

**OPERA AUSTRALIA
AND ITS CONTROLLED ENTITIES**

Financial Report

**FOR THE YEAR ENDED 31 DECEMBER 2024
A.C.N. 000 755 153**

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OPERA AUSTRALIA DIRECTORS' REPORT

The Board of Directors of Opera Australia has pleasure in submitting its report in respect of the financial year ended 31 December 2024.

DIRECTORS

The names and details of the Directors in office during or since the end of the financial year are:

Names	Qualifications, experience and special responsibilities
Rod Sims AO (Chair)	<p>Mr Sims is a Professor, Crawford School of Public Policy at the Australian National University, Canberra; Chair of the Superpower Institute; and Chair of Australia's National Data Advisory Committee. Mr Sims is also an adviser to the Australian Government on competition issues and the UK's Competition and Markets Authority on digital platform issues.</p> <p>From May 2011 to March 2022, Mr Sims was Chair of The Australian Competition and Consumer Commission.</p> <p>Prior to that he had a range of senior corporate positions, including advising many major Australian companies on corporate strategy issues. Mr Sims has also worked in the Australian Public Service including as the Deputy Secretary in charge of all domestic policy in the Department of the Prime Minister and Cabinet.</p> <p>From 1988 to 1990 he was the Principal Economic Adviser to Australia's Prime Minister Bob Hawke.</p> <p>Mr Sims joined the Opera Australia Board in 2022. Mr Sims is the Chair of the Property Committee and is a member of the People, Remunerations and Nominations Committee and Audit and Risk Committee.</p>
Warren Bebbington AM (from 10 January 2024)	<p>Professor Bebbington is currently a Professorial Fellow at the Centre for Studies in Higher Education at the University of Melbourne. He was Vice Chancellor of the University of Adelaide 2012–2017 and before that Deputy Vice Chancellor (University Affairs) at the University of Melbourne.</p> <p>Prior to his time in university management, Professor Bebbington had a long career in music, as Dean of the Melbourne Conservatorium of Music for 17 years, before that Head of Music at the University of Queensland for 6 years, and he taught at the ANU School of Music. He won a ACTL Citation for "30 years of outstanding teaching in music" (2008), his publications include the Oxford Companion to Australian Music, and he was for 10 years the music member of the International Advisory Board of Encyclopaedia Britannica. He studied musicology and conducting in New York as a Fulbright Scholar, and remains a Professor Emeritus in the Faculty of Fine Arts and Music, University of Melbourne.</p> <p>Professor Bebbington is also Chair of the Board of Melbourne University Publishing Ltd, Chair of the fine arts college LCI Melbourne, and Chair of the autism peak body Amaze Inc.</p> <p>Professor Bebbington was appointed to the Opera Australia Board on 10 January 2024 and is a member of the Property Committee.</p>
Greta Bradman (from 18 June 2024)	<p>Ms Bradman is a registered psychologist, founder, writer, ABC broadcaster, recording and performing artist.</p> <p>As a practising psychologist Ms Bradman specialises in anxiety disorders as well as high performance and values coaching in the arts and business.</p>

Maintaining her connection with classical music, at ABC Classic Ms Bradman presents *Weekend Brunch* and *Mindful Music*.

Prior to stepping back from singing at the end of 2019, Ms Bradman released four No.1 solo albums; two with Sony Music and two with Universal Music (Decca), as well as contributing to various other albums. Aria nominated, she was Limelight Magazine's Australian Artist of the Year in 2015 and was the 2013 winner of the Australian International Opera Award, enabling her to further her singing studies in the UK. Ms Bradman has appeared as a principal soprano for Opera Australia and other opera companies as well as countless ensembles and orchestras across Australia and the UK, EU, and USA.

Ms Bradman is a Trustee at Arts Centre Melbourne and chairs the People Committee and sits on the Audit and Risk Committee. She is a board member of the Bradman Foundation. Prior governance roles include being a member of the Federal Government's Creative Economy Taskforce during Covid-19, a board member of the Alfred Foundation and Australian Mental Health Prize, and advisor for the Arts Wellbeing Collective. Qualifications include MBA (Melbourne Business School, prize winner); MPsyCh(Clinical); PsychHons 1A(dux); GAICD; MAPS; ANAM Fellowship; GradDip(voice); BMus(voice).

Ms Bradman was appointed to the Opera Australia Board on 18 June 2024 and is a member of the People, Remuneration and Nominations Committee.

Warwick Bray

Mr Bray is a Board member and Chair of the Audit and Finance Committee at Woolworths Group and a Board member and member of the Audit and Risk Committee at Spark NZ. Mr Bray is a Board member of Bell Shakespeare. Mr Bray also works independently in infrastructure finance.

His previous Board roles include The Arts Centre Melbourne, CSL (HK) and he was a member of the GSMA strategy committee. He was Chair of the Australian Mobile Telecommunications Association and a Board member and Chair of Foxtel's Audit and Risk Committee.

In earlier roles, Mr Bray was CFO of Telstra and Group MD and Head of Telstra Mobile. He led the company-wide customer service and cost transformation. As a McKinsey partner in London in the 1990s, he provided operational and strategic assistance to mobile operators, integrated telecommunications companies, energy companies and institutional and private equity funds. He was also a Managing Director and Global Telecoms Sector Leader (Equity Research) at JPMorgan London and DrKW London.

Mr Bray was appointed to the Opera Australia Board on 25 November 2022 and is a member of the Audit and Risk Committee.

Jonathan Feder

Mr Feder, LLB (Hons)/BSc is a Partner and Global Leader of the Intellectual Property team at K&L Gates.

Mr Feder was appointed to The Executive (Governing Body) of Mount Scopus Memorial College in 2025. Mr Feder was a Board member of Melbourne Theatre Company, from 2010 to 2022 and the Chair of the Melbourne Theatre Company Foundation from 2021 to 2022. He was also a member of the Advisory Board to the Department of Fine Arts and Music at the University of Melbourne from 2017 to 2024.

DIRECTORS REPORT (Continued)

Mr Feder has also raised investment funds for numerous theatrical productions which have been presented throughout the world including shows in New York, London and Australia.

Mr Feder joined the Opera Australia Board in February 2017 and is a member of the Audit and Risk Committee.

Jane Hansen AO

Ms Hansen is Chancellor and Member of the Council of the University of Melbourne, Chair of the Campaign Advisory Board, a member of the Melbourne University Humanities Foundation and Former Chair of the Board of Management of Melbourne Theatre Company, having joined the Board in February 2015, and founded the theatre company's Foundation as its inaugural Chair at that time.

Ms Hansen also sits on the Board of the Lord Mayor's Charitable Foundation and is a Fellow of the University of Melbourne. Previous directorships include the MCG Trust, the State Sport Centres Trust, the federal body of Athletics Australia and the Foundation of the State Library of Victoria. Ms Hansen holds a Bachelors Degree in Economics from Monash University, a Masters Degree in Finance and Business Administration from Columbia University in New York, and an Arts Degree majoring in History from the University of Melbourne. Ms Hansen has been admitted as a member of Chief Executive Women.

Ms Hansen joined the Opera Australia Board in August 2018 and is a member of the People, Remuneration and Nominations Committee.

