

CENTRAL COAST CONSERVATORIUM Inc.
Chairman's Report for the year ending 31st December 2017

2017 represents my fourth and final year as President of the Management Board of the Central Coast Conservatorium of Music. It has been a delight to oversee the many positive changes, which have occurred in the course of my four years of tenure. I have noted in previous years of the change in direction of the management of the CCCM, and I am pleased to note the continued professional approach to all fiscal and management procedures under the guidance of Financial Controller, Rod Bowman, who has overseen a professional approach to these key areas.

The Conservatorium has always prided itself on being able to deliver high quality programmes, tuition and performance experience for its students of all ages. This has continued throughout 2017, under the leadership of Artistic Director and CEO, Patrick Brennan and with the assistance of the dedicated CCCM teaching staff and administration team. The Board acknowledges the financial contributions of the NSW Department of Education and Arts NSW through their various grant and funding arrangements.

The Conservatorium is always actively seeking new sponsors for scholarships and other activities. At the conclusion of this report I have listed all our sponsors whose support is very much appreciated by the Conservatorium.

A. CONSERVATORIUM ACTIVITIES

1. Tuition and Courses

Throughout the 2017 period the Conservatorium has continued to offer one-on-one tuition on a vast array of instruments and voice, in both classical and contemporary studies. In addition to the one-on-one tuition the Conservatorium offers courses in musicianship, composition and HSC and AMEB tuition.

Further to the one on one and the numerous and varied ensemble experiences provided there has also been an increase in the number of schools in our specially designed Schools Programme. This has been brought about by the work of Patrick Brennan and the 2017 Schools Co-ordinator, Nathan Henshaw, who have both been instrumental in developing this area of the Conservatorium's involvement in the provision of music on the Central Coast. Sadly, Mr Henshaw resigned from this position at the end of 2017 to pursue his own musical interests. The Board thanks Nathan for his contribution to the growth of the Schools Programme and wishes him luck in the pursuit of his musical dreams. His replacement, Mr Sean Steele, brings a wealth of experience in the provision of ensemble music and is himself a superb percussion teacher and performer.

The Conservatorium's ensemble groups have continued to thrive, enabling enriching opportunities for our students to be involved in music making, including, vocal, flute, wind, percussion, music theatre and chamber groups. Congratulations must go to Patrick and his team of teachers for providing such a wonderful and wide ranging music experience.

2. Events

The Events Calendar as shown on the CCCM's website highlights the diversity of events, hosted, co-hosted or supported by the Conservatorium. Furthermore it emphasizes the benefits the Conservatorium delivers to the Central Coast community. The concert programme continues to appeal to a wide range of musical tastes from classical to contemporary and indigenous to ethnic genres. It is also pleasing to note that many of the concerts and projects have proven to be operating on the positive side of the ledger, meaning Patrick and his team can continue to present a diverse array of musical events. Again I thank Arts NSW for their ongoing support of our diverse Concert Programme.

In October the Conservatorium, under the banner of Central Coast Opera, produced and staged Bizet's Carmen, which proved to be a huge success. We thank the Allen family for its generous support of this ambitious project. Because of the success of it and 2016's Magic Flute it was decided to perform another Opera in 2018; Puccini's La Boheme. Once again we are indebted to the Allen family for its continued support for future productions.

3. Support for Symphony Central Coast, CC Philharmonia, Crossroads Festival and CC Concertante Ensemble

The 2017 Conservatorium academic year has seen the continuation of support for each of these excellent Central Coast groups and the Crossroads Festival of Chamber Music, organised in collaboration with Charmian and Friends. The Conservatorium is keen to assist in the marketing and presentation of each of these concerts and will continue this support.

4. Con Moto and Events Calendar

The newsletter, *Con Moto*, continues to keep our members and the CC community informed of what is happening at the Conservatorium and in the music community in general. It is published three or four times a year. A comprehensive Events Calendar is also published each year and is available online.

B. FINANCIAL POSITION

Contained within this annual report are audited financial statements detailing the income and expenditure of the Conservatorium for the period 1 January 2017 through to 31 December 2017

Also included is a comprehensive report by the Hon Treasurer, which gives a complete breakdown of the Conservatorium's financial situation and an analysis of the Conservatorium's Performance in 2017.

