Sydney	2	2,500
Berlin	1	2,440
Totals	78	68,627

* in conjunction with Musica Viva Tasmania

** in conjunction with Ten Days on the Island

NON-PERFORMANCE ACTIVITIES

Recordings
 Training and workshops
 Open rehearsals
 Public outcomes
 Outreach

FINANCIAL KPIS

KPIs	Target	Result
Operating Margin	1%	-1.4%
Reserves Ratio	20%	34.3%
Working Capital Ratio	2:1	2:1
Earned income to grow above percentage of grant income growth	2%	2.3%

FINANCIAL SUMMARY YEAR ENDED 31 DECEMBER 2017

Revenue	\$	%
Government Funding	\$8,844,503	72.9%
Ticket Sales	\$1,859,988	15.3%
Sponsorships & Donations	\$915,912	7.6%
Other Revenue	\$506,664	4.2%
Total Revenue	\$12,127,067	100.0%

Expenditure

Employee Expenses	\$7,207,650	58.6%
Depreciation and amortisation	\$196,589	1.6%
Other Expenses	\$4,892,020	39.8%
Total Expenditure	\$12,296,259	100.0%

Operating Result

-\$169,192

China Tour

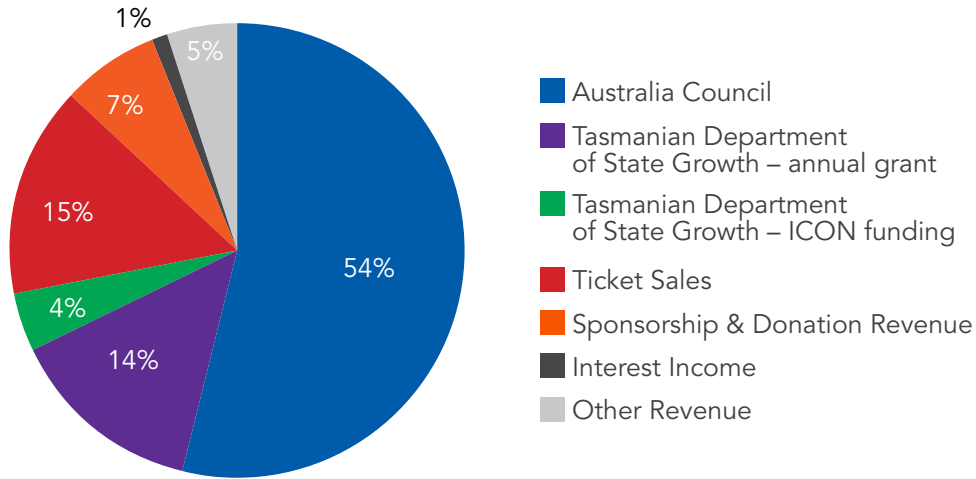
\$225,630

Underlying Result

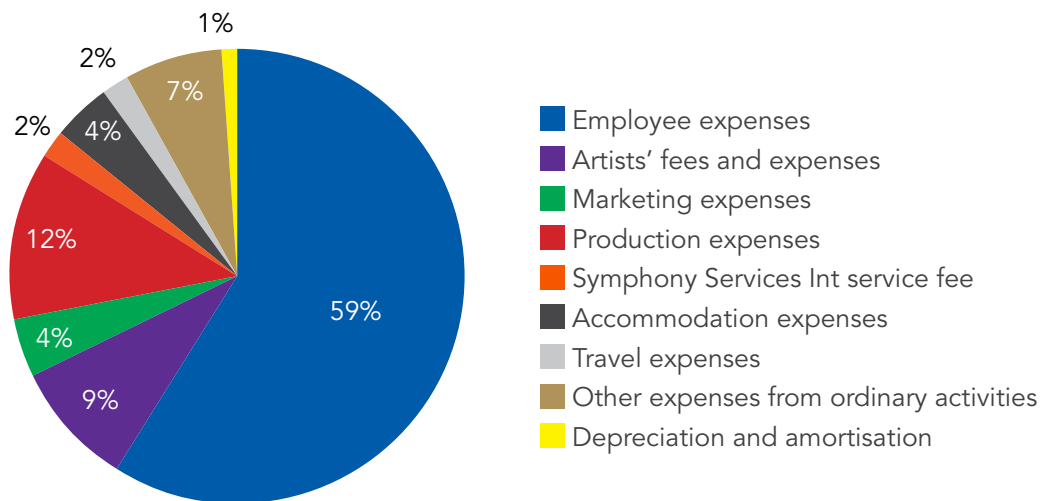
\$56,438

The year in review

TASMANIAN SYMPHONY ORCHESTRA HOLDINGS LTD CONSOLIDATED INCOME 2017



TASMANIAN SYMPHONY ORCHESTRA HOLDINGS LTD CONSOLIDATED EXPENDITURE 2017



Artists

CONDUCTOR/DIRECTOR

Eivind Aadland
Giordano Bellincampi
Douglas Boyd*
Jessica Cottis*
Johannes Debus*
André de Ridder*
James Feddeck*
Johannes Fritzsich
Oliver Gooch
Andrew Gourlay*
Iain Grandage*
Matthew Halls*
Scott Kinmont
Marko Letonja
Benjamin Northey
Martin Romberg*
Clemens Schuldt*
Elena Schwarz*
Alexander Shelley
Luke Spicer*
Marc Taddei
Gary Wain#

PIANO

Saleem Ashkar*
Tamara-Anna Cislowska
Alexander Gavrylyuk
Boris Giltburg*
Angela Hewitt^
Sheng-Yuan Lynch†
Jennifer Marten-Smith
Howard Shelley

VIOLIN

Lucy Carrig-Jones~
Miranda Carson~
Josephine Chung†
Edwina George~
Karen Gomyo
Alina Ibragimova
Henning Kraggerud
Elinor Lea
Emma McGrath
Hayato Simpson~

VIOLA

Stefanie Farrands*
Antoine Tamestit*

CELLO

Umberto Clerici*
Sue-Ellen Paulsen

DOUBLE BASS

Alexander Arai-Swale†
Stuart Thomson

FLUTE

Douglas Mackie
Alison Mitchell*

CLARINET

Magdalena Krstevska†
Andrew Seymour

BASSOON

Tahnee van Herk

SAXOPHONE

Amy Dickson

HORN

Maraika Smit‡

TRUMPET

Yoram Levy

TROMBONE

Jonathon Ramsay*

TUBA

Tim Jones

VOICE

Carlos Bárcenas
Elizabeth Barrow*
Paul Batey*
Kirilie Blythman*
Fiona Campbell
Henry Choo
James Clayton
Allison Farrow
Lorina Gore
Lana Kains*
Liane Keegan*
Michael Lampard
Shane Lawrencev*
Maria Lurighi~
Sara Macliver
Stephen Marsh*
Elena Maximova*
Kate Miller-Heidke
Emma Pearson*
Jacqueline Porter
Marcelo Puente*
Kathryn Radcliffe*
Thomas Reynolds*
Juel Riggall*
Sally-Anne Russell
Dimitry Shepherd*

ENSEMBLE

Australian String Quartet
Tripod
Ulver

PRESENTER/NARRATOR

Ryk Goddard
Christopher Lawrence
Jane Longhurst#
Jeff Michel*
Guy Noble
Paul Rissmann*
Phillip Sametz*
Arabella Wain#

* TSO debut in 2017

^ Solo recital

† ANAM Concerto
Competition

‡ TSO Big Rehearsal/
Rising Star soloist

~ Live Sessions concert

Mini Maestro, Kindy Classics,
Education, Outreach concert

RECORDINGS

GORECKI Concerto for Harpsichord
(or Piano) and String Orchestra

GORECKI Three Pieces in Old Style

PELECIS *All in the Past*

PELECIS Concertino bianco: for Piano and Strings

VASKS Cantabile for String Orchestra

TSO/Tamara-Anna Cislowska/Johannes Fritzsch

Federation Concert Hall, 21-23 February

ABC Classics

BIZET 'Comme autrefois la nuit sombre' from *The Pearl Fishers*

DUPARC 'Chanson triste'

GOUNOD Ballet Music from *Faust*

GOUNOD 'Heureux petit berger' from *Mireille*

GOUNOD 'Je veux vivre' from *Roméo et Juliette*

MASSENET 'Obéissons quand leur voix appelle'
from *Manon*

MASSENET Sevillana from *Don César de Bazan*

RIMSKY-KORSAKOV 'Song of the Indian Guest'
from *Sadko*

THOMAS 'Je suis Titania' from *Mignon*

VERDI 'Caro nome' from *Rigoletto*

TSO/Lorina Gore/Marko Letonja

Federation Concert Hall, 7-9 and 14-15 March

ABC Classics

HINDSON *Dangerous Creatures: Rhinoceros
Tango*

HINDSON *The Rave and the Nightingale*

HINDSON *RPM*

HINDSON *Technologic 145*

TSO/Australian String Quartet/Benjamin Northey

Federation Concert Hall, 26-28 April

ABC Classics

GRAY *The Contest*

MISSION Love Theme for Second Echo

Outreach project with Second Echo Ensemble

TSO/Greg Stephens

TSO Studio, 24 May

WILLIAMS *Convict Monologues*

Outreach project with inmates from the Ron

Barwick Minimum Security Prison

TSO Studio, 10 November

CD RELEASES



INTO SILENCE

Johannes Fritzsch conductor

Tamara-Anna Cislowska piano

Tasmanian Symphony Orchestra

ABC 481 6295



ROMANTIC PIANO CONCERTO VOL 71

Howard Shelley conductor & piano

Tasmanian Symphony Orchestra

Hyperion CDA68138



ROMANTIC PIANO CONCERTO VOL 72

Howard Shelley conductor & piano

Tasmanian Symphony Orchestra

Hyperion CDA68151

Goals and KPIs

ARTFORM

The Tasmanian Symphony Orchestra is recognised as a symphonic orchestra that displays innovation, adventure and excellence, and is:

- acknowledged as a leader in developing and presenting new works and reinvigorating existing works
- seen as fostering experimentation and risk taking through an innovative mix of programming
- contributing to greater recognition of diverse Australian work locally, nationally and internationally

Strategic Goals – Artistically excellent/well recognised/loved by the community

Required Outcome	Mechanism	Measure	Target	Year Actual
Developing and implementing a measureable artistic vibrancy assessment process	Improved ratings from Peer Panel	Season Average (base 2012-15 average)	> 8	8.6
Commissioning and presenting new work at the forefront of artistic practice including Australian work independently and/or as co-pros	Australian Works:			
	Performed	Season Total	> 12	95
	Recorded	Season Total	> 3	7
	New Works:			
	TSO Commissions	Season Total	> 7	5
	Premieres of Australian Works	Season Total	2	2
Contributing to the development and presentation of high quality arts programs and cultural practice in Tasmania	Australian premiere of International works	Season Total	> 1	1
	Tasmanian & Festival collaborative performances	Season Total	> 4	13
Developing and progressing an international engagement strategy focused on China	Opportunities identified	Number	1	1