Michelle Kam

Dr Kam served as a Non-Executive Director at Shaun Parker and Company (2016 – 2018) and was a member of the Alumni Council for the University of Sydney (2020-2024). Dr Kam was appointed to the Opera Australia Board on 25 November 2022 and is a member of the People, Remuneration and Nominations Committee.

She holds a Bachelor of Psychology (First Class Honours) from the University of Sydney, and both a Master of Psychology (Organisational Psychology) and a Ph.D. in Psychology (Cognitive Psychology) from the University of New South Wales. She graduated from the Australian Institute of Company Directors in 2022.

She is currently the Vice President of Talent and Performance at BHP. There she leads strategies to invest in the best global, diverse talent, which involves building clarity on the labour, skills and people needed, and building a talent, reward and performance ecosystem to ensure people thrive. In previous roles, Dr Kam was a Strategy Consulting Partner at Strategy& (previously Booz & Co), part of Pricewaterhouse Coopers (PwC), working across multiple sectors. In this capacity she also led Australia's Katzenbach Centre, a global, specialist organisation focused on culture, leadership, and change.

Deena Shiff
(Deputy Chair)

Ms Shiff BSc (Econ) Hons (L.S.E.), BA (Law) (Cambridge), is a Non-Executive Director on the Board of ASX-listed Pro Medicus Limited, where she chairs the People and Culture Committee and is a member of the Audit and Finance Committee; the Chair of AROSE Ltd (Australian Remote Operations in Space and Earth) since March 2024; Chair of the Care Economy Cooperative Research Centre; an Independent Board Member of the Geneva-based multilateral organisation, GAVI (Global Alliance for Vaccines and Immunisation), where she serves on the Audit and Finance Committee and the Governance Committee and chairs its People and Culture Subcommittee; and the Chair of the International Advisory Board of the Australian Research Centre of Excellence on Automated Decisions and Society.

Ms Shiff is on the Member Council of Musica Viva and was until February 2018 the Chair of the Sydney Writers' Festival. Prior to serving on the Boards of global growth stage technology companies over the last ten years, Ms Shiff was a Group Managing Director at Telstra, running Telstra Wholesale and then Telstra Business.

In 2011, Ms Shiff established Telstra's corporate venture capital arm, Telstra Ventures. Ms Shiff has also been a partner at Mallesons Stephen Jacques.

Ms Shiff joined the Opera Australia Board in June 2017 and is a member of the Audit and Risk Committee, Chair of the People, Remuneration and Nominations Committee and was appointed Deputy Chair of the Board of Directors on 28 February 2022.

Andrew Sisson AO
(Deputy Chair)

Mr Sisson has over 40 years of investment management experience, initially working at National Mutual Life Association. In 1988 he founded Balanced Equity Management to manage portfolios of Australian shares and in 2011, Balanced Equity Management was acquired by Franklin Resources Inc, a funds management company listed on the New York Stock Exchange.

Mr Sisson holds a Bachelor of Science (Mathematics & Statistics) from The University of Melbourne and is a Fellow of the Australian Institute of Company Directors (FAICD). He is a member of the Council of the University of Melbourne and a Trustee of the Helen McPherson Smith Trust.

Mr Sisson joined the Opera Australia Board in February 2017, was appointed Chair of the Audit and Risk Committee in November 2017, appointed Deputy Chair of the Board of Directors on 28 February 2022 and is a member of the Property Committee.

COMPANY SECRETARY

Opera Australia's Company Secretary is Ms Reena Rihan.

DIRECTORS' INTERESTS

Opera Australia and its controlled entities (collectively, the Group) are limited by guarantee and accordingly, do not issue shares.

DIRECTORS' MEETINGS

The number of Directors' meetings (including meetings of Board Committees) and number of meetings attended by each Director in their capacity as a Director or member of a Board Committee during 2024 are set out in the table below:

	2024 Board and Committee Meetings							
	Board of Directors		Audit and Risk Committee		People, Remunerations and Nominations Committee		Property Committee	
	Attended	Total	Attended	Total	Attended	Total	Attended	Total
Mr Rod Sims AO	9	9	6	6	4	4	1	1
Prof Warren Bebbington AM	9	9	1*	1	-	-	1	1
Mr Warwick Bray	9	9	6	6	-	-	-	-
Mr Jonathan Feder	8	9	4	6	1*	1	-	-
Ms Jane Hansen AO	8	9	2*	2	4	4	-	-
Dr Michelle Kam	8	9	3*	3	4	4	-	-
Ms Greta Bradman	6	6	-	-	2	4	-	-
Ms Deena Shiff	8	9	4	6	4	4	-	-
Mr Andrew Sisson AO	9	9	6	6	2*	2	1	1

* attended as non-member

DIRECTORS REPORT (Continued)

OPERATING AND FINANCIAL REVIEW

The details of the consolidated result including operating entities and the Opera Australia Capital Fund are set out in the following table:

	2024	2023
	\$	\$
Opera Australia – Operating Result	(10,598,736)	(7,841,283)
Rescue and Restart Package – NSW Government (Note 5)	-	1,928,125
Deferred gain from sale of warehouse in 2022 (AASB 16)	-	668,567
Net realised gain and unrealised gain/(loss on financial assets	482,783	270,416
Bequests received during the year (Note 21)	-	31,522
	482,783	2,898,630
Opera Australia net (deficit) for the year	(10,115,953)	(4,942,653)
Opera Australia Capital Fund and controlled entities after distribution to Opera Australia of \$798,100 (2023: \$806,170)	4,007,771	3,237,171
Consolidated (deficit) for the year	(6,108,182)	(1,705,482)

Opera Australia returned a deficit from operating activities during 2024 of \$10,598,736. An unfavourable movement compared to the preceding year (deficit of \$7,841,283 in 2023). The company continues to navigate the financial challenges common across the Australian Arts Industry. A challenging domestic market which remains competitive with regards to live theatre, consistent cost of living pressures, and notable increases to production and overhead cost bases have maintained pressure on OA's financial performance.

Opera Australia is fully engaged in the execution of strategies aimed at enhancing its ongoing financial sustainability and recouping losses accumulated over recent years. Paramount to this is a focus on commercially sustainable programming, considering the balance of commercial and artistic outcomes in its annual program in a way that both excites audiences and delivers sound financial returns. The company is also focussed on cost control, including a recent procurement review.

DIRECTORS REPORT (Continued)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group from last year.

SIGNIFICANT EVENTS AFTER YEAR END

There have been no significant events after year-end.

LIKELY DEVELOPMENTS AND FUTURE RESULTS

There are no changes expected to the current nature of operations or the principal activities of the Group.

DIVIDENDS

The parent entity's constitution prohibits the distribution of income and property by way of dividend or bonus and no dividend or bonus has been paid or declared since the end of the previous financial year.

DIRECTORS' REMUNERATION

The parent entity's constitution prohibits the payment of remuneration to Directors and no Director has received or become entitled to receive any remuneration during the financial year.