1. Expenditure

The report shows a net operating shortfall of around \$48, 000, as illustrated in **Addendum Four** below and comparing such with the previous three years. In that same period (2017) there has been only a slight increase in revenue, as illustrated in **Addendums One and Two**. The breakdown of the key areas of income over the four-year period is illustrated in **Addendum Two**.

Whilst tuition fees bring in the lion's share of the Conservatorium's income it must be noted the enormous contribution made by the Department of Education and Arts NSW in its Grants Funding, which helps cover a deal of our administrative costs.

2. Expenditure

As with any institution of this nature the most significant areas of expenditure are tuition costs, administration staff wages and salaries along with superannuation, property rental and maintenance, marketing and other sundry expenses, which can be seen in far more detail in the audited financial report. **Addendum Three** compares some of these key expenses alongside our tuition costs and the Total Operating Expenses for the period 2013-2017.

I noted above that the operating shortfall for 2017 (refer **Addendum Four**) was around \$48 000 which represents a shortfall of approximately 3%. Our Hon Treasurer has outlined the reasons for this shortfall and budgetary measures by which this may be turned around in 2018. Our cash reserves, which are in excess of \$250 000, illustrate that the Conservatorium remains in strong shape and able to provide more than adequately for our short and medium term needs.

The Board remains conscious that the CCCM is a not-for-profit organisation serving the community. The Board is continually examining ways in which it can increase the revenue of the Conservatorium, reduce administrative costs and pass on savings in the form of increased remuneration and better conditions to our highly valued teachers.

C. MANAGEMENT COMMITTEE

The Management Committee has been working on a number of projects throughout 2017 to the present. The administrative restructure is an ongoing process and we are confident that the current structure is robust and competent, and will carry the Conservatorium through into the future. With the employment of our new Financial Controller, evidence of this can already be seen.

D. ACHIEVEMENTS

The Board of Management along with Patrick Brennan and his team and teachers have assisted in achieving a number of goals throughout 2017.

1. The maintenance of a skills based Board of highly qualified individuals from diverse career backgrounds.
2. Continuing Tier I status
3. Improved system for school enrolments and payment, which has encouraged more schools to join our schools program.
4. Extension of Schools program with an increased number of instruments for hire.
5. Expansion of the instrument hire program for one-on-one and ensemble students.
6. Continued focus on grant opportunities and implementing support and educational programmes to ensure successful and appropriate applications.
7. Updated employment contracts and recognition of a new award for our teaching staff.
8. The engagement of Employsure who provide the Conservatorium with support on employment issues including, compliance, Work, Health and Safety, Legal Issues and Insurance.
9. Implementation of a new Board sub-committee system which will streamline Board decisions and provide expert skills in each of the Committee areas; Finance, Marketing, Premises and Teaching.

E. FUTURE PLANS

1. Continuation of the facilities upgrade programme
2. Continue to investigate the possibility of new premises for the Conservatorium.
3. Continued investigation of the possibility of taking over the lease for the current premises thus enabling a total refurbishment and extension of the current building, thus providing first class facilities for our students and teachers.
4. Continue to maintain our status as one of NSW's leading conservatoria.
5. Continue to investigate ways of enhancing Curriculum delivery
6. Continue to upgrade of IT resources
7. Through the teaching sub-committee build a close relationship with our teachers
8. Capitalize on local and national Grant opportunities.
9. Achieve greater community engagement and to make the local community more aware of our presence within the Central Coast region.
10. Exploration of more sponsorship opportunities.
11. Continue to provide high caliber performance opportunities.

F. CONCLUSION /TRIBUTES

As President I cannot do my job without the willing support of the Board of Management. I have been privileged to work with a Board whose number one aim is to see the growth of the Conservatorium and to see it retain its position as the leading provider of Music Education on the Central Coast.

Every member of the Management Board deserves special mention for their wise counsel and the special skill sets that they bring to the Board.