Goals and KPIs

SECTOR DEVELOPMENT

The Tasmanian Symphony Orchestra demonstrates sector leadership and grows the profile of Australian arts and artists through,

- strengthened local, national and international artistic collaborations and partnerships
- inclusion of diverse practice by artists from different backgrounds
- increased capacity of artists to make excellent work
- development of artists including Aboriginal and Torres Strait Island artists

Strategic Goals – Well recognised/loved by the community/a great place to work

Required Outcome	Mechanism	Measure	Target	Year Actual
Supporting and developing connections and collaborations with individual artists and the small to medium sector	Artistic Collaborations	Total number of artists/companies	> 3	5
Demonstrating commitment to nurturing and development of artists at various stages of their career	Participants in National artist training programs	Total number	> 50	72
	Training workshops/ programs	Season total of sessions & calls	> 35	42

Goals and KPIs

ACCESS

The Tasmanian Symphony Orchestra ensures more Australians have access to and engagement with the arts, through

- continued development of audiences of scale for symphonic music performing arts locally, regionally, nationally
- strengthened artistic experiences for children and young people
- development of collaborative ways of presenting work through advanced technology
- actively engaged audiences from culturally and linguistically diverse backgrounds through specific initiatives
- increased experience and understanding of Aboriginal and Torres Strait Islander arts and cultures
- increased access and participation for audiences with a disability
- broadened access or participation in arts and cultural activity which contributes to strengthening the economic, social and cultural base of communities

Strategic Goals – Loved by the community/well recognised

Required Outcome	Mechanism	Measure	Target	YTD Actual
Presenting an annual season of performances in Hobart & Launceston	Total number of concerts	Season Total	> 28	38
	Total audience	Season Total	> 23,000	32,014
Development of audiences that reflect the diversity of the company's marketplace	Total number of concerts	Season Total	> 70	75
	Total audience	Season Total	> 52,000	57,971
Undertaking education and learning activities within schools and/or the wider community as agreed	Number of Education concerts	Season Total	> 15	12
	Education concert attendance	Season Total	> 6,000	5,570
	Number of workshops	Season Total	> 15	40
	Number of workshop attendees	Season Total	> 1,100	4,493
	Contact hours	Season Total	3,350	3,352
Delivering engagement with regional Tasmania including through touring, education/ learning & digital platforms	Number of regional concerts	Season Total	> 3	6
	Total concert attendance	Season Total	> 800	1,314
	Regional education concerts & workshops	Season Total	> 5	6
	Number of education audiences & participants	Season Total	> 1,000	518
Developing nationally and internationally recognition through broadcasts and recordings	Total number of broadcasts	Season Total	> 18	34
	Estimated listening audience	Season Total	ABC Classic FM - five-city metropolitan avg weekly reach 731,000	
	Total number of recordings	CDs released	> 3	3

Goals and KPIs

FINANCIAL & GOVERNANCE

The Tasmanian Symphony Orchestra will demonstrate sound financial and governance practices, which result in

- Increased long-term resilience and sustainability

Strategic Goals – Loved by the community/well managed/a great place to work

Required Outcome	Mechanism	Measure	Target	YTD Actual
Diversifying and growing the company's revenue base	Total annual income	% increase	> 3%	2.1%
	Financial analysis	Growth rate in earned income to exceed growth rate in grant income.	> 2%	2.3%
Adopting entrepreneurial and innovative approaches to support viability	Number of hire & collaborative performances	Season Total	> 6	14
Maintaining reserves	Financial analysis	Reserves	> 20%	34.3%
Maintaining operating margin	Financial analysis	Operating margin	> 1%	-1.4%
Working capital	Financial analysis	Working capital ratio	2:1	2:1
Maintaining adequate liquidity	weeks' use of overdraft	Total weeks	not required	
Having strong governance and management capabilities in accordance with Essential Governance Practices for Arts Organisations guidelines	Reporting & compliance requirements:			
	Instances of non-compliance	Annual total	0	0
	On-time reporting	Annual percentage	100%	100%
	Performance reviews	Conducted	5	5
	Succession planning	Annual review conducted	1	1
Regular and open dialogue with stakeholders including funding bodies	Meetings held	Annual total	> 20	76
New lease for renovated Hobart premises on favourable terms	New lease	Progress updates	Due by 2020	
	Refurbishment	Progress updates	1	1
Private Sector income	Donation income	Budget	\$325,000	\$373,519
Private Sector income	Partnerships income	Budget	\$391,166	\$320,467
Grant/Foundation income	Grant/Trust distributions received	Budget	\$188,000	\$221,926

Education, training and outreach

EDUCATION

Education activities in 2017 ranged from concerts, rehearsals and composition programs for school students to workshops and online resources for school teachers.



Eight concerts were presented to children of all ages. Four Kindy Classics concerts proved to be tremendously popular. Targeted at Preparatory and Grade 1 students, Kindy Classics introduced children to the instruments of the orchestra and the different instrument families. Children were able to sit close to the 15-piece ensemble and immerse themselves in the music-making. At Primary and Secondary level, the TSO offered four concerts with full orchestra, three in Hobart and one in Launceston. Two of these concerts featured internationally acclaimed educator and animator, Paul Rissmann. The remaining two concerts made use of numbers from the TSO Songbook – international folksongs with orchestral accompaniments specially commissioned by the TSO – which had schoolchildren singing along, not just listening.

Nine aspiring composers in Years 11 and 12 took part in the TSO Composers' Project, an undertaking presented in partnership with the UTAS Conservatorium of Music and the UTAS Institute for Marine and Antarctic Studies (IMAS). Spanning six months and involving workshops, a recording session and a performance, the student composers

were tutored by Maria Grenfell and inspired by presentations from scientists at IMAS. A specially commissioned work by composer Scott McIntyre also formed part of the project.

Various groups attended TSO rehearsals throughout the year, including pre-schoolers, secondary students, musicians from the Tasmanian Youth Orchestra (TYO), TSO Friends and inmates from the Ron Barwick Minimum Security Prison. Musicians from the TYO sat alongside and were mentored by TSO musicians at TSO Big Rehearsal, which was conducted by Andrew Gourlay. Twelve-year-old pianist Sheng-Yuan Lynch appeared as soloist.

Teachers were the focus of a number of TSO Education initiatives in 2017, including two Professional Learning Day Workshops and three workshops introducing teachers to resources featured in TSO Education concerts. The TSO expanded its free online education resources in 2017, including The Tasmanian Symphony Orchestra in Your Classroom with Richard Gill AO. This consists of four resource kits featuring video, audio and extensive teaching activities available for download.

TRAINING

The TSO has a long tradition of fostering up-and-coming conductors, performers and composers through various training programs and initiatives.

Five aspiring conductors from across the nation as well as New Zealand took part in the TSO National Conductor Training Program in February, a three-day course directed by conductor Johannes Fritzsch.

Musicians from the Australian National Academy of Music rehearsed and performed with the TSO for *The Rite of Spring*, a

Education, training and outreach



Hobart Master Series concert on 24 March conducted by Marko Letonja. In addition to Stravinsky's ballet score, the concert included Strauss's *Also sprach Zarathustra*.

The Australian Composers' School, held 9-13 October, gave four tertiary and post-tertiary students from around the country the opportunity to work with professional composers Paul Stanhope, Maria Grenfell and Jessica Wells, and develop their expertise in writing for orchestra through a series of workshops, presentations, rehearsals and performances.

The National Women Composers' Development Program Workshops, a joint initiative between the TSO and the University of Sydney Conservatorium of Music, were also held in October. Four women composers took part in the two-day workshops, under course director Matthew Hindson and guest tutor Maria Grenfell.

OUTREACH

A major Outreach project was *Convict Monologues*, a collaboration between the TSO and the Risdon Prison Creative Writing Program. Monologues based on Tasmanian convict history, which were researched, written and performed by inmates, staff and volunteers from Risdon Prison, were accompanied by a score specially commissioned from Chris Williams and performed by a small ensemble of TSO

musicians. There were two performances of *Convict Monologues*. TSO musicians also recorded the music, which will be made available to other organisations for future performances.

The TSO commissioned young Tasmanian composers Rhys Gray and Thomas Misson to write short pieces of music for Second Echo Ensemble, a Hobart-based performance group comprising mostly of young adults who live with intellectual disabilities. Additionally, the TSO commissioned Lisa Cheney and Tim Shawcross to provide works for the ever-expanding TSO Songbook.



Saxophonist Amy Dickson delivered her custom-made program, *Take a Breath*, to students at Risdon Vale Primary School in Hobart and Mowbray Heights Primary School in Launceston.

Four Mini Maestro concerts were held in the TSO Studio; three TSO string players coached musicians of the Burnie Stringalong Orchestra; TSO and TYO staff members performed as part of the Mount Stuart Open Door program, a new community initiative of the Hobart City Council; and the Tim Jones Ensemble performed at Eskleigh, Bellerive.

TSO Partners

GOVERNMENT SUPPORT



The Tasmanian Symphony Orchestra is assisted by the Australian Government through the Australia Council, its arts funding and advisory body, and through Arts Tasmania by the Minister for the Arts, and the Tasmanian Icon Program.

