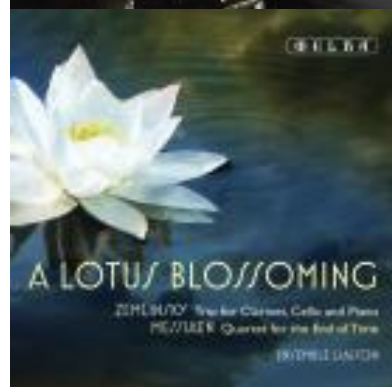
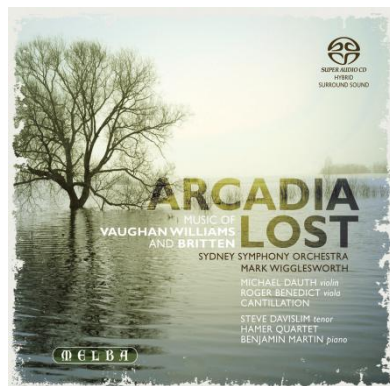




Melba Foundation

Annual Report 2011-2012



Melba Foundation Annual Report 2011-2012



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APPENDIX: Audit Report



Melba Foundation's Mission

Our Mission	Ⓜ Harness the talents of Australia's finest classical musicians Ⓜ Achieve excellence in all aspects of record production, presentation and marketing. Ⓜ Build its national and international reputation for excellence Ⓜ Create a heightened awareness of Australian cultural achievement Ⓜ Increase investment in our finest artists and their recordings Ⓜ Preserve a recorded legacy of Australian performers
Our Aim	Ⓜ To promote Australian artists on the international stage and give them the recognition they deserve
Our Values	Ⓜ Integrity: Artistic and production excellence Ⓜ Leadership: To lead the Australian recording industry in excellence To lead the classical music industry in Australia Ⓜ Innovation: To be at the forefront of all developments in all aspects of recording and digital delivery

Arcadia Lost deserves honor and recognition. Hooray for the Melba Foundation!

Fanfare (US) November/December 2012



CEO Report

Recordings are so important to orchestral musicians because they shine the spotlight on them and given them prestige among their colleagues.

Vladimir Ashkenazy, Chief Conductor SSO

A decade ago The Melba Foundation's label Melba Recordings was an innovative, adventurous newcomer in the highly competitive, international classical recordings market. Today Melba is Australia's independent, international flagship and a key cultural ambassador renowned for combining cutting-edge technology and classical music to produce Australian digital works that rank with the world's best. Since 2004 the Australian Government has invested \$7.2 million - which has leveraged a further \$1.72 million in private philanthropic support, and over \$12 million in in-kind support -- to underpin Melba's mission to record and promote high-quality works by Australian artists and composers. Melba has exceeded all expectations of what an Australian classical record company can achieve. Its recordings, which are recognised as being technologically advanced and of the highest sound quality, have received widespread international acclaim. Melba has provided recording opportunities for the finest emerging and established Australian musicians which has enabled them to achieve the exposure they would not otherwise receive through an Australian record label. Melba has broken new ground in terms of its large scale recordings, particularly with the Adelaide Ring which was described recently in Limelight as "momentous which still holds its own". It has built strong collaborations with Australia's leading musical institutions and has received multiple industry awards and countless accolades.

Were it not for Maria Vandamme, the driving force of Melba Recordings, these performances would have gone unnoticed by the wider world audiences who were not able to make the trip to Adelaide. The quality of the finished recording together with the high standard of the performances themselves have quite literally stunned international broadcasters and reviewers. Please join us and help Melba Recordings by funding them so they may grow, consolidate and continue to promote Australian talent both at home and abroad. Australian performers, and we are many, really need to be buoyed by the possibilities Melba Recordings offers us.