- Vice President Vinay Srivastava is to be thanked for his huge support to the Chair and assistance to the Treasurer
- Treasurer, Michael Mitchelmore, has done a commendable job ensuring that our books comply with statutory requirements and that the Conservatorium's fiscal management is up to date and accurate. The caliber of his report to the AGM is an example of his dedication to the role of Treasurer.
- Secretary Francesca Bell has continued to work hard to ensure that the proceedings of our meetings are precisely recorded and provide a true and accurate record of such. Her wise and thoughtful input into these meetings has been highly valued.
- Other members of the committee; Mary Ellen Wallace, Charmian Gadd, Hilary Day, Ian Hemphill, Claire Braund and Adam Manning have each brought their own unique skill sets to the committee and provided insightful and lively debate, with balanced and intelligent viewpoints. A special thank you to Charmian whose Concerts have continued to raise funds for our Instrument Fund.

Sadly, we farewell Mary Ellen Wallace who tendered her resignation from the Board in February. . Her contribution, especially with her legal background, has been most valuable. Mary Ellen's sage advice and calming influence will be missed a great deal.

It is a diverse group of highly skilled individuals whose collective passion and love of the Conservatorium sees them give willingly of many, many hours of their personal time to ensure that the Conservatorium is governed in an appropriate manner.

I would like to thank Patrick Brennan and his team of dedicated teachers for their hard work and devotion to the Conservatorium. Throughout this report I have made mention of aspects of the Conservatorium's programmes which have been delivered by our highly qualified and professional teachers which Patrick has gathered around him.

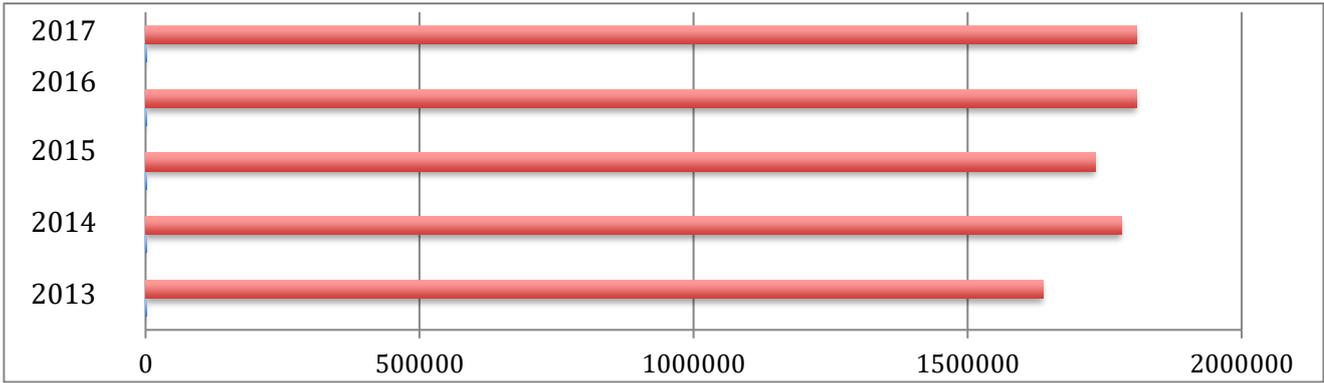
Thank you also to the administrative staff and Rod Bowman for your work in supporting the teaching and management staff.

Finally I would like to thank the parents of our many young musicians. The many hours spent transporting their children to and from lessons, exams, performances, attending concerts, encouraging their children and paying fees on time go largely unnoticed. To me, the parents are really our unsung heroes.

The Management Board has striven to ensure compliance in all its actions. Already in 2018 some exciting developments have occurred, especially in regard to our premises and I deliver this report to our members conscious that the future development of the Central Coast Conservatorium is in very good hands.