Contracts are entered into in the normal course of business by the Group with companies of which some Directors may be common to both. Since the end of the previous year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Group with the Director, with a firm of which he or she is a member, or with a company in which he or she has a substantial interest.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

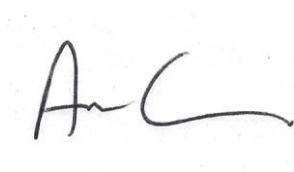
Insurance and indemnity arrangements established in previous years concerning officers of the Group were renewed and continued during 2024. Opera Australia paid the premium on a contract insuring each of the Directors of the Group, named earlier in this report, and each of the full-time executive officers of the Group, against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is set out on Page 43 and forms part of the Directors' Report for the financial year 2024.



A.R.N. SISSON AO
Director
Date: 13 May 2025



R.G.SIMS AO
Director
Date: 13 May 2025

OPERA AUSTRALIA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 \$	Consolidated 2023 \$
Current Assets			
Cash and cash equivalents	7	4,036,995	14,471,625
Trade and other receivables	8	6,639,034	7,994,576
Financial assets	9	41,635,041	35,515,643
Prepayments	10	1,161,932	857,069
Total Current Assets		53,473,002	58,838,913
Non-Current Assets			
Other financial assets	11	2	96,415
Right-of-use asset	12	4,692,427	3,824,343
Property, plant and equipment	13	50,507,659	51,262,414
Intangible assets		199,736	186,009
Total Non-Current Assets		55,399,824	55,369,181
Total Assets		108,872,826	114,208,094
Current Liabilities			
Trade and other payables	14	10,641,442	14,427,692
Lease liabilities	12	1,044,136	1,437,534
Provisions	16	6,013,260	5,866,756
Government grants received in advance	17	680,925	753,495
Contract liabilities	18	3,828,335	1,032,583
Advance bookings	19	10,597,280	10,070,980
Total Current Liabilities		32,805,378	33,589,040
Non-Current Liabilities			
Other financial liabilities	11	535,224	-
Provisions	16	1,062,889	1,109,656
Lease liabilities	12	4,070,244	3,002,125
Total Non-Current Liabilities		5,668,357	4,111,781
Total Liabilities		38,473,735	37,700,821
Net Assets		70,399,091	76,507,273
Equity			
Other reserves	20	12,808,665	12,687,431
Retained earnings		57,590,426	63,819,842
Total Equity		70,399,091	76,507,273

The accompanying notes form an integral part of this consolidated Statement of Financial Position.

OPERA AUSTRALIA
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		Consolidated	
	Note	2024	2023
		\$	\$
INCOME			
Sales revenue	4	58,074,968	72,651,728
Government grants	5	29,525,665	30,173,289
Other revenue and income	4	16,001,414	21,056,075
Total revenue and income		103,602,047	123,881,092
EXPENDITURE			
Staff and employment expenses	6	59,769,891	65,198,771
Travel and transport expenses		6,949,712	10,856,052
Venue expenses		9,187,167	11,524,315
Marketing and promotion expenses		10,698,688	11,490,933
Depreciation, amortisation and impairment expenses	6	3,998,010	3,509,309
Finance costs	6	191,091	291,053
Share of loss of an associate		631,639	166,095
Other expenses	6	20,655,961	24,659,545
Total expenditure		112,082,159	127,696,073
Net gain/(loss) on financial assets		2,362,264	2,102,108
Surplus / (Deficit) for the year		(6,117,848)	(1,712,873)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation gain / (loss)	20	9,666	7,391
Total other comprehensive income / (loss) for the year		9,666	7,391
Total comprehensive income / (loss) for the year		(6,108,182)	(1,705,482)

The accompanying notes form an integral part of this consolidated Statement of Profit or Loss and Comprehensive Income.

OPERA AUSTRALIA
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated 2024 \$	2023 \$
Operating activities			
Receipts from operations		104,440,720	109,536,265
Payments to suppliers and employees		(109,596,715)	(130,221,929)
Interest received		646,800	2,354,980
Franking credits received		203,945	228,598
Dividends received		299,746	206,935
Interest on leases	12	(191,086)	(290,817)
Net cash flows from operating activities		<u>(4,196,590)</u>	<u>(18,185,968)</u>
Investing activities			
Purchase of property, plant and equipment, intangibles and capital work-in-progress assets		(1,993,816)	(34,111,808)
Purchase of financial instruments		(2,541,162)	-
Proceeds from sale of property, plant and equipment		15,120	367
Proceeds from sale of financial instruments		500,000	27,734
Contribution to equity-accounted associate		(752,748)	-
Net cash flows used in investing activities		<u>(4,772,606)</u>	<u>(34,083,707)</u>
Financing activities			
Repayment of lease liabilities		(1,475,100)	(2,203,053)
Net cash flows used in financing activities		<u>(1,475,100)</u>	<u>(2,203,053)</u>
Net decrease in cash and cash equivalents		(10,444,296)	(54,472,728)
Net foreign exchange differences		9,666	7,391
Cash and cash equivalents at 1 January		14,471,625	68,936,962
Cash and cash equivalents at 31 December	7	<u>4,036,995</u>	<u>14,471,625</u>

The accompanying notes form an integral part of this consolidated Statement of Cash Flows.

OPERA AUSTRALIA
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Other Reserves \$	Retained Earnings \$	Total \$
Consolidated				
Balance as at 31 Dec 2022		12,051,620	66,161,135	78,212,755
Net surplus/(deficit) for the year		-	(1,712,873)	(1,712,873)
Other comprehensive income		7,391	-	7,391
Transfer to Bequests Reserve		<u>628,420</u>	<u>(628,420)</u>	<u>-</u>
At 31 December 2023		12,687,431	63,819,842	76,507,273
Net surplus/(deficit) for the year		-	(6,117,848)	(6,117,848)
Other comprehensive income	20	9,666	-	9,666
Transfer to Bequests Reserve	20	234,843	(234,843)	-
Transfer from New Works and Touring Reserve	20	(123,275)	123,275	-
At 31 December 2024		<u><u>12,808,665</u></u>	<u><u>57,590,426</u></u>	<u><u>70,399,091</u></u>

The accompanying notes form an integral part of this consolidated Statement of Changes in Equity.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. CORPORATE INFORMATION

The financial report of Opera Australia (OA) and its controlled entities (collectively, the Group) for the year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on the 16th of April 2025.

Opera Australia (the parent entity) is a not-for-profit organisation and a public company limited by guarantee, with its registered offices being located at 480 Elizabeth Street, Surry Hills NSW 2010.

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

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and Australian Accounting Standards – Simplified Disclosures.

The financial report has been prepared on a historical cost basis and does not take account of changes in either the general purchasing power of the Australian dollar or in the price of specific assets, except for land and buildings stated at net book value (Note 13) and financial assets measured at fair value (Note 9).

The financial report is presented in Australian dollars, and all values have been rounded to the nearest dollar unless otherwise stated.

STATEMENT OF COMPLIANCE

The Group has elected to present Tier 2 General Purpose Financial Statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures (AASB1060) by the Australian Accounting Standards Board (AASB), and the Australian Charities and Not-for-Profits Commissions Act 2012.

The accounting policies are consistent with those of the previous financial year.

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and short-term deposits, trade receivables, payables, managed funds and listed equity investments.