Lisa Gasteen

During the rehearsals back in 2004, I was very keen the Ring be recorded. It was clear to me that history was in the making. But I also know that virtually no recording company would take on a live Ring recording today because it is so expensive and such a technical challenge. When Melba stepped in at the eleventh hour, it was a bold and brave decision. Without Melba, it would not have happened. And I think that from a classical music point of view, this recording is the greatest international ambassador for Australian music making in recent years – perhaps ever. What the Melba Foundation does for Australian singers and musicians is invaluable. With Australia being so far away from the rest of the world, Melba is virtually the only channel through which Australia's artists can become known internationally. It's essential that Melba continues its work.

Asher Fisch, Chief Conductor Designate WASO



This year's highlights include 13 releases of which 5 are world premieres and 4 of which feature Australian composers, and the successful launch of Melba Recordings state-of-the-art website which offers high quality downloads; furthering Melba's profile as an international label of excellence. These achievements were sadly soured by the Federal Government's decision to discontinue funding of the Foundation. We have achieved critical acclaim by being uncompromising. The argument for representing Australian musicians on the world stage remains and only strengthens as the market for music recordings worsens. Gaining financial support is difficult but achievable. Those who understand the cultural imperative and who value international profile for our musicians argue that we have provided an excellent return on investment, far more effective than some of the extravagant advertising campaigns marketing Australia.

Melba has built a very impressive following with the most prominent and influential music reviewers and critics. I was particularly honoured that the recording of the Turbulent Heart with the Queensland Symphony Orchestra was awarded the Diamant d'Opéra by the prestigious Opéra Magazine in 2010. Your country is very lucky to have a musical treasure like Melba that is so professional and so dedicated to excellence in everything it does. The highest praise of all that the critics and musicians have accorded Melba time and again is its courage for discovering new talents and recording new repertoire (not only Hélène, but recordings like Massenet, Koechlin, and Vierne). The creative vision of Maria Vandamme to entrust the future of the musical world in the hands of such talented emerging artists is providing a lasting tribute through the amazing repertoires in Melba's recordings. Melba has shown that everything is possible if you are passionate about the quality of your work. I urge you to keep supporting this Antipodean diamond of world music.

OA Guest Conductor Guillaume Tourniaire

To compete with the best, Melba has had to consistently demonstrate its excellence in all areas: performance, production, engineering, presentation, scholarship, concept and marketing. Its success is demonstrated by the phenomenal number of editorial accolades from the world's leading music media outlets; and the many letters of support from emerging and established Australian musicians and composers; as well as the endorsements from a wide variety of distinguished, internationally prominent Australians, including Sir James Wolfensohn, Baz Lurhmann, Barry Humphries, Leslie Howard and Barry Tuckwell.

Melba Recordings are unique and essential to the development of recording classics in Australia. In the short time of their existence they have become highly respected and well known worldwide because of their excellent expertise and high standard they place on their release. No other organisation in Australia is capable of producing the quality and finish of recordings that Melba Recordings insist on for their releases. Melba Recordings are releasing quality recordings of tapes from past singers something the ABC seems incapable of doing. Melba Recordings are also recording and releasing discs of current performers giving work to both established and promising singers.

Nance Grant MBE

Our musicians no longer have to record overseas – before Melba, no Australian label was taken sufficiently seriously by the world's classical music media to enable Australia's emerging artists to gain the international recognition required to further their careers. These artists faced little



choice but to seek out recording opportunities overseas, potentially resulting in their talents being lost to the Australian cultural community. Melba has recorded emerging artists who would not otherwise have reached, and been embraced by, worldwide audiences. It has also provided hitherto unavailable support for mid and late career artists in order to maintain their rightful place on the international stage.

This is an organisation that continually strives for excellence and always achieves this. Australian musicians are remote from the major cultural centres and need opportunities to develop. Melba gives them that, by insisting on excellence, and not settling for less. Melba is all about nurturing excellence, developing musicians, and then showcasing them to the world. It is imperative that we have a body of recordings that preserves and celebrates the achievement of our finest musicians. Where would we be today if we did not have the recordings that allow us to celebrate the achievements of Dame Joan Sutherland!