PRINCIPAL PARTNER



Principal Partner

PREMIER PARTNERS



MAJOR PARTNERS



LEADERSHIP PARTNERS



TSO Partners

PARTNERS

BELL BAY ALUMINIUM
PACIFIC ALUMINIUM



SUPPORTING PARTNERS



WINE PARTNER



MEDIA SUPPORTER



GOVERNMENT SUPPORT FOR CHINA TOUR



TSO Benefactors

TSO IMPRESARIO PATRONS
\$50,000+

PRINCIPAL DOUBLE BASS
Patricia Leary

CHIEF CONDUCTOR AND ARTISTIC DIRECTOR
Anonymous

TSO MAESTRO PATRONS
\$20,000-\$49,999

CONCERTMASTER
Rob and Tricia Greenwell

TSO Friends

TSO CHAIR PATRONS
\$5,000-\$19,999

PRINCIPAL TIMPANI
John and Marilyn Canterford

COR ANGLAIS
John Cauchi AM and Catherine Walker

PRINCIPAL SECOND VIOLIN
Bruce Neill and Penny Clive

DAVE AND ANNICK CHAMBER MUSIC FUND

David Davey and Annick Anselin

PRINCIPAL BASSOON
Julia Farrell

PRINCIPAL TUBA
Marie Heitz and David Boyles

TUTTI VIOLA
Dr Donald Hempton

PRINCIPAL FLUTE
Mr Ian Hicks and Dr Jane Tolman

TUTTI VIOLIN
Janet Holmes à Court AC

PRINCIPAL CELLO
Richard and Gill Ireland

PICCOLO
David McEwan AM

BASS CLARINET
Louise and Tim Mooney AM

ASSOCIATE CONCERTMASTER
RH O'Connor

PRINCIPAL OBOE
Dr David and Mrs Glenys Rich

PRINCIPAL TRUMPET
Chris and John Sandow

PRINCIPAL CLARINET
Dr Peter Stanton

PRINCIPAL VIOLA
Jo Strutt

PRINCIPAL FIRST HORN
Mr Kenneth von Bibra AM and Mrs Berta von Bibra OAM

CONTRABASSOON
Dr Hilary Wallace

CHORUSMASTER
Michelle Warren

TSO PATRONS
\$1,000-\$4,999

Sylvia Barrett
Edward C Benyon and Jennifer Owen

Mr Alan Birchmore AO and Mrs Jill Birchmore

Dr Hans Bosman and Ms Sue Madden

Anne Carmichael
George and Jan Casimaty

Anne Challen and Don Challen AM

Ian Chambers and Kathryn Arneman

Dr Alastair Christie

Dr Stephanie Cooper
Nicholas and Janet Cretan

Peter and Catherine Cretan

Martin and Susie Dickson

Garry Forward and Penney Furmage

Patricia Haley
Dr Geoffrey Haward

AM and Mrs Phyllis Haward

Peter and Jeanne Hepburn

Dr David and Donna Humphries

Don and Christine Jeffrey

Veronica Keach
Dr Mary-Anne Keady

Marie Keane
Mrs Judith Ker-Stout

Roger and Valerie le Maitre

Harvey Lennon
Linda and Martin Luther

Mrs Judy McDougall
Mrs Netta McLaren

Macquarie Accounting
Juliet Mercer

Muriel Morillion and Michael Allott

Susanne Oldham
Katherine Olejniczak

Phillip Patman
Patricia Reid

Neil Pearson
Tony Purdon

Jan and Alan Rees
Mr and Mrs S Roberts

Kay Rodda
Helen and Warwick Rule

Dr Tony Sprent AM
Tony Stacey AM and Mrs Jeanette Stacey

Philip and Frances Tyrell

John Upcher
Michael Wilkinson

Geoff and Vicki Willis
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Mr David Colegrave

Ms Jenny Coombes

Miss Ann Darby

Dr Margaret Davies

Tom and Pauline Dorey

Mr B and

Mrs J Hartnett
Robyn and John Hawkins

Ms Peta Heffernan

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Mr and Mrs David E Lewis

Katherine Marsden

Mrs Margret Monks

Mrs D and Dr P Paech

Brian Sykes

Anonymous Supporters

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Anne Brown
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Ms H Cane
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Mrs T Perin-Deville
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Rosemary Yeoland
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**PRIVATE AND
INSITUTIONAL
DONORS**

\$100,000+

Tasmanian Community
Fund

\$50,000+

TSO Foundation Trust

\$25,000+

ANZAC Centenary Arts
and Culture Fund

\$10,000+

Graeme Wood
Foundation

\$5,000+

Allport Bequest



Dr **DAVID RICH** (Chair) was elected to the TSO Holdings Board in May 2008, became Deputy Chair in 2013 and Chair in 2015. He is a Graduate of the Australian Institute of Company Directors. From 2007 to 2013 he was Provost of the University of Tasmania. After retiring from that position, he continued to work with the University on a part-time basis, primarily leading the celebrations to mark the organisation's 125th anniversary in 2015. Previously, he worked at the University of New England in Armidale NSW, Macquarie University in Sydney and the University of Exeter in the United Kingdom. He graduated with MA and PhD degrees from the University of Cambridge and was awarded an honorary DLitt by the University of Tasmania in 2013. With a background as a geographer, he has worked extensively in the field of e-learning. He is President of Theatre North that runs the Princess Theatre and Earl Arts Centre in Launceston. He was a member of the boards of the Tasmanian Academy and the Australian Maritime College. He lives with his wife Glenys in the Tamar Valley near Launceston.



DONALD CHALLEN AM (Deputy Chair) was appointed to the TSO Board in November 2010. Secretary with the Department of Treasury and Finance between 1993 and 2010, he is currently Chairman of the Motor Accidents Insurance Board and Senior Adviser with Flagstaff Partners. Former roles include Chairman of the Tasmanian Public Finance Corporation, Director of TasNetworks Pty Ltd, President and Trustee Director of the Retirement Benefits Fund, Chairman of Transend Networks Pty Ltd, Director of Hydro Tasmania, Chairman of the Tasmanian Gaming Commission, Director of Trust Bank and Member of the Australian Government Financial Reporting Council. He is a Fellow of the Australian Institute of Company Directors, a Fellow of the Institute of Chartered Accountants Australia and New Zealand, a Fellow of CPA Australia and a Fellow of the Institute of Public Administration Australia. He holds a Master of Economics from the University of Tasmania. In the Australia Day 2013 Honours List he was appointed a Member of the Order of Australia 'for significant service to economics, and to public administration in Tasmania in the treasury and finance sector.'



NICHOLAS HEYWARD has been Managing Director of the Tasmanian Symphony Orchestra since October 2001. He holds a Bachelor of Arts (Hons) from the University of Tasmania and worked in management roles in major performing arts organisations in Australia and the United Kingdom before becoming CEO of the Brisbane Biennial International Festival of Music and then CEO of the Adelaide Festival of Arts. He is Chairman of Symphony Services International, a Director of Arts Management Tasmania Pty Ltd, and a Member of the Committee of the Tasmanian Chamber Music Festival. During 2017 he was Chair of the Tasmanian Arts Advisory Board, and was recently elected Chairman of the National Trust, Tasmania.



Until 20 May 2017

PAUL OXLEY was elected to the TSO Board in May 2008. He is a governance professional with management experience in industry and local government. He spent 21 years in the electricity supply industry, mostly in the network sector as company secretary and executive manager with Transend Networks Pty Ltd. He held a leadership role in the company throughout its 16-year life until a merger in July 2014. He has a Licentiate of Music from the Australian Music Examination Board and was Chorusmaster when the TSO Chorus was established in 1992. He holds an MBA from the University of Tasmania, a Bachelor of Letters from Deakin University and a Diploma in Corporate Management. He is a chartered secretary, a Fellow of the Governance Institute of Australia and a Graduate of the Australian Institute of Company Directors.



MARIA GRENFELL was elected to the TSO Board in May 2009. She holds a Doctor of Musical Arts from the University of Southern California, an MA from the Eastman School of Music and an MMus from the University of Canterbury in New Zealand. She is Head of the Conservatorium of Music at the University of Tasmania where she has been a lecturer since 1998. A represented composer at the Australian Music Centre and SouNZ Centre for New Zealand Music, her music has been commissioned, performed and recorded by symphony orchestras and chamber groups in Australia, New Zealand and the USA.



PETER CRETAN was appointed to the TSO Board in February 2013. A businessman with experience in a variety of industries, he is currently a director and shareholder of Tasmanian Collection Service, Shoreline Hotel and Cradle Mountain Wilderness Village. A graduate of the University of Tasmania (Bachelor of Economics), he holds a Licentiate of Music in piano performance from the Australian Music Examinations Board and is a current member of the TSO Chorus.



Until 3 April 2017

CHRISTOPHER LAWRENCE was appointed to the TSO Board in January 2014. Currently a presenter on ABC Classic FM, his career in broadcasting and journalism spans more than four decades. His recording work has earned him three ARIA (Australian Record Industry Association) Awards, a Churchill Fellowship, and an International Emmy from the US television industry. He is the mastermind behind the Swoon CD collection, which evolved out of his ABC Classic FM breakfast program and went on to become the highest-selling classical compilations ever released in Australia (more than 500,000 units). He has also written several best-selling books, including *Swooning – A Classical Music Guide to Life, Love, Lust and other Follies*, and *Swing Symphony*. In 1999 he was awarded an Honorary Doctorate in Communications from the University of Central Queensland for his career in media.



JUANITA VON STIEGLITZ was elected to the TSO Board in May 2015 and is a current member of the Audit Committee. Her professional background is in tourism and tourism marketing. Additionally, she has extensive experience in senior corporate roles and small business, and has worked with not-for-profit organisations and government entities. She is Co-Founder and Director of Masstige Moments, which specialises in sales and marketing representation services for super-premium travel products. From 1994 to 2008 she worked for American Express in Sydney, including a period as Regional Head of Membership Travel Services responsible for providing products and services for AMEX's premium consumer groups. Her Board experience includes American Express Inc Wholesale Currency Services, Tourism Tasmania (where she served as Chair of the Audit Committee) and Design Tasmania.



TIMOTHY BUGG AM was elected to the TSO Board in May 2016. He is a Principal and the Managing Director at Hobart-based legal practice Dobson Mitchell Allport. A former President of both the Law Council of Australia and the Law Society of Tasmania, he holds and has held a number of other national and international roles, including Chairman of the International Legal Services Advisory Council, member of the Council of the International Section of the American Bar Association and member of the Australian Law Schools Standards Committee of the Council of Australian Law Deans. He is a member of the Appeals Committee of the Royal Australasian College of Surgeons, a Fellow of the Australian Academy of Law and Chairperson of the Centre for Legal Studies. He serves as Chairperson of the Allport Library and Museum of Fine Arts Management Committee. He was made a Member of the Order of Australia in 2014 for 'significant service to the law, particularly through executive roles with professional legal organisations, and to the community.'



From 21 May 2017

HARVEY LENNON was elected to the TSO Board in May 2017. He is the Group Chief Executive of The Royal Automobile Club of Tasmania (RACT) Limited. He joined RACT in 1998 and has held various senior roles, and is a Director of RACT Travel Pty Ltd, RACT Insurance Pty Ltd, Australian Automobile Association Limited and Australian Motoring Services Pty Ltd. He is a member of the Road Safety Advisory Council and the Tourism Industry Council of Tasmania. He is passionate about Tasmania and the opportunities to grow tourism in the state. Prior to joining the RACT, he worked in the Tasmanian Department of Treasury and Finance where he held a range of senior positions. He holds a Bachelor of Commerce Degree from the University of Tasmania, is a Fellow of both CPA Australia and the Australian Institute of Management, a Graduate of the Australian Institute of Company Directors, and has an Advanced Diploma of Tourism. He is married with five children and one grandchild.