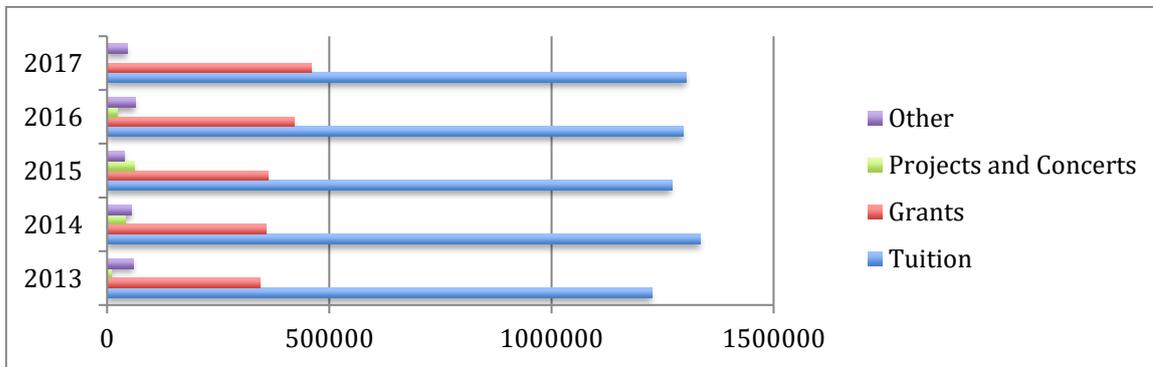
Peter Brandon,
President
18 March, 2018

Addendum One: Total Revenue, 2013- 2017



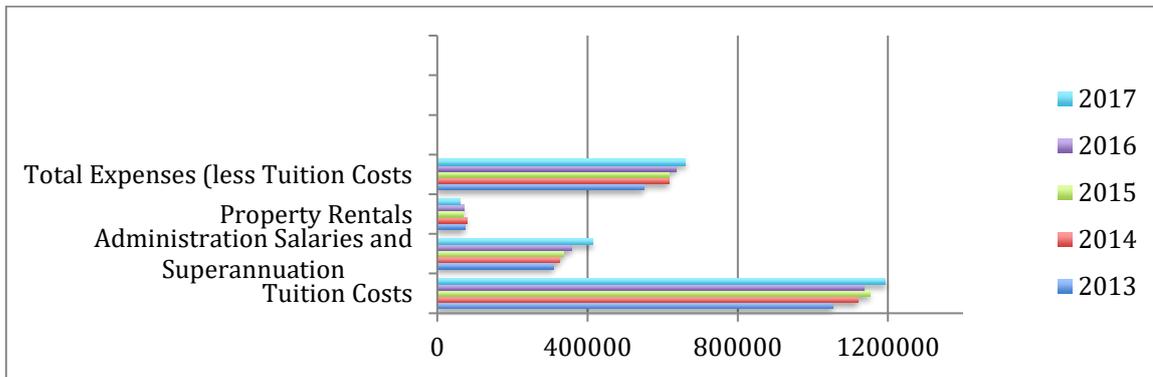
Each bar represents AMOUNT IN DOLLARS

Addendum Two: Revenue by Key Areas, 2013- 2017



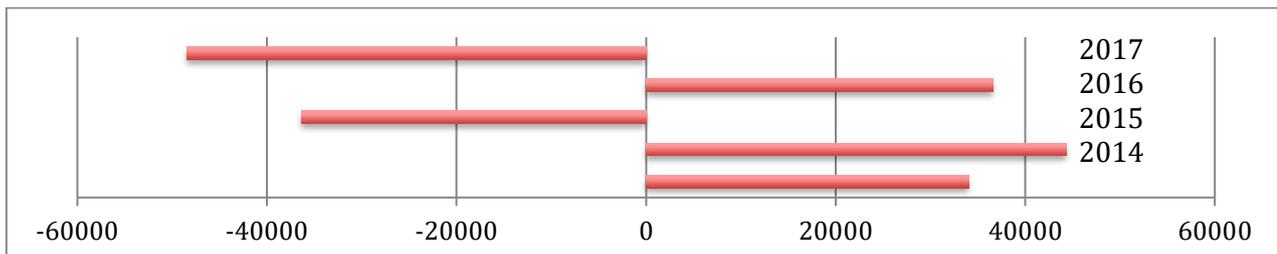
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Addendum Three: Comparison of Expenses, 2013- 2017



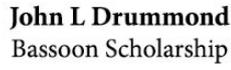
Each bar represents AMOUNT IN DOLLARS

Addendum Four: Surplus/ Shortfall, 2013- 2017



Each bar represents AMOUNT IN DOLLARS

THANK YOU TO OUR SPONSORS...



The Irvine Family