Sharolyn Kimmorley AM

The ongoing need for Melba is demonstrated by feedback from the musicians whom we record and who are on our waiting list and the international media. Melba has surprised the world by demonstrating that from Australian culture something good emerges. When Australian orchestras tour a frequent comment from reviewers is the surprise that the standard is so high. What we have striven to create is an expectation for excellence in classical music recording coming from Australia. To be flattered by the surprise of international recognition is something that should be well and truly left behind.. Melba exists to create international expectations of excellence as the norm.

This extraordinary label ... has done so much for Australia's cultural standing, and for Australian artists, that ongoing financial support is absolutely vital, if this label is to move forward into the future.

Joachim R. Stossberg, former Classical Product Manager for Deutsche Grammophon, Decca, Philips Classics and also for the ABC Classics label

Melba's website places us at the forefront of digital delivery in classical music, and positions us well for the digital age. Digital downloads are offered in a variety of high quality formats, including CD and Studio Master quality.

Melba has become this country's leader in direct high-quality internet sales of its product, joining a small group of international retailers offering premium audio-download products.

Anthony Clarke, The Age, 1 December 2011

We secured donations of more than \$89,000. Three events were held this year, the first in Brisbane on 29 October where the QSO launched PURE DIVA with Cheryl Barker in attendance. On 7 November 2011, in association with the VCA, Melba launched PURE DIVA & PUCCINI PASSION with Cheryl Barker interviewed by Terry Lane. The third event was a fundraising cocktail party at the Malvern Mansion, Stonnington where Cheryl Barker, Rosamund Illing and Sharolyn Kimmorley performed and our special guest was Jeanne Pratt.

The Foundation's growing family of Patrons and Benefactors have provided not only generous financial support but also invaluable in-kind support, assisting our efforts to produce world class recordings of our talented artists.



Building on this success, there is now the opportunity to maximise the value of the Government's investment in Melba by growing the recording catalogue and compete with those of major international companies. Melba is now seeking support to reach the scale needed to sustain an international market presence and to develop recognition of the Melba brand by international audiences. With a catalogue of 100 CDs, Melba believes it can sit alongside the top international classical music labels, delivering professional opportunities to Australian artists and composers along with immense branding value to Australia's cultural image overseas.

I observed the emergence of Melba Recordings in its early years with interest that quickly translated into admiration. Now, as the Associate Editor of theclassicalreview.com, I have witnessed it maturing into one of the most compelling artistic propositions to have ventured onto the international classical recording stage in a generation or more.

Michael Quinn, former Deputy Editor of Gramophone magazine

Maria Vandamme,
CEO Melba Foundation

"Melba Recordings... a label of fragrant distinction"
MUSIC WEB INTERNATIONAL (UK), 22 March 2009



Corporate Governance Statement

The Melba Foundation is a not-for-profit organisation that promotes Australia's finest classical musicians and artists in the national and international music world through recordings of excellence in performance, sound and presentation.

The Melba Foundation is committed to the highest standards of corporate governance and has adhered to all the principles identified in its agreement with the Federal Government which include: solid foundation for management and oversight; structure the Board to add value; promote ethical and responsible decision making; safeguard integrity in all our reporting; recognise and manage risk; and recognise the legitimate interests of stakeholders.

The Foundation has adopted a Board Charter that meets accepted best practice recommendations and a Code of Conduct that Directors agree to abide by at all times.

Melba Foundation has a contract with Melba Recordings which stipulates its artistic, quality, planning, budgetary, and fundraising requirements. The Foundation sets the strategic direction, approves all recordings, events and budgets. All accounting is done on an open and transparent basis and both Melba Foundation and Melba Recordings accounts and practices are audited each year. Melba Foundation accounts are in essence a summary of the detailed accounts in Melba Recordings, aside from CD sales incomeⁱⁱ. The Finance Sub-Committee approve both the Melba Foundation and the Melba Recordings accounts which are presented as both P&L and at the corresponding detailed transactions level. These details are included in the quarterly monthly management accounts presented to the Australia Council and the Directors are satisfied with the high level of detail and the propriety of managing funds. Both organisations manage the budgets very closely, within the required parameters and both are solvent.