The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management policy.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the parent entity, Opera Australia, and its controlled entities as at 31 December each year. Note 23 (a) provides details of the entities comprising the Group.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring in line any dissimilar accounting policies that may exist. All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

GOING CONCERN

The financial report has been prepared on a going concern basis which assumes the Group will be able to pay its debts as and when they become payable for a period of at least 12 months from the date of the financial report.

The Group generated a deficit for the year of \$6,108,182 (2023: deficit \$1,705,482). At year end, the parent entity's current liabilities exceeded current assets by \$12,903,407 (2023: current liabilities exceeded current assets by \$4,313,388). The current liabilities of the parent include \$3,828,335 of contract liabilities, \$680,925 of government grants received in advance and \$10,597,280 of advance ticket sales for which there is no future cash outflow.

The Group's current assets exceeded current liabilities by \$20,667,621 (2023: \$25,249,873). The Group generated net cash outflows from operating activities in 2024 of \$4,196,590 (2023: net cash outflows \$18,185,968)

Significant to managements determination that the financial report be prepared on a going concern basis are the following:

Cash-Cycle

The lowest point in OA's cash-cycle is at the end of the financial year. At this point, OA has incurred a significant portion of the cash-outflows related to its most active season (Sydney Summer) and not the related ticket sale cash inflows. Additionally, the vast majority of its cash-funding from Government bodies has not yet commenced.

OA is projecting net cash-inflows over the course of the 2025 program, and out to 12 months post the date of this report. Due to the nature of OA's cash-cycle, cash holdings are at their lowest at the end of the year. In prior years when cash on hand has been below working capital thresholds, OA has obtained an overdraft facility as a precautionary measure. OA have held positive preliminary discussions with financing sources and whilst one is not currently in place, would look to obtain one in the second half of the year if required.

Ticket Sales

Ticket sales account for approximately 49% of OA's total revenue (2024) and so clearly play a significant factor in its ability to function as a going concern.

2024 box-office under-performed and played a key role in the group deficit result of \$6,108,182, however total box-office results excluding *Sunset Boulevard* were above budget by 2.2%.

Ticket sale projections for OA's 2025 program are strong, with program sales year-to-date exceeding expectations, and projections for the rest of the year continue to support the budget applied in management's going concern assessment.

Ticket Sales projections remain a key variable, and rely on management judgements.

Government Funding

The Tri-partite Agreement with Creative Australia, Creative Victoria and Create NSW is current for the period 2025-2028 with funding guaranteed for the next four-year period to 2028.

Over 90% of the contracted funding received from the three patron bodies is received within the first five months of the year (January – May).

Cost Mitigations

Management has conducted strategic procurement reviews, identifying numerous cost-reducing mechanisms. These levers are not yet actively impacting its cash projections, but will be carried out over the course of 2025, providing further stability in this area.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Group's Directors have undertaken a detailed assessment of going concern taking into account the above factors, the financial projections for the 2025 program, projected balance sheet position and detailed cash flow for the Group for the period 12 months from the date of these financial statements. On this basis the group expects to generate sufficient cash reserves to sustain activities over the next 12 months.

REVENUE

AASB 15 Revenue from Contracts with Customers establishes a comprehensive framework for recognising revenue. AASB15 is applied where an entity has an enforceable, sufficiently specific obligation to provide goods or services. Under AASB 15, income is recognised as the performance obligations under the contract are satisfied. If no contract exists or the obligations under the contract are not sufficiently enforceable or specific, then the revenue will be recognised immediately under AASB 1058 Income of Not-for-Profit Entities.

Box Office

Revenue from ticket sales is recognised in the Statement of Profit or Loss and Comprehensive Income upon presentation of the performance. Cash received from ticket sales in respect of productions not yet performed is included in the Statement of Financial Position as under the heading "Advance bookings".

Commercial Activities

Commercial Activities include production hires, distribution of recordings as well as activities involving provision of orchestral and artists' services. Revenue from these activities is recognised as the activity is completed. Program sales revenue is recognised in line with contractual arrangements.

Sponsorship

Sponsorship commitments are brought to account as income in the year that the performance obligations in the contract are satisfied. If sponsorship contracts are terminated prior to the end of the term of the contract, the Group would refund the proportion of any pre-paid sponsorship fee to the sponsor having regard to the proportion of benefits not provided.

Contributions

Donations

Donations are generally recognised as revenue when the Group obtains control of the contribution and its amount can be measured reliably. Where donations are linked to a contract with distinct performance obligations, revenue is recognised consistent with the satisfaction of those performance obligations.

Bequests

Bequests are generally recognised as revenue when the Group obtains control of the contribution and its amount can be measured reliably. Where bequests are linked to a contract with distinct performance obligations, revenue is recognised consistent with the satisfaction of those performance obligations.

When the transaction price is received before the performance obligations are fulfilled, the Group recognises the received contribution as a contract liability at the end of the reporting period.

Government Grants

Government grants are recognised when the performance obligations of the contract are fulfilled. Project-specific grants are brought to account based on timing of the project, when the performance obligations of the contracts are fulfilled.

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

When the transaction consideration is received before the performance obligations are fulfilled, the Group recognises the received consideration as a contract liability at the end of the reporting period. Any funding not spent on the planned activities agreed between the parties at the start of each calendar year is required to be repaid.

When the Government grant doesn't contain sufficiently specific performance obligations, AASB 15 Revenue from Contracts with Customers does not apply, and income is recognised in profit or loss under AASB 1058 Income of Not-for-Profit Entities.

Interest

Interest income is recognised as the interest accrues.

Disaggregation of revenue

2024 (\$)	Revenue from contracts with customers	Other revenue	Total revenue
Box office	50,717,511	-	50,717,511
Commercial activities	7,357,457	-	7,357,457
Government grants	29,525,665	-	29,525,665
Donations and bequests	225,000	5,397,172	5,622,172
Corporate sponsorship	2,255,259	-	2,255,259
Other income	5,329,445	2,794,538	8,123,983
TOTAL	95,410,337	8,191,710	103,602,047

2023 (\$)	Revenue from contracts with customers	Other revenue	Total revenue
Box office	65,673,840	-	65,673,840
Commercial activities	6,977,888	-	6,977,888
Government grants	30,173,289	-	30,173,289
Donations and bequests	1,055,000	4,978,630	6,033,630
Corporate sponsorship	2,884,511	-	2,884,511
Gain on disposal of PPE	-	367	367
Other income	8,196,130	3,941,437	12,137,567
TOTAL	114,960,658	8,920,434	123,881,092

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

	2024	2023
	\$	\$
Timing of revenue recognition		
Goods and services transferred at a point in time	64,897,462	78,600,884
Goods and services transferred over time	38,704,585	45,280,208
	<u>103,602,047</u>	<u>123,881,092</u>
Total revenue		

Fundraising

Opera Australia Group undertakes fundraising appeals throughout the year and holds an authority to fundraise under the Charitable Fundraising Act, 1991 (NSW). Additional information and declarations required under this Act are as follows:

	2024	2023
	\$	\$
Gross proceeds from fundraising appeals	4,099,708	5,305,909
Less: total cost of fundraising appeals	1,300,508	1,396,722
	<u>2,799,200</u>	<u>3,909,187</u>
Net surplus obtained from fundraising		

	2024	2023
	%	%
Total cost of fundraising / Gross proceeds from fundraising appeals	32%	26%
Net surplus obtained from fundraising / Gross proceeds from fundraising appeals	68%	74%

The fundraising activities of the Group in 2024 predominantly consisted of individual giving through campaigns, annual appeals and general giving.