From 21 May 2017

JUDITH TUDBALL was elected to the TSO Board in May 2017. She served as Principal at St Michael's Collegiate School from 2015 to 2017, holds a Master of Leadership and Management in Education (Distinction), a Graduate Diploma of Education, and a Bachelor of Creative Arts - Music. She also holds AMusA and LTCL diplomas in oboe. Her 25-year education career began as a teacher of music in NSW. Service as Director of Music at New England Girl's School in Armidale, and then as Acting Head of High School and Acting Head of the Arts Faculty at The Friends School, Hobart, preceded her appointment in 2009 to Brisbane Girls Grammar School as Dean of Co-curriculum, where she was promoted to Deputy Principal (Operations). Recognised as a leader in single sex girls' education, she has served on the executive committees of the Alliance of Girls' School Australasia and Anglican Schools Australia, and is currently President-Elect of Anglican Schools Australia.

This Governance Report is provided in respect of Tasmanian Symphony Orchestra Holdings Ltd (TSOH) and its 100% owned subsidiary, Tasmanian Symphony Orchestra Pty Ltd (TSO), for the year ended 31 December, 2017 (the Group).

TSOH's Constitution was designed to effect the governance reforms from the Australian Government's Review of Orchestras. In this regard we are pleased to report that the membership base for TSOH at the end of 2017 was 315 members. TSOH held its Annual General Meeting in May 2017 at which the Members were provided with reports from the Chair and the Managing Director.

During 2017 the Board's oversight of the TSO met or exceeded the *'Essential governance practices for arts organisations'*, as referred to in the 2016-18 Tripartite Funding Agreement. The following demonstrates TSO's compliance with the eight Principles.

1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

A formal Charter for the Board was adopted in 2009. The Charter clearly articulates authority delegated to management for delivering the required outcomes of the strategic direction determined by the Board. Further, it provides the delegation of authority to the following Board Committees:

- Audit and Risk Committee
- Nomination and Remuneration Committee
- Key Artistic Advisory Committee

The roles of the Chair, Managing Director and Company Secretary are all formally

recorded in the Charter. The Charter also specifies that the ultimate responsibility for approval of corporate strategies and objectives, budgets, plans and policies developed by management is that of the Board. The Board develops an annual schedule and management brings the major strategic, business and policy matters to the Board in an orderly way.

Early in the year the Board approves the artistic program for the ensuing year subject to subsequent budgeting which must normally be a surplus budget. The Board considers and approves an amended program in light of management recommendations once the budgeting process has been completed.

The annual calendar of meetings also normally includes a specific planning day set aside for strategic planning discussion.

The Board receives monthly financial reports with management commentary on variations from the budget.

Induction for any new directors includes provision of relevant company documentation and an in-depth briefing on major operational, structural and financial aspects of the Group from the Chair, Managing Director and Company Secretary.

All administrative employees have formal position descriptions and letters of appointment which clearly set out conditions of employment, including required outcomes. Administrative employees undergo an annual performance appraisal by their immediate manager, which is in turn reviewed and approved by the Managing Director. The annual review of the Managing Director is undertaken by the Chair in consultation with Board members and reported back to the Board.

The Board has ensured, through its own reservation of authority, its delegation of authority, together with the imposed limits in respect of those delegations, that no individual has unfettered powers.

2. STRUCTURE THE BOARD TO ADD VALUE

The TSOH Constitution provides for the election of up to eight Directors by members. In addition, the Board may appoint the CEO as Managing Director. Directors elected by Members may serve a maximum of three consecutive three-year terms, after which time they must retire, although in certain circumstances the Chair may serve an additional term of up to three years. An annual election process for directors ensures an opportunity to review the composition of the Board.

The TSO Pty Ltd Constitution provides for the appointment and removal of up to eight Directors by its parent, TSOH and one Director appointed by the Board as the Managing Director.

The Board includes Directors with a broad range of skills and experience including accounting and finance, company secretarial, business, law, music and Industrial Relations. A full list of the Board Directors which includes their qualifications and experience is included in the Annual Report.

The Nomination and Remuneration Committee regularly reviews the Board's skills mix.

The responsibilities and authorities of the Board, Managing Director and Company Secretary not otherwise contained within the Corporations Act 2001 are clearly stated in the Delegations Manual.

The Chair is elected by the Board and is responsible for the efficient and effective functioning of the Board, including, but not limited to the discussion and determination of the strategic direction of the Group and ultimately the production of the Strategic Business Plan. The Board has established the following Committees to provide closer attention to key areas of governance:

- Audit and Risk Committee.....TSOH
- Nomination and Remuneration Committee.....TSOH & TSO
- Key Artistic Advisory Committee.....TSO

The Board conducts periodic reviews of its own performance and that of its Committees.

3. ACT ETHICALLY AND RESPONSIBLY

Independence of Directors is considered to be of vital importance.

Interests are routinely listed in Board papers and potential conflicts of interest are declared and managed appropriately. Where a conflict arises it is declared, the Director will generally not be present for consideration of the matter and, in all cases, will not participate in any decision making in relation to the matter.

The Board actively encourages and demonstrates by its actions that it expects an organisational culture based on high ethical values. During the year the Board did not need to examine any matter in detail with regard to ethical behaviour.

Major decisions of the Board were typically examined over a number of meetings thereby allowing full consideration of the matters relevant to the decision.

The Board encourages 'whole of company' information sessions and these encompass a wide range of topics including behaviour within the workplace. Relevant policies and procedures are documented and further progress was made on a Code of Conduct.

During 2017 TSO updated its *Workplace Discrimination, Bullying and Harassment Policy* to ensure compliance with best practice and relevant legislation. The Board formally approved this policy in March 2018.

4. ENSURE DIVERSITY

The Board actively encourages an organisational culture that embraces diversity and inclusion.

TSO has a *Diversity and Inclusion Policy* in draft and expects to approve a final version during 2018. The policy recognises the value of a diverse and skilled workplace and encompasses acceptance, respect and recognition of individual differences.

Workplace diversity principles will be incorporated into all aspects of human resource management, such as workforce planning, recruitment and selection, performance management, learning and development, leadership development, workplace health and safety and workplace relations.

Above all, we are committed to ensuring that all employees are treated with respect and dignity. Inappropriate attitudes and behaviours are confronted. The company will treat seriously any instance of inappropriate behaviour and confront attitudes based on inappropriate stereotypes.

TSO has recently conducted anti-discrimination and diversity training for all employees.

5. SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

The Audit and Risk Committee has a formal Charter which has been approved by the Board. The Committee has a schedule of regular meetings at which it reviews and considers:

- Financial Statements for the previous year
- Risk Management Report
- Budget for the forthcoming year
- Any other matter that falls within the scope of the Committee including capital expenditure.

The Committee comprises directors who would each be regarded as having a high level of accounting and finance skills.

The Managing Director and Business Manager attend Audit and Risk Committee meetings.

Deloitte Touche Tohmatsu was appointed as external auditor from 2011 and is invited to attend the AGM of members each year.

The Committee reviewed statutory and management accounting statements and considered related accounting policy issues. The Managing Director and Business Manager provided the Board with a signed representation letter attesting that the company's Financial Statements present a true and fair view of the company's current financial position and are in accordance with relevant legislative requirements and accounting standards.

The Committee meets at least annually with the external auditor without management present.

The review of financial performance is a regular monthly agenda item for the Board.

6. ENGAGE WITH STAKEHOLDERS

The Board is charged with ultimate responsibility to ensure that productive working relationships with key TSO Stakeholders are maintained. The day to day management of key stakeholder relationships is delegated to the Managing Director and in turn to the senior management team.

The Managing Director and senior management meet regularly with key stakeholders including Commonwealth, State and Local Government, sponsors, audiences, the Orchestra itself and those providing professional advice to the TSO.

The Board provides an Annual Report which provides information to the general public on its artistic and financial performance.

An annual survey is also conducted state-wide in Tasmania to assess community awareness of the TSO. Feedback and communication is encouraged via social media and via more traditional communication channels.

Management and the Board work to a year planner which is structured to ensure compliance with the legal and reporting requirements of its funding organisations. Additionally, the Company Secretary is delegated with responsibility to ensure the Company complies with all its other statutory requirements.

7. RECOGNISE AND MANAGE RISK

The Board reviews and manages risk through its Audit and Risk Committee. It has established a Risk Report and Risk Analysis, the objectives of which are:

- To promote a risk aware culture;
- To develop a strategic enterprise risk profile of TSO and to provide a basis to identify relevant priorities and actions to better enable TSO to successfully achieve its objectives;
- To provide an overview of existing control effectiveness;
- To provide input to TSO's planning process;
- To involve management and staff in risk ownership and management and to embed risk management;
- To provide a basis from which to report regularly to stakeholders on key risk issues.

Management prepares draft revisions of the Risk Report and Risk Analysis and these are reviewed during the year by both the Audit and Risk Committee and the Board.

The methodology applied is consistent with the Australian/New Zealand Risk Management Standard AS/NZS ISO 31000:2009 and the key elements of that methodology are the consequences and impact parameters.

A Management Representation letter is signed annually prior to the signing of the financial statements. The company's financial reports present a true and fair view of the company's financial position and operational result and are in accordance with relevant accounting standards. TSO financial statements are founded on a sound system of risk management and internal controls.

8. REMUNERATE FAIRLY AND RESPONSIBLY

An Enterprise Agreement for administrative staff was agreed in 2015 and the Agreement for musicians is currently under negotiation and will be renewed during 2018.

The Board is conscious of the need to keep remuneration of musicians in broad alignment with other orchestras and remuneration for executives and staff in alignment with industry and community standards so that the Company can recruit and retain, but is mindful of the limited resources of the company.

An ongoing major initiative is the restructuring of the assessment process, which has the objective of remunerating fairly and responsibly.

Non-executive Directors do not receive any remuneration from the company.