Distribution

All Melba releases are distributed internationally via three methods:

1. Internet sales on the Melba website (www.melbarecordings.com.au) and the major on-line music retailers such as Amazon.
2. Supplied directly to customers at events or via phone or mail order
3. Supplied to shops via distributors in countries as follows:

Country	Distributor
Australia	Pantheon Distribution
Austria	Gramola
Czech Republic	Euromusica
Finland	Fuga Oy
France	Integral
Germany	Klassik
Hong Kong	Shun Cheong Records
Japan	King International
New Zealand	Ode
Sweden	Euroton Music AB
Switzerland	Musik Vertrieb
UK	Proper Note
USA	Albany



Releases in 2011-2012

There were 13 releases this year which include the three recordings below.

Liszt Wagner paraphrases

Asher Fisch, piano

Recorded October 2011

From the house of Master Böhm

John O'Donnell, harpsichord

Recorded December 2011

Bohemian Rhapsody

Benaud Trio: Lachlan Bramble, violin; **Ewen Bramble**, cello; **Amir Farid**, piano

Recorded January 2012

Also, the narration for Smoke Encrypted Whispers was recorded in March 2012; the music was recorded last financial year.

Artists

All artists recorded this year are Australian except Asher Fisch. Maestro Fisch conducted the Adelaide Ring in 2004 and will take up the position of Principal Conductor and Artistic Adviser of the West Australian Symphony Orchestra for a period of three years, commencing with the Orchestra's 2014 season. All this year's releases feature Australian artists except for ELAN, conducted by Guillaume Tourniaire. Maestro Tourniaire is a frequent guest conductor in Australia.

Releases in 2011 – 2012



#	Catalogue #	Name	Type		Downloads available	Physical release
1	MR301130	Elan	1 SACD	World Premiere	Aug-11	Aug-11
2	MR301131	Arcadia Lost	1 SACD		Oct-11	Oct-11
3	MR301110	Puccini=Passion	1 SACD		Nov-11	Nov-11
4	MR301132	A Lotus Blossoming	1 CD		Dec-11	Dec-11
5	MR301137	The Virtuoso Piano Music of George Frederick Boyle	CD	World Premiere	May-12	May-12
6	MR301138	The Romantic Clarinet	CD		May-12	Jun-12
7	MR301139	Benaud Trio	CD	World Premiere	May-12	Jun-12
8	MR301141	Liszt Wagner Paraphrases	CD		May-12	Jul-12
9	MR301133-4	ASHER FISCH WAGNER Der Ring des Nibelungen Highlights	2 SACDs		May-12	Jul-12
10	MR301135-6	The Art of Nance Grant	2 CDs		Jun-12	Jul-12
11	MR301140	Smoke Encrypted Whispers	CD	World Premiere	Jun-12	Sep-12
12	MR301143	From the house of MASTER BÖHM	CD		Jun-12	Sep-12
13	MR301142	Bohemian Rhapsody	CD	World Premiere	Jun-12	Oct-12



ELAN



Simply put, this is another remarkable find from an increasingly essential label. A strong contender for my disc of the year.
The Classical Review (US) 28 November 2011

... like fireworks of colour and atmosphere; it is joyous, sparkling, dramatic and solemn all at the same time.
Opus Haute Définition (France) (trans.) 7 November 2011

... an audacious program and a beautiful artistic achievement.
CLASSIQUE NEWS (France) 15 November 2011

... the performances are excellent and sound magnificent.
Paul Turok's Website (US) (September 2011)

It would be hard to imagine better performances...Guillaume Tourniaire and his orchestra bring it off perfectly...a winner.
Fan fare (US) January/February 2012