Funds received through fundraising supported the general activities of Opera Australia and other initiatives pursuant to the terms of specific gift agreements (where applicable).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

PROPERTY, PLANT AND EQUIPMENT

Land and buildings are carried at net book value.

Property, plant and equipment excluding freehold land and buildings are valued at cost less accumulated depreciation and any impairment in value.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings	50 years
Building additions	5–10 years
Musical instruments	4–20 years
Leasehold improvements	10–15 years
Plant and equipment	4–20 years

INTANGIBLE ASSETS

Intangible assets are valued at cost less accumulated amortisation and any impairment in value.

Amortisation is calculated on a straight-line basis over the estimated useful life of the intangibles as follows:

Software	1–10 years
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Software as a Service (SaaS)

SaaS arrangements are service contracts providing Opera Australia with the right to access the cloud provider's application software over the contract period. The costs associated with configuring or customising software providers' application software in a SaaS arrangement are recognised as expenses in the year they are incurred, unless they meet the recognition criteria for an intangible asset under *AASB 138 Intangible Assets*, in which case they are recognised as intangible software assets.

Intangible assets are amortised over their useful life and scrutinised for impairment on an annual basis.

IMPAIRMENT AND RECOVERABLE AMOUNT OF NON-CURRENT ASSETS

Impairment

The carrying values of property, plant and equipment (including costumes, scenery sets and props) are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Recoverable Amount

The recoverable amount of an asset is the greater of net selling price and value in use. Value in use is taken to be the depreciated replacement cost of the asset concerned.

TRADE AND OTHER RECEIVABLES

Trade receivables, which generally have 30 day terms, are recognised at fair value less an allowance for any expected credit loss which is raised pursuant to AASB 9 Financial Instruments.

Collectability of trade receivables is reviewed on an ongoing basis. Under AASB 9 Financial Instruments, the Group uses an expected credit loss (ECL) model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For trade receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

INVESTMENT IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Group's investments in its associates and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Statement of Profit or Loss and Comprehensive Income.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in the Statement of Profit or Loss and Comprehensive Income.

JOINT ARRANGEMENTS

OA entered into a joint arrangement with Stage 18 Limited ("Stage 18") to co-present the Musical "Sunset Boulevard" (the production) in Australia in 2024. OA and Stage 18 were to have joint control over the production as decisions about the relevant activities required the unanimous consent of both parties and returns from the production were to be split equally.

The joint arrangement was initially classified as a joint operation on account of OA and Stage 18 being bound by a contractual agreement giving both parties joint control over the production, and equal rights to the assets and obligations for the liabilities relating to the production. Part way through the season, the commercial structure of the arrangement changed and OA became the primary decision-maker for the production. From this point on, it was deemed that OA had assumed 100% control of the joint arrangement and therefore has consolidated the results of the arrangement.

FINANCIAL INSTRUMENTS – INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at fair value through profit or loss.

Financial assets at fair value through profit or loss are non-derivative financial assets. Regular way purchases and sales of investments are recognised on trade-date (i.e. the date on which the Group commits to purchase or sell the asset). Investments are initially recognised at fair value plus transaction costs.

The fair value of financial assets is equivalent to the carrying amount at the reporting date as disclosed in the consolidated Statement of Financial Position and related notes. This is because either the carrying amounts approximate to the fair value or because of their short-term to maturity.

Subsequent measurement

For purposes of subsequent measurement, the group classifies financial assets as financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities – Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified as financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

TRADE AND OTHER PAYABLES

Trade and other payables are carried at amortised cost. 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.

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs.

INTEREST BEARING LOANS AND BORROWINGS

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred.

LEASES

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The lease term is determined as being the non-cancellable period of a lease, together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Where the lease contract includes non-consecutive periods, the lease term is the aggregate of the non-consecutive periods.

At the commencement date of the lease, a right-of-use (ROU) asset and lease liability are recognised.

ROU assets are initially measured at cost with the cost comprising:

- a) the amount of the initial measurement of the lease liability;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs;
- d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The obligation for those costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Subsequent to the commencement date, right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The lease liability is initially measured as the present value of the remaining lease payments as at the commencement date, based on an incremental borrowing rate (average rate of 4.9%) over the remaining lease term. The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

Where there are variable lease payments that depend on an index or rate – such as CPI – these payments are measured using the index (or rate) at the commencement date of the lease. Future changes in the index or rate are not estimated.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Group has not recognised short-term leases where the non-consecutive period of use in the lease is less than 12 months. Such leases are expensed in the *Statement of Profit or Loss and Comprehensive Income* either on a straight-line basis over the lease term or consistent with usage or benefits received.

The Group's ROU asset are depreciated over the respective lease terms on a straight-line basis and recognised in the Consolidated Statement of Profit or Loss and Comprehensive Income under "Depreciation, amortisation and impairment expenses". The interest calculated on the lease liability is recognised under "Finance Costs".

Subsequent to the commencement date, lease liabilities are measured by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

OA has accounted for lease modifications as a re-measurement of the lease liability by:

- a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, recognising in profit or loss any gain or loss relating to the partial or full termination of the lease; and
- b) making a corresponding adjustment to the right-of-use asset.

Sale and Leaseback

A sale and leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. When determining whether the transfer of an asset should be accounted for as a sale or purchase, the seller-lessee applies the requirements in AASB 15 on when an entity satisfies a performance obligation by transferring control of an asset. If control of an underlying asset passes to the buyer-lessor, the transaction is accounted for as a sale of the asset and a lease.

The gain or loss the seller-lessee recognises at the date of the transaction is a consequence of its measurement of the right-of-use asset arising from the leaseback. Because the right of use the seller-lessee retains is not remeasured as a result of the transaction (it is measured as a proportion of the property's previous carrying amount), the amount of the gain or loss recognised relates only to the rights transferred to the buyer-lessor.

PROVISIONS AND EMPLOYEE LEAVE BENEFITS

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee Leave Benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee services up to the reporting date. They are measured at the amounts expected to be paid when the liability is settled.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Long service leave

The liability for long service leave is recognised and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Both the functional and presentation currency of the Group is Australian dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the rate of exchange ruling at the reporting date. All differences in the consolidated financial report are taken to the Consolidated Statement of Profit or Loss and Comprehensive Income.

INCOME TAX

The Group is an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997.

COMPARATIVE INFORMATION

Where necessary, comparatives have been reclassified or repositioned for consistency with current year disclosures.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Impairment of non-financial assets

Management reviews non-financial assets periodically to determine whether there is evidence that the present value of future cash flows is lower than the net book value recorded on the consolidated Statement of Financial Position. In such cases, an impairment charge is calculated and recorded as an expense in current year earnings.

Estimated useful lives

Upon capitalisation of non-financial assets, management estimates the useful life over which to depreciate the asset. Useful lives are based on management experience and judgement.