David Rich
Chair

20 April 2018

Orchestra and Management

Marko Letonja
Chief Conductor & Artistic Director
Elena Schwarz *Assistant Conductor*

ORCHESTRA (as at 31 December 2017)

Violin

Emma McGrath
Concertmaster
Elinor Levy
Associate Concertmaster
Lucy Carrig-Jones
Principal Second
Jennifer Owen
Principal First
Miranda Carson
Yue-Hong Cha
Edwina George
Michael Johnston
Christine Lawson
Alison Lazaroff-Somssich
Susanna Low
Christopher Nicholas
Rohana O'Malley
Tutti Violin – Vacancy

Viola

Stefanie Farrands*
Douglas Coghill
Anna Larsen Roach
Rodney McDonald
William Newbery

Cello

Sue-Ellen Paulsen*
Ivan James
Martin Penicka
Tutti Cello - Vacancy

Double Bass

Stuart Thomson*
Aurora Henrich
James Menzies

Flute

Douglas Mackie*
Lloyd Hudson
Piccolo

Oboe

David Nuttall*
Dinah Woods
Cor Anglais

Clarinet

Andrew Seymour*
Chris Waller *Bass Clarinet*

Bassoon

Tahnee van Herk*
John Panckridge
Contrabassoon

Horn

Wendy Page*
Heath Parkinson*
Roger Jackson
Greg Stephens

Trumpet

Yoram Levy*
Mark Bain

Trombone

Jonathon Ramsay*
David Robins

Bass Trombone

Vacancy*

Tuba

Timothy Jones*

Timpani

Matthew Goddard*

Percussion

Gary Wain*

Harp

Vacancy

*principal player

STAFF (as at 31 December 2017)

Executive

Nicholas Heyward *Managing Director*
Valerie Bohle *Executive Assistant*

Artistic Management

Simon Rogers *Director Artistic Planning*
Alexis Aitken *Artistic and Chorus Co-ordinator*
Jenny Compton *Outreach and Education Executive*
Rosemary Antonini *Artistic Liaison & Arts Vision Coordinator*

Business Services

John De Paoli *Director Business Services*
Sharon Winters *Senior Business Services Officer*
Hayden Jones *Business Services Officer*
Amanda Elder *Payroll Officer*

People and Culture

Jenny Goulding *Director People and Culture*

Marketing and Communications

Samuel Cairnduff *Director Marketing and Communications*
Robert Gibson *Publications Editor*
Ciara Nicholls *Marketing Coordinator*
Darrell Jones *Customer Service Coordinator*
Amanda Elder *Customer Service Consultant*
Deirdre Paramor *Customer Service Consultant*
Brenda Fehlberg *Customer Relationships Executive*

Development

Ed Benyon *Director Development*
Cath Adams *Development Executive*
Brooke Everingham *Development Coordinator*

Orchestra Management

Greg Low *Orchestra Manager*
Jacqui Walkden *Orchestra Coordinator*
Ian Wollstein *Technical Coordinator*
David Harvey *Orchestra Librarian*
Brian Harris *Production Assistant*

Farewells:

Fiona McAlpine *Executive Assistant*
(31 July 2014 to 29 September 2017)
Sam East *Director Marketing and Communications*
(3 October 2016 to 12 January 2017), staff member since 23 March 2015.

TSO Chorus and TSO Friends

TSO CHORUS

June Tyzack *Chorusmaster*

Andrew Bainbridge *Assistant Chorusmaster/Répétiteur*

Jennifer Marten-Smith *Répétiteur/Language Coach*

Karen Smithies *Répétiteur*

Soprano

Rosina Beaumont
Anne Blythe-Cooper
Alice Bowman-Shaw
Karen Cockrill[^]
Carmelita Coen
Michaela Darlington
Hannah Denman*
Madeleine Dragar*
Madeleine Dyer
Felicity Gifford
Joanna Haslewood
Debra Jensen
Felicity Kohut
Bernadette Large
Loretta Lohberger
Heather McCallum
Stephanie McDonald
Sophie Mohler
Shaunagh O'Neill
Christine Owens
Julianne Panckridge
Lydia Panné*
Abigail Radford
Meg Scanlan
Christina Schallenberg
Carolyn Seelen
Sharon Sherman[^]

Yasmin Shoobridge
Joy Tattam
Frances Underwood
Lesley Wickham

Alto

Carmen Ait Maamar
Gillian von Bertouch
Claire Blichfeldt
Sally Brown
Beth Coombe
Sally Crosby
Elizabeth Eden
Ann Godber
Helena Griggs
Sue Harradence
Clare Hawkins
Kirsten Jones
Marie Keane
Leigh Lazarus
Josephine Legosz
Mary McArthur
Caroline Miller
Sally Mollison
Jennifer Phillips
Louise Rigozzi
Jennifer Thain
Sally Vance
Henni Veit
Beth Warren
Michelle Warren

Tenor

Peter Ball
Simon Beswick[^]
Hilary Fawcett[^]
Peter Fawcett[^]
Bill Field
Michael Gregor
Bill MacDonald
Tony Marshall
Mandy McKendrick
Simon Milton
Dianne O'Toole
David Pitt
James Powell-Davies
Alexander Rodrigues
Peter Tattam
Andrew Tulloch

Bass

John Ballard
Tim Begbie
Luke Bombardieri
Peter Cretan
Jack Delaney*
Greg Foot
Michael Fortescue
Peter Hepburn
Sam Hindell
David Horn

Duncan How
Michael Hutch[^]
Lincoln Law[^]
Reg Marron
Michael Muldoon[^]
Darcy O'Malley
Jeremy O'Reilly[^]
Tony Parker
Charlie Parr
Paul Radford
Philip Sabine
Dick Shoobridge
Anthony Sprent
Ellis Swinbourne*
Grant Taylor
Daniel Whitfort

* TSO Chorus Student Program

[^] Invited Choristers

TSO FRIENDS COMMITTEE

Maggie McKerracher *President*

Diane Truskett *Vice President*

Geoff Walker *Secretary*

Grant Taylor *Treasurer*

Keith Anderson

Annick Ansselin

John Canterford

David Davey

Catherine Hamilton (until March 2017)

Tina Pinkard

Carol Samuelson

Mike Scott (until January 2017)

Ed Benyon *Management Representative*

James Menzies *Player Representative*

The TSO Foundation Trust was established in 2008 to build and manage an endowment fund to assist with the long-term financial security of the Tasmanian Symphony Orchestra. Funds earned by the Trust are distributed annually to the TSO operating fund.

In 2017 the TSO operating fund received income of \$51,437 from the Trust.

With net assets of \$1,447,596 at December 2017 and 18 confirmed future bequests, the Foundation is building towards its fund goal of at least \$20 million.

The Foundation recognises the generosity of those who make a future bequest by acknowledging their names in concert

programs and at the TSO website. Additionally, for bequests of \$10,000 or more, donors will be invited to join the Sculthorpe Society, a select group of benefactors who receive invitations to special events and social gatherings.

The Trust has a corporate trustee, the TSO Foundation Ltd, which manages the Trust funds.

The Trust is managed by an independent Board of honorary directors (see below), supported by an audit and risk committee. The Trust and the Foundation are independently audited on an honorary basis by Deloitte. Independent investment and portfolio advice is provided by Unica Wealth.

TSO FOUNDATION TRUST LTD DIRECTORS

Dick Shoobridge *Chair*

Timothy Bugg AM

John Canterford (until June 2017)

Janice Foster (from February 2017)

Josef Giedl (from October 2017)

Donald Hempton

Patricia Leary

Michael Ralston (until February 2017)

Peter Stanton

John Upcher (until June 2017)

John De Paoli *Company Secretary*

Annual Financial Report

31 December 2017

**Tasmanian Symphony Orchestra Holdings
Limited (ABN 16 122 619 630)**

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Directors' Report

For the year ended 31 December 2017

The directors present their report together with the consolidated financial report of Tasmanian Symphony Orchestra Holdings Limited and its subsidiary Tasmanian Symphony Orchestra Pty Ltd (the Orchestra) for the year ended 31 December 2017 and the auditor's report thereon.

DIRECTORS

The names of the directors of the company during or since the end of the financial year are:

David Rich	Chair
Donald Challen AM	Deputy Chair
Nicholas Heyward	Managing Director
Timothy Bugg AM	
Peter Cretan	
Maria Grenfell	
Christopher Lawrence	Director until 3 April 2017
Harvey Lennon	Director since 21 May 2017
Paul Oxley	Director until 20 May 2017
Judith Tudball	Director since 21 May 2017
Juanita von Stieglitz	

PRINCIPAL ACTIVITIES

The principal activities of the Orchestra during the year ended 31 December 2017 were the presentation, performance and recording of orchestral music. There were no significant changes in the nature of the activities of the Orchestra during the year.

REVIEW AND RESULTS OF OPERATIONS

The Tasmanian Symphony Orchestra (TSO) recorded a loss for 2017 of \$169,192 (2016: profit \$6,612), after including the loss associated with the tour to China of \$225,630. The underlying result from operations excluding the tour was a profit of \$56,438 (2016: \$107,554).

Revenue from ticket sales increased by 17% (\$269,611) from 2016 to \$1,859,988 (2016: \$1,590,377). Interest, sponsorship, donation and grant revenue increased by 7% (\$57,509) to \$915,912 (2016: \$858,403).

Operating expenses before depreciation and amortisation increased by 3.4% (\$399,336) to \$12,099,670 (2016: \$11,700,334); employee expenses decreased slightly by 1.3%, due to some vacancies during the year and rebates received on Workers' Compensation insurance premiums. The expenses include a pro-rata proportion of the costs from the 2016/17 China tour of \$436,556 (2016: \$240,635).

Ticket sales were very pleasing and the TSO subscription base continues to grow. Concert highlights included *Beethoven's Ninth*, *The Rite of Spring* (a first for the TSO and including Australian National Academy of Music musicians), the Rachmaninov piano concertos with Howard and Alexander Shelley, *Gomyo + Bruch* and *The Lark Ascending*. The opera special

Directors' Report

For the year ended 31 December 2017

Carmen was very popular, and Kate Miller-Heidke returned to play with the TSO for two shows, following the 2016 performance as part of the Mofo festival. The Live Sessions concerts proved successful again in 2017 and a performance was held in Huonville at a popular local apple shed.

The company continues to support the Tasmanian arts community with its collaborations. During 2017 TSO presented *The Rite of Spring* and *Ode to Nellie Melba* concerts as part of the Ten Days on The Island Festival (TDIOI), a recital by Angela Hewitt in conjunction with Musica Viva Tasmania and was involved in Dark Mofo with Victoria Opera. Additionally, the TSO was pleased to host the Xiamen Philharmonic Orchestra which performed concerts in Hobart and Launceston as part of TDIOI (the TSO performed in Xiamen as part of its China tour).

The TSO's commitment to Outreach Education and Training was again very strong during 2017. The Conductor and Composer training programs continued and included a Women's Composers project, along with support for the Tasmanian Youth Orchestra through the *Big Rehearsal*. A special project for 2017 involved working with prisoners from Risdon Prison and culminated in a presentation of *Convict Monologues* at the Hobart Penitentiary Courtroom.

For the first time, the TSO appointed an Assistant Conductor in 2017, Elena Schwarz. Elena's position was made possible by the bequest received from Dr Louise Crossley in previous years, and followed Elena's participation in TSO conductor training. The bequest was also used to bring Jessica Cottis to Tasmania to conduct *RACF Symphony under the Stars*.

