

Chairman's Report 2020

Welcome to the 39th Annual General Meeting of the Opera Australia Benevolent Fund. The word 'unprecedented' has been a constant in the media during the past few months, mostly attached to reports about the negative impact of COVID-19 on our lives. Although the Fund has in some ways been negatively affected by the virus, I'm pleased to be able to report to you that during this year the Fund has experienced some unprecedented positives. While this report concerns ostensibly 2019, I feel it is just as important to keep the members up to date on the Fund's current situation.

At last year's AGM we asked you to ratify some proposed changes to the Fund's Investment Policy. Subsequently, with the guidance of our advisor, Paul Brady, we invested in four managed funds. While the value of those funds has been reduced by around 12% because of the effect the virus has had on markets, we have received an unprecedented amount of income from those investments, much in excess of the meagre interest we were earning from term deposits with banks, despite the Investment Committee's best efforts.

We also decided to double the annual membership fee from \$1 per week to \$2. At this stage, our membership income has dipped back to the 2016 level but, again because of the virus, it is difficult to make a true judgement of the effect that the increased membership fee has made.

I'm pleased to report that the second positive came from Opera Australia itself. With opportunities for fund-raising continually diminishing, the company made the Fund an unprecedented offer. With all income-earning activities ceased because of COVID-19 and salary deductions severely curtailed, when OA launched its recent fund-raising campaign it promised the Fund a generously significant share of the amount raised. The response from subscribers and the public was unprecedented, resulting in a major cash injection into the Fund's capital.

On behalf of the trustees and members of the Fund I wish to record our special thanks to CEO Rory Jeffes and Director of Development Laura Dee for initiating this offer. Also, I'd like to acknowledge in particular Jake Shavikin, who, Laura tells me, has toiled way beyond the call of duty in managing the appeal. As I wrote to Laura at the time, this injection of capital will make a huge difference to the Fund's ability to assist applicants for help now in these difficult times. Further, in the long term it will minimize the amount we may have to draw down from our investments if and when there is an influx of requests. I'm pleased to report that so far that influx is yet to eventuate but as the so-called 'September cliff' draws closer there may be a spike in the number of requests later in the year.

As it is, the benefits paid in 2019 were just under six times the income from membership fees and almost double those paid out in 2018. Yet, fortunately, the Fund has entered this trying year in a healthy state thanks to the diligence of the trustees and especially the Finance Committee.

If my memory serves me correctly, this is the 10th time I have welcomed you to the AGM of the Opera Australia Benevolent Fund as Chair. As usual, I again give my thanks to all the trustees for all their input to our meetings and their prompt and caring responses to requests for assistance. Special thanks to Secretary Ruth Thomas, Minutes Secretary Rachel Westwood, Honorary Treasurer Ann Wang and our Finance Committee: Sue Olden, Anson Austin, Linda Barrie and Alison Pert. Also huge thanks to Paul Brady of Brady and Associates Financial Advisors for his pro bono work on our behalf.

It is with regret that I have accepted the resignation of Anson Austin from membership of the trustees, effective from the closing of this meeting. Anson joined us as the OA Board's representative amongst the trustees and proved to be an extremely valuable member in general and especially as a founder member of the Finance Committee. A compassionate and gracious man by nature, during our deliberations, however, Anson was not afraid to ask the hard questions. He invariably found the right balance between the best interests of both the applicants for

assistance and the Fund. We sincerely thank him and wish him well, especially this year as he moves into the next decade of his life.

Thanks also to Opera Australia for continuing to provide the Fund's annual financial audit by Ernst and Young and the secure space on the company's computer server for our archived records. And to you, the members, thank you for your continued support. We encourage you to spread the word about the benefits that membership can offer to company members, whether full-time or casual, as well as to former colleagues, and their dependents.

Stay safe and well.

Robert Mitchell, Chairman 2020