Incremental borrowing rate (Leases)

As the Group has no external borrowings, an incremental borrowing rate has been calculated by taking the average Australian Financial Markets Association (AFMA) Bank Bill Swap rate over the Group's leases with a margin applied pursuant to the line fee attached to Opera Australia's most recent bill facility with the Commonwealth Bank.

Extension and termination options (Leases)

There is judgment involved in assessing whether it is reasonably certain that a renewal clause will be exercised.

Allocation of transaction price to performance obligations (Revenue from contracts with customers)

Management applies judgment to allocate transaction prices to the performance obligations contained specifically in corporate sponsorship contracts where such allocations are not explicit in the contract.

Considerations of any off-market terms of sale and leaseback transactions

Management assesses the term and conditions in relation to sale and leaseback transactions to determine if a difference exists between the sale consideration received and the fair value of the asset or a difference exists between the present value of the contractual payments for the lease and the present value of the lease payments at market rates.

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 4. REVENUE AND INCOME

Deficit from operations is after crediting the following revenues:

	2024	Consolidated
	\$	2023
		\$
<i>Sales revenue</i>		
Box office	50,717,511	65,673,840
Commercial activities	7,357,457	6,977,888
Total sales revenue	<u>58,074,968</u>	<u>72,651,728</u>
<i>Other revenue and income</i>		
Contributions (donations and sponsorship)	6,354,968	8,190,419
Bequest revenue (a)	1,522,464	727,722
Gain on disposal of fixed assets	-	367
Other revenue (b)	5,329,445	8,196,130
Interest income (c)	533,601	2,469,214
Investment income (c)	2,260,936	1,472,223
Total other revenue and income	<u>16,001,414</u>	<u>21,056,075</u>

- a) Bequest revenue includes \$744,930 attributable to Opera Australia as the parent entity (2023: \$151,522).
- b) Includes investment from government destination organisations.
- c) Interest and investment income includes \$1,852,707 (2023: \$1,248,143) attributable to Opera Australia Capital Fund entities.

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 5. GOVERNMENT GRANTS

	Consolidated	
	2024	2023
	\$	\$
<i>Creative Australia</i>		
Base Funding	23,881,026	22,940,465
Playing Australia	753,495	626,505
Other Grants	89,074	-
	<hr/>	<hr/>
Total Creative Australia	24,723,595	23,566,970
 <i>Create NSW</i>		
Base Funding	3,758,161	3,582,075
Primary Schools Touring	-	66,625
Rescue and Restart	-	1,928,125
	<hr/>	<hr/>
Total Create NSW	3,758,161	5,576,825
 <i>Creative Victoria</i>		
Base Funding	1,043,909	1,029,494
Regional Tour		
	<hr/>	<hr/>
Total Creative Victoria	1,043,909	1,029,494
	<hr/>	<hr/>
Total government grants	<u>29,525,665</u>	<u>30,173,289</u>

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 6. EXPENDITURE

Net surplus / (deficit) from operations is after charging the following expenses:

	2024	Consolidated	2023
	\$		\$
Staff and employment expenses	59,769,891		65,198,771
	<u>59,769,891</u>		<u>65,198,771</u>
<i>Depreciation and amortisation:</i>			
- Buildings	215,506		87,486
- Leasehold improvements	522,481		519,593
- Property, plant and equipment	739,937		731,710
- Right-of-use asset	1,281,736		1,704,355
- Costumes, scenery sets and props	1,166,547		328,387
- Software	71,803		137,778
	<u>3,998,010</u>		<u>3,509,309</u>
<i>Finance Costs:</i>			
Interest paid or payable to other unrelated parties	5		236
Interest on lease liability	191,086		290,817
	<u>191,091</u>		<u>291,053</u>
<i>Other Expenses:</i>			
Production expenses	9,294,029		9,559,319
Premises	3,548,265		3,033,498
Scores, royalties & instruments	1,402,036		7,557,977
Insurance	1,292,032		767,456
IT	2,011,172		2,631,930
Recording and surtitles	13,363		37,913
Professional fees	1,047,831		359,513
Loss on disposal of property, plant and equipment	3,451		-
Administration expenses	2,043,782		711,939
	<u>20,655,961</u>		<u>24,659,545</u>

NOTE 7. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	4,036,995	14,471,625
Total cash and cash equivalents	<u>4,036,995</u>	<u>14,471,625</u>

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 8. TRADE AND OTHER RECEIVABLES (CURRENT)

	2024	Consolidated	2023
	\$		\$
Trade and other receivables	7,168,776		8,354,144
Allowance for expected credit losses	(529,742)		(359,568)
Total trade and other receivables (Current)	<u>6,639,034</u>		<u>7,994,576</u>

Expected credit losses of trade receivables recognised amounted to \$170,174 during the year ended 31 December 2024 (2023: \$100,233).

NOTE 9. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CURRENT)

Financial Assets

	31,975,596	28,880,143
Managed funds (a)		
Listed equity investments	9,659,445	6,635,500
Financial assets at fair value through profit or loss	<u>41,635,041</u>	<u>35,515,643</u>
Cash and cash equivalents (note 7)	4,036,995	14,471,625
Trade and other Receivables (note 8)	<u>6,639,034</u>	<u>7,994,576</u>
	11,271,413	
Financial assets at amortised cost	<u>3</u>	<u>22,466,201</u>

(a) Units held in managed funds are readily saleable with no fixed term.

Financial Liabilities

Trade and Other Payables (note 14)	<u>10,885,261</u>	<u>14,427,692</u>
Total financial liabilities at amortised cost	<u>10,885,261</u>	<u>14,427,692</u>

NOTE 10. PREPAYMENTS (CURRENT)

Deferred production costs	-	157,699
Prepaid expenditure	<u>1,161,932</u>	<u>699,370</u>
Total prepayments (Current)	<u>1,161,932</u>	<u>857,069</u>

NOTE 11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES (NON-CURRENT)

Other Financial Assets

The following shares and investments are carried at fair value:

Shares in controlled companies (unlisted)	2	2
Equity Investment (unlisted)	-	96,413
Total other financial assets (Non-current)	<u>2</u>	<u>96,415</u>

Other Financial Liabilities

Equity loss in associate (Non-current)	<u>535,224</u>	<u>-</u>
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Opera Australia has a 40% interest in The Opera Conference Partnership, involved in the production of opera performances in Australia. The Group's interest in The Opera Conference Partnership is accounted for using the equity method in the consolidated financial statements. The Partnership cannot distribute its profits without majority consent of the four partners.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

NOTE 12. LEASES

Opera Australia leases several assets across the underlying asset categories of venue hire, storage and office space.