China Tour Outcome

The TSO conducted a highly successful tour of China in December 2016-January 2017, in which the orchestra gave nine concerts in seven cities, including Shanghai and Nanjing. The overall financial impact of the tour and the subsequent reciprocal concerts performed by the Xiamen Philharmonic orchestra in Tasmania is as follows:

	2017	2016	TOTAL
Tour income	235,111	139,693	374,804
Tour expenses	(436,556)	(240,635)	(677,191)
Sub Total Tour	(201,445)	(100,942)	(302,387)
Xiamen Philharmonic expenses	(24,185)	-	(24,185)
Total China Tour deficit	(225,630)	(100,942)	(326,572)
Reported comprehensive profit/(loss) for the year	(169,192)	6,612	(162,580)
Underlying result	56,438	107,554	163,992

Directors' Report

For the year ended 31 December 2017

CHANGES IN STATE OF AFFAIRS

In the opinion of the directors, there were no significant changes in the underlying state of affairs of the company that occurred during the year ended 31 December 2017.

LIKELY DEVELOPMENTS

The company will continue to present, perform and record orchestral music during the next financial year. The company's continuing success depends on an appropriate level of government funding, corporate sponsorship, donations and ticket sales.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

During or since the end of the financial year the company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Insurance premiums

During the financial year, the company has paid premiums in respect of Directors' and Officers' liability insurance, legal expenses and insurance contracts for the year ended 31 December 2017 in respect of any liability incurred as a director and or officer to the extent permitted by the *Corporations Act 2001*. Since the end of the financial year, the company has paid or agreed to pay premiums in respect of such insurance contracts for the year ended 31 December 2018. Such insurance contracts insure persons who are or have been directors or officers of the company against certain liabilities (subject to certain exclusions). Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future years.

Directors' Report

For the year ended 31 December 2017

DIRECTORS' MEETINGS

The number of meetings of the Board of Directors and of Board Committees during the financial year were:

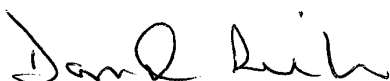
Number of meetings eligible (E) Number of meetings attended (A)	Tasmanian Symphony Orchestra Holdings Ltd				Tasmanian Symphony Orchestra Pty Ltd			
	Board		Audit and Risk		Remuneration and Nominations		Key Artistic Advisory	
	E	A	E	A	E	A	E	A
David Rich (Chair)	9	8	4	3	-	-	1	1
Donald Challen AM (Deputy Chair)	9	7	4	4	-	-	-	-
Nicholas Heyward (MD)	9	9	4	4	-	-	1	1
Timothy Bugg AM	9	7	4	4	-	-	-	-
Peter Cretan	9	6	4	4	-	-	-	-
Maria Grenfell	9	7	-	-	-	-	1	1
Christopher Lawrence	2	2	-	-	-	-	-	-
Harvey Lennon	7	6	2	1	-	-	-	-
Paul Oxley	2	2	-	-	-	-	-	-
Judith Tudball	7	5	-	-	-	-	1	1
Juanita von Stieglitz	9	7	2	2	-	-	-	-

Directors who were absent from meetings were so with the consent of the Board.

AUDITOR'S INDEPENDENCE DECLARATION

The directors have received a declaration from the auditor which is included after the financial report and directors' declaration.

Signed in accordance with a resolution of the directors made pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*:



David Rich, Director
Hobart, 20 March 2018

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2017

Continuing Operations	Note	Year Ended Consolidated	
		2017 \$	2016 \$
REVENUE			
Government funding	1	8,844,503	8,622,595
Ticket sales	2	1,859,988	1,590,377
Sponsorship and donation revenue	3	915,912	858,403
Other revenue	4	506,664	801,905
		<u>12,127,067</u>	<u>11,873,280</u>
EXPENSES			
Employee expenses		7,207,650	7,304,075
Artists' fees and expenses		1,156,018	938,269
Marketing expenses		517,469	531,757
Production expenses		1,457,539	1,189,463
Symphony Services International service fee		236,441	316,441
Accommodation expenses		466,595	451,193
Travel expenses		238,166	223,241
Other expenses from ordinary activities		819,558	745,624
Finance costs		234	271
Depreciation and amortisation	5	196,589	166,334
		<u>12,296,259</u>	<u>11,866,668</u>
Net profit before income tax		(169,192)	6,612
Income tax		-	-
Net profit/(loss) for the year		(169,192)	6,612
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		<u>(169,192)</u>	<u>6,612</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2017

		As at Consolidated	
	Note	2017	2016
		\$	\$
Assets			
Current assets			
Cash assets	18a	2,948,395	6,122,202
Trade and other receivables	6	374,355	338,083
Other financial assets	18c	1,868,666	668,666
Other current assets	7	1,249,880	609,825
Total current assets		<u>6,441,296</u>	<u>7,738,776</u>
Non-current assets			
Plant and equipment	9	1,183,031	1,052,417
Intangible assets	10	1,533	3,832
Total non-current assets		<u>1,184,564</u>	<u>1,056,249</u>
Total assets		<u>7,625,860</u>	<u>8,795,025</u>
Liabilities			
Current liabilities			
Trade and other payables	11	396,165	402,170
Unearned revenue	12	1,233,122	2,186,248
Provisions	13	1,573,766	1,588,194
Total current liabilities		<u>3,203,053</u>	<u>4,176,612</u>
Non-current liabilities			
Provisions	13	207,307	233,721
Total non-current liabilities		<u>207,307</u>	<u>233,721</u>
Total liabilities		<u>3,410,360</u>	<u>4,410,333</u>
Net assets		<u>4,215,500</u>	<u>4,384,692</u>
Equity			
Contributed equity	14	175,214	175,214
Retained earnings	17	3,116,762	3,245,668
Reserves Incentive Scheme reserve	16a	668,666	668,666
Dr L Crossley bequest reserve	16b	254,858	295,144
Total equity		<u>4,215,500</u>	<u>4,384,692</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2017

Consolidated	Issued capital	Retained earnings	Reserves Incentive Scheme Reserve	Dr L Crossley bequest Reserve	Total equity
	\$	\$	\$	\$	\$
Balance at 1 January 2016	175,214	3,384,200	668,666	150,000	4,378,080
Transferred to reserves	-	(145,144)	-	145,144	-
Total comprehensive income for the year	-	6,612	-	-	6,612
Balance at 31 December 2016	175,214	3,245,668	668,666	295,144	4,384,692
Transferred from reserves	-	40,286	-	(40,286)	-
Total comprehensive income for the year	-	(169,192)	-	-	(169,192)
Balance at 31 December 2017	175,214	3,116,762	668,666	254,858	4,215,500

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December 2017

	Note	Year ended Consolidated	
		2017	2016
		\$	\$
Cash flows (used in)/from operating activities			
Cash receipts in the course of operations		3,692,768	3,794,049
Cash payments in the course of operations		(12,977,526)	(13,310,965)
Grants received from government funding		7,433,680	10,495,628
Interest received		202,175	181,586
Net cash flows from operating activities	18b	<u>(1,648,903)</u>	<u>1,160,298</u>
Cash flows (used in)/from investing activities			
Receipt of cash upon expiry of held-to-maturity investments		(1,200,000)	-
Payment for plant and equipment		<u>(324,904)</u>	<u>39,182</u>
Net cash flows from investing activities		<u>(1,524,904)</u>	<u>39,182</u>
Cash flows from financing activities			
Repayment of borrowings		<u>-</u>	<u>(50,395)</u>
Net cash flows used in financing activities		<u>-</u>	<u>(50,395)</u>
Net increase/(decrease) in cash held		(3,173,807)	1,149,085
Cash at the beginning of the financial year		<u>6,122,202</u>	<u>4,973,117</u>
Cash at the end of the financial year	18a	<u>2,948,395</u>	<u>6,122,202</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

General Information

For the year ended 31 December 2017

GENERAL INFORMATION

The financial report of Tasmanian Symphony Orchestra Holdings Limited and its controlled entity for the year ended 31 December 2017 was authorised for issue in accordance with a resolution of directors on 20 March 2018.

Tasmanian Symphony Orchestra Holdings Limited is a public company limited by guarantee incorporated in Australia. The address of the registered office is:

1 Davey Street
Hobart TAS 7000

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

Basis of preparation

The financial report has been prepared on the basis of historical cost. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

General Information

For the year ended 31 December 2017

Statement of compliance

The financial report is a general purpose financial report and the financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Accounting Standards – Reduced Disclosure Requirements*, and comply with other requirements of the law.

The company is a not-for-profit entity.

New Accounting Standards and Interpretations

The Orchestra has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2017.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Orchestra include:

- AASB 1048 *Interpretation of Standards*
- AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*
- AASB 2017-2 *Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016*

The application of these amendments has had no impact on the Orchestra's consolidated financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Tasmanian Symphony Orchestra Holdings Limited and its subsidiary as at 31 December 2017.

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit or losses resulting from intra-Group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Significant Accounting Judgements, Estimates and Assumptions

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

General Information

For the year ended 31 December 2017

Taxation

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

Other Accounting Policies

Significant other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Subsequent Events

There has been no matter or circumstance which has occurred subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Impairment of non-financial assets other than goodwill

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

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	Year ended Consolidated	
	2017	2016
	\$	\$
1. GOVERNMENT FUNDING		
Australia Council		
Annual grant	6,572,009	6,481,270
	<u>6,572,009</u>	<u>6,481,270</u>
Department of Foreign Affairs and Trade		
Australia China Council - China tour	23,333	11,667
	<u>23,333</u>	<u>11,667</u>
Arts Tasmania		
Annual grant	1,631,660	1,569,659
ICON funding	500,000	500,000
China tour	66,667	33,333
	<u>2,198,327</u>	<u>2,102,992</u>
Local government		
Annual grant	37,500	20,000
China tour	13,334	6,666
	<u>50,834</u>	<u>26,666</u>
	<u>8,844,503</u>	<u>8,622,595</u>

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

Accounting Policy

Government Grants

Funding revenue comprises grants from the Australian Government's Australia Council and the State Government of Tasmania through Arts Tasmania. This revenue is received under the terms of the Tripartite Funding Agreement (2016 – 2018) entered into in 2016.

ICON funding grant revenue is received from the State Government of Tasmania through Arts Tasmania.

Funding revenue is recognised in respect of the applicable calendar year for which the funding is intended under the terms of the funding agreements. Special purpose funding, which requires the company to fulfil an obligation outside its normal operations, is recognised at the time the obligation is fulfilled.

A significant portion of the company's annual revenue consists of funding from the Australian and Tasmanian Governments, through the Australia Council and Arts Tasmania. As a result, the company is economically dependent on these entities.