- French maestro Guillaume Tourniaire continues his series of incandescent recordings on Melba with ballet music from Saint-Saëns' neglected operas, imbuing this lost music with the greatest energy, love and life-force.
- Tourniaire is rapidly establishing himself as one of the most exciting and satisfying musical voices among the new generation of conductors. He draws stellar performances from the forces of Orchestra Victoria.
- This superbly recorded SACD offers a chance to discover many of Saint-Saëns' exquisitely orchestrated musical jewels; ballet *divertissements* that embody the essence of good taste and refinement beloved of *belle époque* France.
- Saint-Saëns' passion for historic subjects led him to rework archaic music into masterful pastiches imbuing the imagined past of his operas with scenes of dramatic splendour. The resultant pieces are melodic masterpieces in miniature.
- Elan opens with two dances from **Henry VIII**, an exotic and seductive *Gypsy dance* coupled with *Fête de Hublon*, a euphoric celebration of the end of hop picking season.
- The music from **Ascanio**, in the form of an elaborate entertainment for the kings of Spain and France, is set in the gardens of François I's palace of Fontainebleau. Reynaldo Hahn described this ballet sequence as a 'supreme triumph of taste and elegance—the entire Renaissance in a few pages'.
- The opera **Etienne Marcel**'s revolutionary theme, with the patriotic French straining against the shackles of tyranny, is given counterpoint in Saint-Saëns' suave ballet music. These entertainments offer sophisticated repose from the cut and thrust of the story yet maintaining an underlying masculine energy and grace.
- **Les Barbares**, was written for outdoor performance at the magnificent Roman amphitheatre in Orange. Its bloodthirsty tale of conquest, sacrifice and revenge is reflected in the darkest and most brooding music on this CD. Its climax in the triumphant *Air de Ballet* and *Farandole*, though, is bursting with the same Dionisian athleticism greatly admired in Saint-Saëns' famous *Baccanale* from *Sampson and Delilah*.



ARCADIA LOST



Arcadia Lost deserves honor and recognition. **Hooray for the Melba Foundation!**
Fanfare (US) November/December 2012

...we also need to look at far off places like Australia for the best in classical music.
Fanfare II (US) May/June 2012

The exquisite orchestration of this work shows Vaughan Williams at his most imaginative. **** 4 stars
SA-CD.NET (UK) 18 December 2011

The disc is so well recorded that the SACD process means that the instruments seem to come out of thin air rather than the orchestra.
Paul Turok Website (US) January 2012

unmissable.... one of the most beautiful SACDs from the start of 2012.

Opus Haute Définition (France) 6 February

2012glittering...glorious...sumptuous

Australian Hi Fi (Australia) January/February 2012



Conductor Mark Wigglesworth directs the Sydney Symphony Orchestra, Cantillation, soloists Michael Dauth (violin) and Roger Benedict (viola). Recorded live at the Sydney Opera House. Tenor Steve Davislim sings with the Hamer Quartet and pianist Benjamin Martin.



Arcadia Lost, a luxurious Surround Sound spectacular SACD, is a banquet for lovers of British music featuring Vaughan Williams' *The Lark Ascending*, *Flos Campi* and *On Wenlock Edge* together with Benjamin Britten's *Sinfonia da Requiem*.



The Lark Ascending Michael Dauth's glistening solo violin evokes the lark's swirling flight in the summer haze of Vaughan Williams' *The Lark Ascending*.



Flos Campi "flower of the field" The Song of Solomon, one of the greatest love poems in all literature, is at the heart of Vaughan Williams' *Flos Campi*. The SSO's Principal Viola Roger Benedict gives glorious voice to this most passionate piece for viola, chorus and orchestra.



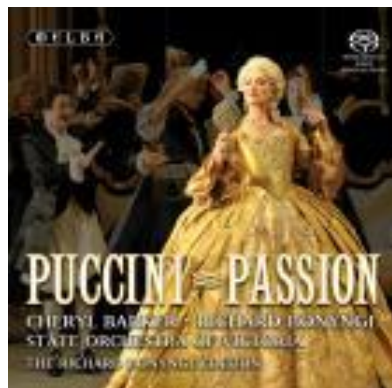
Sinfonia da Requiem Mark Wigglesworth gives an explosive performance of Britten's *Sinfonia da Requiem* drawing virtuoso contributions from all members of the Sydney Symphony Orchestra.