	2024 \$	2023 \$
a) Right-of-use asset		
Non-current		
Right-of-use asset	4,692,427	3,824,343

Reconciliation of Right-of-use asset

2024	Venue hire	Storage	Office space	Total
At 1 January 2024	564,726	1,848,984	1,410,633	3,824,343
New lease	2,149,820	-	-	2,149,820
Depreciation	(624,441)	(422,190)	(235,105)	(1,281,736)
Right-of-use asset	2,090,105	1,426,794	1,175,528	4,692,427

b) Lease Liabilities

Current

Lease Liabilities	1,044,136	1,437,534
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Non-current

Lease Liabilities	4,070,244	3,002,125
	5,114,380	4,439,659

Reconciliation of Lease Liabilities

2024	Venue hire	Storage	Office space	Total
At 1 January 2024	644,180	2,173,186	1,622,293	4,439,659
New lease	2,149,820	-	-	2,149,820
Interest expense	28,899	107,922	54,265	191,086
Lease payments	(710,646)	(714,513)	(241,026)	(1,666,185)
Lease Liabilities	2,112,253	1,566,595	1,435,532	5,114,380

Presented below is a maturity analysis of undiscounted future lease payments:

	2024 \$	2023 \$
Not later than 1 year	1,674,963	2,005,611
Later than 1 year and not later than 5 years	5,357,091	3,988,872
Later than 5 years	746,061	1,492,204
	7,778,115	7,486,687

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

Extension and termination options

The ROU asset for the Melbourne Opera Centre at City Rd Melbourne has been measured based on the initial lease term of 10 years (expiring December 2029). The 10 year extension option has not been factored into the ROU asset as it cannot be reasonably certain at this point that this option will be taken.

No extension has been applied to the Sydney Opera House lease (expiring November 2027). This lease is a 3-year agreement with no extension option included.

No termination options are expected to be exercised.

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings (a)	Leasehold Improvements	Plant and Equipment (b)	Costumes, Scenery, Sets and Props	Capital work-in- progress	Total Property Plant and Equipment
At 1 January 2024 Deemed cost	45,285,222	4,927,071	9,971,874	20,960,298	581,099	81,725,564
Additions	264,267	-	425,444	1,091,271	127,304	1,908,286
Transfer	-	-	12,315	568,784	(581,099)	-
Disposals	-	-	(149,688)	(568,784)	-	(718,472)
Cost at 31 December 2024	<u>45,549,489</u>	<u>4,927,071</u>	<u>10,259,945</u>	<u>22,051,569</u>	<u>127,304</u>	<u>82,915,378</u>
At 1 January 2024						
Accumulated depreciation and impairment	(1,307,071)	(1,834,763)	(6,413,146)	(20,908,170)	-	(30,463,150)
Depreciation/ Amortisation charge for the year	(215,506)	(522,481)	(739,937)	(1,166,547)	-	(2,644,471)
Disposals	-	-	131,118	568,784	-	699,902
Accumulated depreciation and impairment at 31 December 2024	<u>(1,522,577)</u>	<u>(2,357,244)</u>	<u>(7,021,965)</u>	<u>(21,505,933)</u>	<u>-</u>	<u>(32,407,719)</u>
Net carrying amount						
At 1 January 2024	<u>43,978,151</u>	<u>3,092,308</u>	<u>3,558,728</u>	<u>52,128</u>	<u>581,099</u>	<u>51,262,414</u>
At 31 December 2024	<u>44,026,912</u>	<u>2,569,827</u>	<u>3,237,980</u>	<u>545,636</u>	<u>127,304</u>	<u>50,507,659</u>

(a) Freehold land and building values are stated at deemed cost

(b) Plant and equipment is inclusive of musical instruments and hardware

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 14. TRADE AND OTHER PAYABLES (CURRENT)

	Consolidated	
	2024	2023
	\$	\$
Trade payables	1,921,578	1,981,631
Other payables	4,739,004	3,373,059
Accruals	3,980,860	9,073,002
Total trade and other payables (Current)	<u>10,641,442</u>	<u>14,427,692</u>

The fair value of financial liabilities is equivalent to the carrying amount at the reporting date as disclosed in the Consolidated Statement of Financial Position and related notes. This is because of their short term to maturity.

NOTE 15. INTEREST BEARING LOANS AND BORROWINGS

At the reporting date, there was an undrawn facility in place. There were no borrowings as at the end of 2024. Please refer to note 23 for further details.

The disclosures on lease liabilities are included in note 12.

NOTE 16. PROVISIONS

Annual leave	2,615,853	2,468,945
Long service leave	3,397,407	3,397,811
Total provisions (Current)	<u>6,013,260</u>	<u>5,866,756</u>
Long service leave	796,602	843,369
Leasehold make good provision	266,287	266,287
Total provisions (Non-current)	<u>1,062,889</u>	<u>1,109,656</u>

Reconciliation of movement of provisions

2024

Opening balance	266,287
Additions during the year	-
Used/released during the year	-
TOTAL	<u>266,287</u>

**Leasehold
make good
provision**

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

NOTE 17. GOVERNMENT GRANTS RECEIVED IN ADVANCE

	Consolidated 2024 \$	2023 \$
Grants received in advance:		
Creative Australia	680,925	753,495

NOTE 18. CONTRACT LIABILITIES

Deferred food and beverage income	153,255	122,349
Customer / sponsor advances	1,927,022	721,344
Other contract liabilities	1,748,060	188,890
Total contract liabilities (Current)	3,828,335	1,032,583

Reconciliation of contract liabilities

2024

Opening balance	1,032,583
2023 contract liabilities recognised in 2024	(2,622,657)
2024 contract liabilities to be recognised in 2025	5,418,409

TOTAL	3,828,335
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NOTE 19. ADVANCE BOOKINGS (CURRENT)

Advance bookings	10,597,280	10,070,980
Total advance bookings	10,597,280	10,070,980

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 20. OTHER RESERVES

	Consolidated	
	2024	2023
	\$	\$
Foreign Exchange Translation Reserve:		
Opening balance	70,721	63,330
Exchange differences on translation of foreign operations	<u>9,666</u>	<u>7,391</u>
Closing balance	<u>80,387</u>	<u>70,721</u>

The Foreign Exchange Translation Reserve was created to account for all GBP/AUD foreign exchange translations on consolidation of a controlled entity, Opera Australia Capital Fund (UK) Ltd.

New Works and Touring Reserve:

Opening balance	1,000,000	1,000,000
Expenditure	<u>(123,275)</u>	<u>-</u>
Closing balance	<u>876,725</u>	<u>1,000,000</u>

The New Works and Touring Reserve was created to provide for the development of new Australian operatic works and to support the group in touring on national and international tours.

Bequest Reserve:

Opening balance	11,616,710	10,988,290
Bequests received	-	31,522

Transfer from retained earnings

Net income earned	421,718	326,482
Net realised gains/(losses) on financial assets	-	(18,048)
Net unrealised gains /(losses) on financial assets	482,783	288,464
Expenditure against bequests	<u>(669,658)</u>	<u>-</u>
Closing balance	<u>11,851,553</u>	<u>11,616,710</u>

The Bequest Reserve was created to record the application of bequest monies and financial assets received by the parent where these gifts are designated for a specific purpose in accordance with the instructions of the deceased. Funds and assets received have been invested in accordance with Opera Australia's investment policy and expenditure against these funds is monitored to ensure that the Group's legal obligations with respect to the bequests are appropriately satisfied.

Total Other Reserves	<u>12,808,665</u>	<u>12,687,431</u>
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NOTE 21. COMMITMENTS AND CONTINGENCIES

(A) ARTISTS AND CO-PRODUCTION CONTRACTS

Committed expenditure is payable as follows:

Within one year	2,994,465	2,658,223
After one year but not more than five years	-	-
	<u>2,994,465</u>	<u>2,658,223</u>

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

NOTE 21. COMMITMENTS AND CONTINGENCIES (Continued)

The Group, by the nature of its operations, has entered into contracts for performances scheduled to take place during 2025 and subsequent years. These amounts include the maximum expenditure required to satisfy the contracts with artists, creatives and co-production partners. The terms and conditions of the contracts place a liability on the Group under certain circumstances to pay specified sums should artists not be engaged or the performances not take place.

