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Artistic Director and CEO Annual Report 2019

In 2019, the Central Coast Conservatorium was successful in delivering comprehensive music education programs and performances to our diverse and vast community on the NSW Central Coast. This year we have seen some incredible outcomes for the Conservatorium including the delivery of Music Week and the visit by Premier Galdys Berejiklian with the announcement of \$2 Million Dollars for the refurbishment and upgrade of the 45 Mann Street premises. I am also delighted to inform you that we have generated a significant financial turn-around from a deficit result in 2018 to a surplus result in 2019.

The success of the music education and performance programs would not have been possible without the support of the NSW Department of Education (DoE). The core funding of \$485,411 provided by the DoE to the Central Coast Conservatorium for 2019 through the Regional Conservatorium Grants Program (RCGP) has enabled the weekly delivery of one to one, group and ensemble tuition on campus as well as in the schools environment. This funding has also enabled thousands of dollars worth of scholarships and bursaries for many students in our programs. The support from the NSW State Government through the DoE funding program has certainly allowed the Conservatorium to positively impact the lives of thousands of students and community members of all ages in our region. The Central Coast Conservatorium is most grateful for this critical funding that is provided by the NSW Department of Education.

The 2019 Professional Concert Series, part funded through the DoE, was a huge success with the Conservatorium delivering 35 professional concerts at venues across the Central Coast region. These concerts included performances by Conservatorium staff, students and invited artists from Australia and around the world. This concert series, with its vast and varied programming, again highlighted to the Central Coast community that the Conservatorium is the premier musical hub for music in all its forms.

2019 saw a huge number of student performance opportunities both educational and pure performance based and included events such as Music Week, concert practice, master classes, department concerts, ensembles concerts, *Premier Ensembles Concerts*, community and professional concerts. As always our students performed exceptionally and were excellent ambassadors during community and professional concerts.

Certainly the highlight event for students and staff for 2019 was the delivery of Music Week. This music education festival saw our artistic staff deliver 119 events to our Conservatorium students and the wider community. Music Week was certainly an extraordinary learning opportunity for these students but importantly also offered incredible professional development for our artistic staff. This event generated

significant publicity for the Conservatorium and highlighted the vast musical and educational intellect held by our artistic team of teachers and educators. I offer special thanks and commendations to Nicky Castle, Rosalie Bourne and Carl Schmidt for the massive amount of work they undertook to deliver this incredible event. Sincere thanks to our wonderful administration team for the significant role they played before, during and after music week.

The generosity of our sponsors and donors in 2019 has enabled many programs to be maintained and in some cases established. I would like to thank all our donors and sponsors for their important contribution to music education and performance on the NSW Central Coast. I'd especially like to thank the Allen, Bolte, D'arth and Irvine families, the Rotary Club of Woy Woy and the Pearl Beach Progress Association for their ongoing significant commitment to our programs.

The resignation of Sean Steele from the position of Schools Manager in late 2018 saw the necessity for Dr Phillip Rutherford to again step into this position in a temporary capacity to help manage the program in the setup phase of 2019. Special thanks must be given to Phillip for setting up the program for 2019. Vicki Harris, our new Schools Program Administrator must be commended for the excellent work that she accomplished on taking over the program early in 2019. This program has been excellently managed and is a key contributor to the overall financial performance of the Conservatorium.

Comments on Financials: The 2019 surplus of \$86,109 which is \$37,000 above budget is particularly pleasing when viewed against a deficit of \$140,415 in 2018.

Revenue is up 1.5% (\$30k) but importantly gross profit is up 7% (\$140k). This is because of a significant push by management to implement strategies within "at risk" profit centres to protect margin and hence profitability. This was achieved by prudently managing each ensemble/class as an individual business with in the Schools Program, the Ensembles Program and the Children's Music Program.

Prudent management has also seen overheads reduced by 11% (\$87k) and administrative and marketing wages reduced by 7% (\$30k).

A decision to reduce the number of supported concerts and focus on profitable outcomes has resulted in this area of the business returning a small surplus of \$300 for the year as opposed to a deficit of \$22k in 2018.

Better management of receivables through a direct debit facility and improved collections has seen outstanding fees reduce from \$178k December 2018 to \$122k December 2019. Cash available has increased to \$381k from \$195k. Liabilities are up \$29k.

One to One Program: 2019 saw one to one numbers remain essentially static for the duration of the year with all departments on the whole maintaining student numbers with any attrition countered by the intake of new students. Importantly the hours of delivery of this program remained above the 2019 budget projection which was a contributing factor to our end of year financial result.