On Wenlock Edge Tenor Steve Davislim brings the greatest tenderness and drama to the rustic stories at the heart of A.E. Hausmann's *A Shropshire Lad* poems. The brilliant young Hamer Quartet and pianist Benjamin Martin vividly underscore the tumultuous emotions of the work.



PUCCINI = PASSION



Cheryl Barker... takes the listener to the emotional heart of the music. 'Magnificent'
Opus Haute Définition (France) 12 January 2012

Barker's is a cut above [Puccini recitals on the market] and I have no reservations about recommending it to the curious.
Fanfare May/June 2012

This is a very attractive disc, well recorded and with excellent orchestral playing. Admirers of Cheryl Barker need not hesitate: Go out and buy!
Fanfare May/June 2012

*one of the best available Puccini aria recordings...you might find you need a fresh box of tissues close at hand. ****4½ stars*
SA-CD.NET (UK) 16 December 2011

- This acclaimed recording is now re-released in Super Audio CD surround sound with a newly remastered CD layer and luxurious presentation booklet edition
- Cheryl Barker first broke the hearts of audiences worldwide as Mimì in Baz Luhrman's imaginative production of *La bohème*.
- In **Puccini = Passion** the radiant Barker delivers beguiling performances in a panoply of Puccini's heroines in favourite arias.
- This Super Audio CD is for all lovers of Puccini, encompassing his most popular soprano arias from *Manon Lescaut*, *Tosca*, *La bohème* and *Madama Butterfly*, one of Barker's favourite roles, and ending with two little known treasures, *E l'uccellino* and *Sole e amore*
- *Puccini famously liked to write about "little women", but he gave them "big" music, which is one thing that makes Cheryl Barker so ideal an interpreter of his soprano roles ... her lyric soprano, with an indefinably sweet vibrancy built in to the tone, adds immeasurably to her appeal. With that vibrancy comes a sense of vulnerability, which helps her bring the characters alive in both vocal and dramatic terms ... This most welcome disc allows her to present an overview of Puccini's women from the very beginning. Rodney Milnes*
- In a departure from his usual repertoire Richard Bonyngé brings fresh imagination and sparkle to Puccini's masterful orchestral palette.
- *Now we can savour Cheryl Barker's true verismo art, with a variety of arias from the best-loved as well as lesser-known Puccini operas.*
Music and Vision (UK)
- **Puccini = Passion** is included in Limelight magazine's bumper 100th edition celebration: *"the 100 greatest CDs ever reviewed in the magazine."*



A LOTUS BLOSSOMING



...an impassioned and committed performance... not just technically superb but spiritually intense too.

The Classical Review (US) 6 April 2012

Melba's spot-on quartet recording...fares brilliantly

Music and Vision (UK) 13 December 2011

...a refined, cogent reading, intimate and beautifully weighted.

Sunday Times (UK) 4 March 2012

*...comes vibrantly to life...exquisitely realised **** 4 stars*

Sunday Herald Sun (Australia) 1 July 2012

- Ensemble Liaison David Griffiths (clarinet), Svetlana Bogosavljevic (cello) and Timothy Young (piano), testify to the joy at the heart of chamber-music collaboration. The *raison d'être* of the ensemble is to showcase a diversity of musical partnerships and explore eclectic repertoire.