Grant funding received for the China tour has been pro-rated between the 2016 and 2017 financial years, based on the number of concerts performed in each financial year.

	Year ended Consolidated	
	2017	2016
	\$	\$
2. TICKET SALES		
Subscription sales	950,754	832,629
Single ticket sales	909,234	757,748
	<hr/>	<hr/>
	1,859,988	1,590,377
	<hr/>	<hr/>

Accounting Policy

Concert revenue

Concert revenue is recognised at the time of concert performance.

3. SPONSORSHIP AND DONATION REVENUE

Corporate sponsorship	320,467	315,921
Corporate donations	37,850	49,250
Individual donations	335,669	292,887
Foundations and grants	168,652	62,345
Bequests	53,274	138,000
	<hr/>	<hr/>
	915,912	858,403
	<hr/>	<hr/>

Accounting Policy

Donation and bequest income

Donations are recognised at the time of receipt. Bequests are recognised when the company is notified of an impending distribution or the bequest is received, whichever occurs earlier.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	Year ended Consolidated	
	2017	2016
	\$	\$
4. OTHER REVENUE		
Interest income	165,758	210,605
Orchestral hire	45,726	158,159
Royalties	6,801	1,272
Other	288,379	431,869
	<u>506,664</u>	<u>801,905</u>

Accounting Policy

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

5. PROFIT FROM CONTINUING OPERATIONS

Profit for the year from continuing operations has been arrived at after charging the following items:

Depreciation:		
Plant and equipment	107,708	100,989
Leasehold improvements	71,498	49,304
Furniture and fittings	1,107	411
Office equipment	5,420	4,247
Computers	8,557	8,755
Motor vehicles	-	329
Amortisation:		
Intangible assets	2,299	2,299
	<u>196,589</u>	<u>166,334</u>
Superannuation payments	821,749	801,100
Operating lease payments	281,151	280,015

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	As at Consolidated	
	2017 \$	2016 \$
6. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	379,226	338,083
less provision for impairment	(4,871)	-
	<u>374,355</u>	<u>338,083</u>

Accounting Policy

Trade and other receivables

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

The collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectable are written off when identified. An allowance for provision for impairment of trade receivables is used when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses.

Past due but not impaired

Trade receivables over 30 days are past due but not impaired, as there is no objective evidence at reporting date that the company will not be able to collect all amounts due.

7. OTHER ASSETS

Current

Prepayments	130,663	451,719
Inventory	4,764	2,156
Work-In-Progress	6,023	26,021
GST	28,075	29,983
Accrued income	1,080,355	99,946
	<u>1,249,880</u>	<u>609,825</u>

Accounting Policy

Goods and Services tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST). Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

8. PARENT ENTITY INFORMATION	As at Consolidated	
	2017	2016
	\$	\$
Information relating to Tasmanian Symphony Orchestra Holdings Ltd:		
Current assets	10,119	10,756
Non-current assets	1,174,455	1,174,455
Current liabilities	-	-
Retained earnings	1,184,574	1,185,212
Total shareholders' equity	<u>1,184,574</u>	<u>1,185,212</u>
Profit of parent entity	(638)	(4,773)
Total comprehensive income of the parent entity	(638)	(4,773)

9. PROPERTY, PLANT AND EQUIPMENT

2016	Consolidated						Total
	Musical instruments and equipment	Leasehold improvements	Furniture and fittings	Office equipment	Computer equipment	Motor vehicles	
Cost	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2016	1,698,268	549,028	13,984	61,212	115,012	91,787	2,529,291
Adjustments	-	-	-	-	-	-	-
Additions	-	8,235	-	722	2,194	-	11,151
Disposals	-	-	-	-	-	(91,787)	(91,787)
Balance at 31 December 2016	<u>1,698,268</u>	<u>557,263</u>	<u>13,984</u>	<u>61,934</u>	<u>117,206</u>	<u>-</u>	<u>2,448,655</u>

Accumulated depreciation

Balance 1 January 2016	(786,614)	(314,301)	(9,874)	(20,749)	(100,995)	(41,124)	(1,273,657)
Adjustments	-	-	-	-	-	-	-
Depreciation expense	(100,989)	(49,304)	(411)	(4,247)	(8,754)	(329)	(164,034)
Disposals	-	-	-	-	-	41,453	41,453
Balance at 31 December 2016	<u>(887,603)</u>	<u>(363,605)</u>	<u>(10,285)</u>	<u>(24,996)</u>	<u>(109,749)</u>	<u>-</u>	<u>(1,396,238)</u>
Net book value 31 December 2016	<u>810,665</u>	<u>193,658</u>	<u>3,699</u>	<u>36,938</u>	<u>7,457</u>	<u>-</u>	<u>1,052,417</u>

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Consolidated

2017	Musical instruments and equipment	Leasehold improvements	Furniture and fittings	Office equipment	Computer equipment	Motor vehicles	Total
Cost	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2017	1,698,268	557,263	13,984	61,934	117,206	-	2,448,655
Adjustments	-	-	-	-	-	-	-
Additions	162,180	122,255	11,075	8,061	21,333	-	324,904
Disposals	-	-	-	-	-	-	-
Balance at 31 December 2017	1,860,448	679,518	25,059	69,995	138,539	-	2,773,559

Accumulated depreciation

Balance 1 January 2017	(887,603)	(363,605)	(10,285)	(24,996)	(109,749)	-	(1,396,238)
Adjustments	-	-	-	-	-	-	-
Depreciation ex- pense	(107,708)	(71,498)	(1,107)	(5,420)	(8,557)	-	(194,290)
Disposals	-	-	-	-	-	-	-
Balance at 31 De- cember 2017	(995,311)	(435,103)	(11,392)	(30,416)	(118,306)	-	(1,590,528)
Net book value 31 December 2017	865,137	244,415	13,667	39,579	20,233	-	1,183,031

Accounting Policy

Plant and equipment

All items of plant and equipment, leasehold improvements, furniture and fittings, office equipment and computers are carried at historical cost less any accumulated impairment losses and accumulated depreciation.

Depreciation and amortisation

Items of plant and equipment, leasehold improvements, furniture and fittings, office equipment and computers are depreciated using the straight-line and diminishing value methods over their estimated useful lives in the current and prior year.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

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

Asset class	Depreciation rates
Musical instruments and equipment	6.5% - 9%
Leasehold improvements	Straight line over the 20 year lease period
Furniture and fittings	10%
Office equipment	10%
Computer equipment	20%
Motor vehicle	Straight line over the 3 year lease period

The estimation of useful lives of plant and equipment is based on historical experience. The condition of assets are assessed periodically and considered in relation to the remaining useful life of the asset and adjustments made to useful lives of plant and equipment as appropriate.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year-end.

	As at Consolidated	
	2017	2016
	\$	\$
10. INTANGIBLE ASSETS		
Opening net book value	3,832	6,131
Additions	-	-
Disposals	-	-
Amortisation charge	(2,299)	(2,299)
Closing net book value	<u>1,533</u>	<u>3,832</u>
At 31 December 2017		
Cost	6,897	6,897
Accumulated amortisation	(5,364)	(3,065)
Net book value	<u>1,533</u>	<u>3,832</u>

Accounting Policy

Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	As at Consolidated	
	2017	2016
	\$	\$
11. TRADE AND OTHER PAYABLES		
Current		
Trade payables	133,460	127,936
Other payables and accruals	262,705	274,234
	<u>396,165</u>	<u>402,170</u>

Accounting Policy

Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

The average credit period on purchases of most goods and services is 7 days. The company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

12. UNEARNED REVENUE

Funding grants in advance - Arts Tasmania	-	1,009,500
Ticket sales in advance	1,025,872	908,113
China tour 2017 funding	-	159,385
Other	207,250	109,250
	<u>1,233,122</u>	<u>2,186,248</u>

Accounting Policy

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	As at Consolidated	
	2017 \$	2016 \$
13. PROVISIONS		
Current		
Employee entitlements	1,573,766	1,588,194
	<u>1,573,766</u>	<u>1,588,194</u>
Non-current		
Employee entitlements	143,968	172,227
Make-good provision		
Balance at beginning of year	61,494	59,703
Additional provision recognised	1,845	1,791
Balance at end of year	<u>63,339</u>	<u>61,494</u>
	<u>207,307</u>	<u>233,721</u>

Accounting Policy

Employee benefits

Wages, salaries and annual leave

The provisions for employee entitlement to wages, salaries and annual leave represent the amount which the company has a present obligation to pay resulting from employees' services provided up to the balance date. Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. The carrying amount of the provision approximates net fair value.

Long service leave

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

Liabilities for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to Commonwealth Government securities at balance date which most closely match the terms of maturity of the related liabilities.

In determining the liability for employee entitlements, consideration is given to future increases in wage and salary rates, and the economic entity's experience with staff departures. Related on-costs have also been included in the liability.

The carrying amount of the provision approximates net fair value.

Superannuation plans

The Group contributes to several accumulation superannuation plans. Employer contributions in relation to the year ended 31 December 2017 have been expensed in the statement of profit or loss and other comprehensive income. No liability is shown for superannuation in the statement of financial position as the employer contributions to the various schemes fully extinguish the employer's liability.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

13. PROVISIONS (CONT'D)

Provisions

Make-good provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision has been made for the present value of anticipated costs associated with the future restoration of the leased premises. The estimate is periodically reviewed and updated. In the event that the provision is material it will be present valued.

	As at Consolidated	
	2017	2016
	\$	\$
222,372 fully paid ordinary shares	175,214	175,214
	<u>175,214</u>	<u>175,214</u>

14. CONTRIBUTED EQUITY

Accounting Policy

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

On 31 December 2006 Tasmanian Symphony Orchestra Holdings Ltd purchased all shares of Tasmanian Symphony Orchestra Pty Ltd that were previously held by the Australian Broadcasting Corporation. In the event of winding up of the parent company, property shall be given or transferred to one or more institutions, selected by the board of the company at or before dissolution, having purposes similar to the purposes for which the company was incorporated.

15. GUARANTEE

Each member undertakes to contribute to the property of the company if the company is wound up while he, she or it is a member or within 1 year after he, she or it ceases to be a member, for payment of the company's debts and liabilities contracted before he, she or it ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required, but not exceeding \$1.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	As at Consolidated	
	2017 \$	2016 \$
16. RESERVES		
a) Reserves Incentive Scheme reserve		
Balance at beginning of year	668,666	668,666
Balance at end of year	<u>668,666</u>	<u>668,666</u>

The Reserves Incentive Scheme is designed to encourage and assist major performing arts companies to strengthen their financial position by building reserves to a level that is sufficient to underpin their financial health and provide a base from which to take access risks. These funds have been set aside, held in escrow and are unencumbered as per the appropriate artistic and Reserves Incentive Scheme Agreement.

b) Dr L Crossley bequest reserve

Balance at beginning of year	295,144	150,000
Current year bequest	-	138,000
Transfer in relation to women conductors' expenses	(47,963)	-
Transfer from retained earnings for interest earned	<u>7,677</u>	<u>7,144</u>
Balance at end of year	<u>254,858</u>	<u>295,144</u>

During 2015 and 2016 a bequest was received from Dr L Crossley to support the development of women conductors with the Tasmanian Symphony Orchestra.