(B) CONTINGENT LIABILITIES

The Group has bank guarantees in place with the Commonwealth Bank of Australia as at 31 December 2024 in relation to Melbourne office premises.

	Consolidated	
	2024	2023
	\$	\$
Within one year	-	-
After one year but not more than ten years	398,114	398,114
	<u>398,114</u>	<u>398,114</u>

NOTE 22. KEY MANAGEMENT PERSONNEL COMPENSATION

The following compensation was made to the 8 employees (2023: 7) on the executive team for their contributions as employees for the Group and for conducting and directing services:

Employee benefits (a)	2,060,589	1,932,766
Total compensation	<u>2,060,589</u>	<u>1,932,766</u>

(a) Employee benefits include short-term employee benefits and termination benefits. Short-term employee benefits include annual salary, superannuation payments, paid leave, and all other compensation.

NOTE 23. RELATED PARTY DISCLOSURE

(A) CONTROLLED ENTITIES:

The entities listed in the summary below were controlled entities at 31 December 2024. Opera Australia Capital Fund, Opera Australia Capital Fund UK and Opera Australia Capital Fund Limited have the same reporting date as that of the parent entity and have been included in the consolidated financial statements.

Name of controlled entity	Reporting date	Place of Incorporation	Ownership Interest	
			2024	2023
Opera Australia Capital Fund *	31 December	Australia	0%	0%
Opera Australia Capital Fund UK *	31 December	United Kingdom	0%	0%
Opera Australia Capital Fund Limited *	31 December	Australia	0%	0%

* Opera Australia Capital Fund Limited is the trustee of the Opera Australia Capital Fund. These entities and Opera Australia Capital Fund UK are controlled entities as Opera Australia's Board has the right of veto over independent appointments to Opera Australia Capital Fund Limited's Board and Opera Australia is the predominant beneficiary of the Opera Australia Capital Fund.

OPERA AUSTRALIA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

Although included in the consolidated result of Opera Australia Group, the Opera Australia Capital Fund reserves of \$33,571,030 are only accessible to Opera Australia through the provisions of the Opera Australia Capital Fund's Trust Deed.

(B) TRANSACTIONS WITH RELATED PARTIES IN THE GROUP

The parent entity received funding relating to its partner status in the Opera Conference. This was then on-paid to the Opera Conference Partnership in the form of its partner contribution. Opera Australia incurred production costs related to Opera Conference activities, a portion of which were then billed to the Opera Conference Partnership.

The parent entity entered into loans that were received and repayments made on short-term intercompany accounts during the year with related parties in the group.

These transactions were undertaken on commercial terms and conditions.

(C) TRANSACTIONS WITH DIRECTORS

The parent entity's constitution prohibits the payment of remuneration to Directors and no Director has received or become entitled to receive any remuneration during the financial year.

Since the end of the previous year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Group with the Director, with a firm of which he or she is a member, or with a company in which he or she has a substantial interest.

Total donations from directors were \$431,098 for 2024 (2023: \$370,900).

In September 2024, a director committed to an interest-free loan to Opera Australia. The total available value of the facility was \$6,000,000, of which \$2,000,000 was drawn during the financial year. The term of the loan was for 6 months to March 2025, however the entire balance was repaid in full as at 31 December 2024.

NOTE 24. GUARANTEE

Every member of the parent entity undertakes to contribute to the assets of the parent entity, if it is wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the company, contracted before he/she ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributors amongst themselves, such amount as may be required but not exceeding twenty dollars (\$20).

NOTE 25. AUDITOR'S REMUNERATION

The auditor of Opera Australia is Ernst & Young Australia.

	2024	2023
	\$	\$
Fees to Ernst & Young (Australia) For auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	200,000	200,000
Other services*	8,000	4,601
Total auditor's remuneration	208,000	204,601

* Other services relates to taxation advice

OPERA AUSTRALIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

NOTE 26. PARENT ENTITY INFORMATION

Information relating to Opera Australia

	2024	2023
	\$	\$
Current Assets	19,801,060	29,024,150
Total Assets	75,200,884	84,393,331
Current Liabilities	32,704,467	33,337,538
Total Liabilities	38,372,826	37,449,320
Other reserves	12,728,280	12,616,710
Retained earnings	24,211,348	34,327,301
Total Equity	<u>36,939,628</u>	<u>46,944,011</u>
Total net surplus/(deficit) for the year	<u>(10,115,953)</u>	<u>(4,942,653)</u>

NOTE 27. EVENTS OCCURRING AFTER THE REPORTING DATE

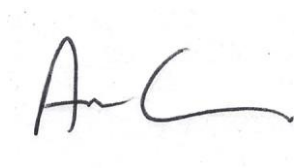
There have been no significant events occurring after the reporting date.

OPERA AUSTRALIA DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Opera Australia (the Company), I state that in the opinion of the Directors:

- (a) The financial statements and notes of the Company and its controlled entities (collectively "the Group") are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Group's financial position as at and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards-Simplified Disclosures and the *Australian Charities and Not-for-Profits Commission Regulation 2022*;
- (b) We confirm we have met all the requirements of the Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulations 2021;
- (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (d) The internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied to its fundraising appeals.

On behalf of the Board



A.R.N. SISSON AO
Director

Date: 13 May 2025



R.G.SIMS AO
Director

Date: 13 May 2025

Independent auditor's report to the members of Opera Australia

Opinion

We have audited the financial report of Opera Australia (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 (including Independence Standards)* (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.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do 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, 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.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating 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 have 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 judgment 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.



**Shape the future
with confidence**

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group 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.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulation 2021*

We have audited the financial report as required by Section 24(1) of the *NSW Charitable Fundraising Act 1991*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Act(s) and Regulation(s) as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.



**Shape the future
with confidence**

Opinion

In our opinion:

- a. The financial report of the Group has been properly drawn up and associated records have been properly kept during the financial year ended 31 December 2024, in all material respects, in accordance with:
 - i. Sections 20(1), 22(1-2), 24(1) of the *NSW Charitable Fundraising Act 1991*;
 - ii. Sections 14(2) and 17 of the *NSW Charitable Fundraising Regulation 2021*;

The money received as a result of fundraising appeals conducted by the company during the financial year ended 31 December 2024 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Act and Regulation.

Ernst & Young

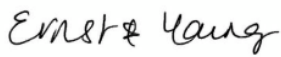
Rachel Rudman
Partner
Sydney
13 May 2024

Auditor's independence declaration to the directors of Opera Australia

In relation to our audit of the financial report of Opera Australia for the financial year ended 31 December 2024, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of any applicable code of professional conduct; and
- b. No non-audit services provided that contravene any applicable code of professional conduct.

This declaration is in respect of Opera Australia and the entities it controlled during the financial year.



Ernst & Young



Rachel Rudman
Partner
13 May 2025