Musicianship: The Musicianship department led by Dr Phillip Rutherford again saw an increase in student numbers which is an excellent result for the Conservatorium and the students participating in this outstanding program. The further elevation in student numbers is attributable to the *Schools Scholarship Program*.

Importantly the lack of attrition in this program for 2019 has enable Musicianship classes to not only stay buoyant but grow to the highest levels seen in recent history. This is an excellent result achieved by Dr Rutherford and his team.

Music Therapy: Continues to be an important program delivered by the Conservatorium. With Vanessa Couper (Head of Program) on maternity leave, Judy Moase stepped into the Head Of Program position and maintained this program for 2019. Also the addition of Emma Thompson to the team has enabled the Music Therapy Program to continue to develop for on and off-campus programs. Special thanks to Judy Moase for managing this program through Vanessa's absence.

Schools Program: This program is without doubt the Conservatorium's most important feeder not only for our large ensembles but also individual 1 to 1 tuition. The necessity of delivering three-tiered programs within the schools structure continues to be a goal for future achievement and we will continue to strive for this critical program structure until it is the norm in Central Coast schools.

A structural change in schools program management was implemented in 2019 with a small number of our leading conductors becoming Schools Coordinators for their respective programs. This change has enabled better communications on the ground with students, parents and school teaching staff generating better synergy with the Conservatorium Management and Administration. Although this change has shown positive results in the management of this program, student attrition still remains problematic. The implementation of parent committees in the schools program in 2020 will help alleviate this attrition and also help manage the ongoing necessity of hire instruments in these schools.

Vicki Harris' leadership and management as the Schools Program Administrator has been fundamental in the successful delivery of this program in 2019. Her prudent management of this vast program has most certainly paid off in delivering a robust financial result even from smaller schools in the program.

Ensembles Program: Building the Ensembles Program, especially large ensembles, has continued to be a priority in 2019. The further development of the Primary Wind Ensemble (Super Band) has again successfully enabled a wider community outreach into the schools program. This program now feeds directly into the Symphonic Wind Orchestra (SWO) that has seen excellent growth this year. The SWO program has achieved its highest level of student numbers in many years and is set for an even better year in 2020. The Central Coast Youth Orchestra has maintained student numbers with the retention of over 30 students in this ensemble for 2019. I would like to give special thanks to Diane Gardiner and Karina Hollands for giving significant time and energy in supporting the orchestra and myself, the conductor, over the course of the year. All three large ensembles gave excellent performances to both the Conservatorium and wider community through the Premier Ensembles Concerts and other external events.

Children's Music Program: The CMP program has been diminishing in student numbers for a number of years. 2019 has seen a number of changes especially around pricing that we had hoped would alleviate this issue. On

the whole this was the case with numbers remaining static for the year however, we believe the difficulty around parking and accessibility for parents with young children remains an inhibitor to growth in this program. 2020 will see a new concept deployed to attend to accessibility problems and will see greater delivery of this program offsite.

Refurbishment and New Conservatorium: In 2019 we have seen one of the greatest triumphs achieved by the Conservatorium Management and Board with the announcement by Premier Berijikian of \$2 Million dollars for the refurbishment and upgrade of the 45 Mann Street facility. This is an incredible achievement that will enable:

- Refurbishment of the Old Courthouse building
- Master planning documentation that will maximise further State Government and corporate funding opportunities
- A new facility adjoining the rear of the Old Courthouse building that will house a large rehearsal/teaching space and a new accessibly compliant toilet facility.

Special thanks must go to Anthony Kelly (ADG Architects) and his team for their dedication to the project as well as to Claire Braund (Board member) for her commitment, dedication and countless hours in achieving this result.

Final Comments and Observations: The Central Coast Conservatorium is an exceptional place to work. This is made possible by the outstandingly dedicated staff both musical and administrative. I would especially like to thank the dedicated team of managers and administration staff who are committed to their areas of responsibility. I would like to give special thanks Mr Rod Bowman and his administration team, for their commitment to the Conservatorium on a daily basis. I would also like to thank all department heads and teachers for their continued support of the Conservatorium and its programs. Their commitment is consistently evident on a daily basis and is what ensures the artistic and educational energy and output of this wonderful institution. Without these hard working inspirational individuals and teams the Central Coast Conservatorium would not be the place it is today.

2019 was a year of triumphs for the Central Coast Conservatorium and I'm incredibly honoured to lead the organisation as the Artistic Director and CEO. Finally, I would like to sincerely thank the Central Coast Conservatorium Board Members led by Mr Peter Brandon for their ongoing support, guidance, passion, dedication, intellect and time that they injected into this institution on a daily basis.

Yours Sincerely,

Patrick Brennan

Artistic Director and CEO