ZEMLINSKY: Trio in D minor, Opus 3 for Clarinet, Cello and Piano

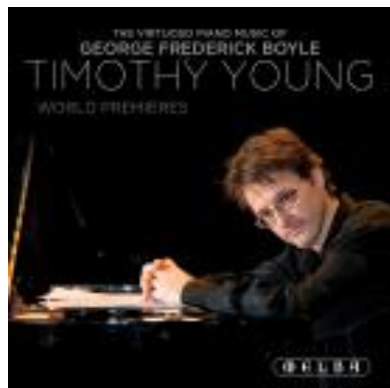
- In the madness of their policy of ethnic cleansing German culture, the Nazi party banned Zemlinsky's music as degenerate "Entartete Musik", a dangerous insult, now held as a badge of honour.
- Zemlinsky's lyrical trio in D minor hails from the sunny period of his youth written under the influence of Brahms and the great Austro-German tradition, displaying the romantic lyricism that is at the heart of his musical nature.
- Although darkly set in a minor key it bristles with the composer's youthful virility and passion with virtuosic writing for all instruments. The trio offers ample opportunity for each of the Ensemble Liaison players to shine.

MESSIAEN: Quartet for the End of Time (Quatuor pour la fin du temps)

- For the Messiaen Ensemble Liaison are joined by Wilma Smith, renowned concert master emeritus of the New Zealand Symphony Orchestra and concert master of the Melbourne Symphony Orchestra.
- The miraculous **Quartet for the End of Time** was composed and premiered during Olivier Messiaen's internment in a German POW camp. That Messiaen could create such a wondrous-strange piece as this under these circumstances is a testament to the undeniable need of his genius to find a voice.
- Messiaen uses fragments of melody copied from bird-song. Birds offered him a sense of liberation from his prison's barbed-wire: "They are our desire for light, for stars, for rainbows, and for jubilant songs."
- Ensemble Liaison revels in Messiaen's challenges with rhythmic piquancy, vivid tonal colour and extremes of dynamic.



THE VIRTUOSO MUSIC OF GEORGE FREDERICK BOYLE



Another triumph for Melba...an inspired series of releases that have restored unjustly neglected music to the catalogue
Audiophilia (Canada) 18 June 2012

*...magisterial performances...such a valuable celebration of this forgotten part of our national musical heritage. ****4½ stars*
Limelight (Australia) July 2012

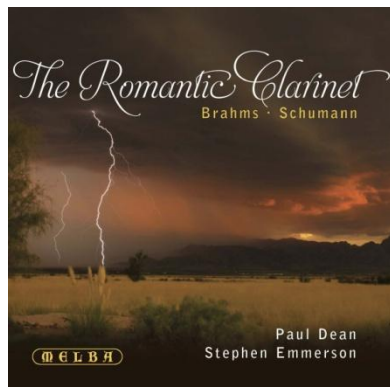
A pianist whose performances were lauded on three continents
Classical Music Magazine 5 May 2012

magisterial performances..... a valuable celebration of this forgotten part of our national musical heritage.
Limelight 1 July 2012

- ✦ World premieres of forgotten piano works of George Frederick Boyle, a virtuoso protégé of Busoni, who in his time was recognised as one of the great piano soloists.
- ✦ The musical cascades emanating from illustrious Australian pianist Timothy Young's keyboard offer us insight into the immense technical capability, the aesthetic and the personality of George Frederick Boyle.
- ✦ **Ballade** is one of Boyle's most effective solo piano pieces and a great introduction to his rapturous style. The Ballade's impressive edifice is a powerful statement in the great romantic keyboard tradition.
- ✦ Boyle's epic **Sonata for Piano** is his largest scale solo piano work. All the characteristics of his composition, the outpouring of melodic invention, his improvisatory approach to form and the restless romantic spirit bursting from the keyboard, are evident in abundance.
- ✦ **Five Piano Pieces** are sparkling and innocent miniatures alive with Boyle's melodic invention but this time in a vein to delight rather than amaze. Each piece is an exquisite example of musical picture painting, dedicated to one of his close friends.
- ✦ **The Virtuoso Piano Music of George Frederick Boyle** is Timothy Young's debut solo CD on Melba Recordings. Young is highly respected as a collaborative musician and has previously appeared on Melba Recordings CDs with Ray Chen, Roger Benedict, Cheryl Barker and Ensemble Liaison, of which he is a founding member.
- ✦ "Ray Chen...and Timothy Young, whose glittering pianistic upper range catches the ear again, make a superb partnership, suggesting to the listener what Stravinsky and Dushkin must have sounded like nearly seven decades ago.' **Gramophone** review of **Stravinsky Diversions**.