The Dr L Crossley bequest reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the Dr L Crossley bequest reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the Dr L Crossley bequest reserve will not be reclassified subsequently to profit or loss.

17. RETAINED EARNINGS

Retained earnings	<u>3,116,762</u>	<u>3,245,668</u>
	<u>3,116,762</u>	<u>3,245,668</u>
Balance at beginning of year	3,245,668	3,384,200
Transfer to Dr L Crossley bequest reserve - current year bequest	-	(138,000)
Transfer in relation to women conductors' expenses	47,963	-
Transfer to Dr L Crossley bequest reserve - interest earned	(7,677)	(7,144)
Net profit/(loss) for the year	<u>(169,192)</u>	<u>6,612</u>
Balance at end of year	<u>3,116,762</u>	<u>3,245,668</u>

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	Year ended Consolidated	
	2017 \$	2016 \$
18. STATEMENT OF CASH FLOWS		
a) Reconciliation of cash		
For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank drafts.		
Cash assets as at the end of the financial year as shown in the statement of cash flows are as follows:		
Cash and cash equivalents	2,948,395	6,122,202
	<u>2,948,395</u>	<u>6,122,202</u>
b) Reconciliation of surplus from ordinary activities to net cash flows from operating activities		
Surplus/(deficit) from ordinary activities	(169,192)	6,612
Depreciation	196,589	166,335
	<u>27,397</u>	<u>172,947</u>
Movements in working capital		
(Increase)/decrease in trade and other receivables	(36,272)	(10,036)
(Increase)/decrease in prepayments	322,964	(303,113)
(Increase)/decrease in accrued income	(980,409)	125,548
Decrease/(increase) in inventories	17,390	(3,185)
(Decrease)/increase in trade and other payables	(6,005)	(101,617)
(Decrease)/increase in unearned revenue	(953,126)	1,063,249
(Decrease)/increase in provisions	(40,842)	216,505
	<u>(1,648,903)</u>	<u>1,160,298</u>
c) Investments in financial assets		
Held-to-maturity	1,868,666	668,666
	<u>1,868,666</u>	<u>668,666</u>

Accounting Policy

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on-hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

18. STATEMENT OF CASH FLOWS (CONT'D)

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and interest paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Held-to-maturity investments include term deposits with a maturity greater than three months.

19. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

a) Details of executives

Nicholas Heyward	Managing Director
Edward Benyon	Director Development
Samuel Cairnduff	Director Marketing and Communications - appointed 28 March 2017
John De Paoli	Director Business Services
Jennifer Goulding	Director People and Culture
Greg Low	Orchestra Manager
Simon Rogers	Director Artistic Planning
Samantha East	Director Marketing and Communications – until 12 January 2017

b) Compensation of key management personnel

	Year ended Consolidated	
	2017 \$	2016 \$
Short term employee benefits	823,864	800,051
Superannuation	103,495	111,858
	<hr/>	<hr/>
	927,359	911,909
Post-employment benefits:		
Termination benefits	<hr/>	<hr/>
	1,394	52,896

Termination benefits relate to cash payments of previously accrued annual leave and long service leave balances.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

19. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES (CONTINUED)

c) Other transactions with key management personnel

All transactions with members of the Board or their related entities are conducted at arm's length at normal market prices and on normal commercial terms.

The following activity occurred during the year:	Sale of goods and services		Purchase of goods and services	
	2017	2016	2017	2016
	\$	\$	\$	\$
David Rich:				
Theatre North Management, Committee President	-	-	25,766	20,675
Nicholas Heyward:				
Arts Management Tasmania (t/as Handmark Gallery), Director	344	-	-	-
Symphony Services Australia Ltd, Director	25,939	114,086	828,489	966,930
Theatre Royal Management Board, Director	-	-	34,442	23,504
ANZAC Centenary Creative Advisory Panel, member	29,611	-	-	-
AMPAG Board, Industry Representative Orchestra	-	-	9,664	-
Timothy Bugg:				
Dobson Mitchell Allport Pty Ltd, Managing Director	1,091	-	780	1,999
Tasmanian Symphony Orchestra Foundation Ltd*, Director	51,437	-	-	-
Henry Allport Estate, Trustee	5,000	-	-	-
Harvey Lennon:				
The Royal Automobile Club of Tasmania Limited**, Group Chief Executive	99,091	-	5,508	-
Maria Grenfell:				
University of Tasmania, Conservatorium of Music, Senior Lecturer	32,000	1,000	1,150	5,250
Peter Cretan:				
Tasmanian Collection Service, Director	-	-	298	298
Christopher Lawrence:				
Australian Broadcasting Corporation, Presenter	16,849	2,708	2,525	450
The Ultimate Trill, Concert Compere	-	-	6,200	3,350
John Upcher:				
Tasmanian Symphony Orchestra Foundation Ltd*, Director	-	42,345	-	-

* This receipt relates to the non-discretionary distribution required to be made to Tasmanian Symphony Orchestra Pty Ltd from Tasmanian Symphony Orchestra Foundation Trust under the Public Ancillary Fund guidelines that govern the Trust.

** The RACT is the principal sponsor of the Tasmanian Symphony Orchestra.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

19. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES (CONTINUED)

d) Subsidiary

The consolidated financial statements as at 31 December 2017 include the parent company's one subsidiary in which it had 100% interest, Tasmanian Symphony Orchestra Pty Ltd, which is incorporated in Australia and has the same balance date as that of the parent entity.

e) Ultimate parent

Tasmanian Symphony Orchestra Holdings Ltd is the ultimate parent entity.

	As at Consolidated	
	2017	2016
	\$	\$

20. EXPENDITURE COMMITMENTS

Artists' fees contracted for but not provided for or payable

Not later than one year	238,883	176,603
Later than one year and not later than five years	128,000	154,000
	<hr/>	<hr/>
	366,883	330,603

Capital equipment contracted for but not provided for or payable

Not later than one year	-	196,208
	<hr/>	<hr/>
	-	196,208

21. OPERATING LEASE ARRANGEMENTS

Non-cancellable operating lease commitments

Not later than 1 year	481,848	464,462
Later than 1 year and not later than 5 years	914,316	1,376,376
	<hr/>	<hr/>
	1,396,164	1,840,838

Accounting Policy

Leased plant and equipment

Leases of plant and equipment are classified as operating leases when the lessor retains substantially all of the risks and benefits of ownership. Operating lease payments are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Operating leases are for the lease of office and rehearsal facilities, lease of the Federation Concert Hall, motor vehicle lease and lease of office equipment.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

	Year ended Consolidated	
	2017	2016
22. AUDITOR REMUNERATION	\$	\$
Audit of the financial statements	26,576	22,538
	<u>26,576</u>	<u>22,538</u>
Non-audit services	35,510	4,880
	<u>35,510</u>	<u>4,880</u>

No amounts are paid to the auditor by the parent entity. All amounts are paid by its subsidiary, Tasmanian Symphony Orchestra Pty Ltd. No other benefits were received by the auditor. The auditor of Tasmanian Symphony Orchestra Holdings Ltd is Deloitte Touche Tohmatsu. The auditor also provides services pro-bono for the audit of the financial statements of the Tasmanian Symphony Orchestra Foundation. The non-audit services were for an IT review.

23. ECONOMIC DEPENDENCY

Tasmanian Symphony Orchestra Holdings Ltd is economically dependent on the ongoing annual funding received from the Australian Government and the Tasmanian Government through the Australia Council and Arts Tasmania to operate as a going concern.

Funding from the Australian Government and the Tasmanian Government is secure to 31 December 2019 through the 2016-2018 Tri-Partite Funding Agreement and a funding rollover letter dated 24 October 2017, subject to the company continuing to comply with the terms of the Agreement.

24. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURE

Net fair value

The net fair value of financial assets and liabilities at the balance date are those disclosed in the statement of financial position and related notes. This is because either the carrying amounts approximate net fair value or because of their short term to maturity.

	Fair value hierarchy as at 31 December 2017	
	Level 1	Total
Financial assets	\$	\$
Loans and receivables:		
trade and other receivables	374,355	374,355
Held-to-maturity investments		
term deposits	4,068,666	4,068,666
	<u>4,443,021</u>	<u>4,443,021</u>
Financial liabilities		
Financial liabilities held at amortised cost:		
trade and other payables	396,165	396,165
	<u>396,165</u>	<u>396,165</u>

The company does not hold any financial assets or financial liabilities classified as Level 2 or Level 3.

Notes to and Forming Part of The Financial Statements

For the year ended 31 December 2017

25. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 20 March 2018.

Directors' Declaration

The directors of Tasmanian Symphony Orchestra Holdings Ltd declare that in the directors' opinion:

- a) the financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, and:
 - i) give a true and fair view of the financial position of the Group as at 31 December 2017 and of its performance, as represented by the results of its operations and its cash flows for the financial year ended on that date; and
 - ii) comply with Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*:



David Rich
Director

Hobart 20 March 2018

Deloitte.

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The Board of Directors
Tasmanian Symphony Orchestra Holdings Limited
Federation Concert Hall
1 Davey Street
Hobart TAS 7000

22 March 2018

Dear Board Members

Tasmanian Symphony Orchestra Holdings Limited

In accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Tasmanian Symphony Orchestra Holdings Limited.

As lead audit partner for the audit of the financial statements of Tasmanian Symphony Orchestra Holdings Limited for the financial year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Angela Paynter
Partner
Chartered Accountant

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Member of Deloitte Touche Tohmatsu Limited

Independent Auditor's Report to the members of Tasmanian Symphony Orchestra Holdings Limited

Opinion

We have audited the accompanying financial report of the Tasmanian Symphony Orchestra Holdings Limited (the "Entity") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by the Directors.

In our opinion, the accompanying financial report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the Directors Report included in the Group's Annual Report for the year ended 31 December 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited



Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the ACNC Act and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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



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



DELOITTE TOUCHE TOHMATSU



Angela Paynter
Partner
Chartered Accountants
Hobart, 22 March 2018



Principal Partner



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The Tasmanian Symphony Orchestra
is proud to be a member.

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