THE ROMANTIC CLARINET BRAHMS ° SCHUMAN



... two of Australia's most sensitive and poetic musicians. . . . Highlight: Brahms' emotional complexity.
Otago Daily Times (NZ) 8 September 2012

Melba's sound quality is clearly superior, rich-toned and very natural sounding – I don't know how they keep doing it, but they do!
Audiophilia (Canada) 5 October 2012

The rich sounds of clarinet and piano are captured with uncommon warmth and presence . . . a master of his instrument
Classical CD Review (US) 1 August 2012

- Performances by Paul Dean and Stephen Emmerson, two of Australia's most poetic instrumental soloists.
- The profundity of Paul Dean's musical expression coupled with the magnitude and breadth of his instrumental palette make him a worthy interpreter of Brahms' tumultuous Clarinet Sonatas.
- Dean and long-term collaborator Emmerson draw from Brahms' Clarinet sonatas an emotional range beyond most instrumentalists.
- The emotional turmoil and complexity inherent in these pieces paint a fascinating picture of Brahms emotional state as he approached the end of his life.
- In the Op.120 Clarinet Sonatas Brahms fulminates and rages against the dying of the light; at his waning vitality. Yet in turn these sonatas offer up tender episodes, finely spun passages seeming to portray a melancholic acceptance of mortality.
- Dean offers a simpler realization in transcriptions of three songs from Brahms' Op. 57 *Lieder und Gesänge* revelling in the unparalleled sensual beauty of his tone and phrasing in these affecting songs.
- Also included are the enchanting *Drei Fantasiestücke*, works filled to the brim with love, composed by Brahms' great friend Robert Schumann.
- Paul Dean, as Artistic Director of the Australian National Academy of Music, the country's peak music institution, is also the trusted mentor to the emerging generation of Australian musical talent.
- At the Queensland Conservatorium Stephen Emmerson teaches a range of courses in music literature as well as piano, chamber music and performance practice. He convenes the Doctor of Musical Arts program and is a member of the Conservatorium Research Centre.



BENAUD TRIO



The musicians form a sharp, close partnership in playing that sizzles with youthful vigour. They uncover the emotional range of each piece, each with its own piquancy, its own frisson and excitement.

Courier Mail (Australia) 21 July 2012

... will go a long way to establishing these Australian works in the hearts and minds of both the listeners and the new performers.

Limelight (Australia) September 2012

This Australian trio...delights with its precision and youthful vitality. ...sparkling chamber music"

Otago Daily Times (NZ) 29 July 2012

"loud commendation for giving classical aficionados the chance to hear contemporary Antipodean compositions .

Sunday Herald Sun 9 September 2012

- ❖ The vibrant Benaud Trio rose to national prominence after winning the Piano Trio prize at the 2005 Australian Chamber Music Competition.
- ❖ In their debut recording these three young instrumentalists bring great verve to their performances of new Australian repertoire giving an irrefutable demonstration that contemporary chamber-music can be exciting, attractive and capture the imagination.
- ❖ World premieres of works by four highly talented Australian composers:
 - Ross Edwards: creates a unique sound world which seeks to reconnect music with elemental forces and restore such qualities as spontaneity and the impulse to dance.
 - Paul Stanhope: weaves fragments of the 'Dolcissimo Uscignolo' madrigal throughout this single-movement Trio somewhat in the manner of half-recalled memories.
 - Matthew Hindson: displays influences of popular music styles within a classical music context where directness and immediacy are common features in the much of his music.
 - Nicholas Buc: covers a range of emotions, on a journey through turbulent action set pieces, sinewy psychological dramas, quirky character stories, innocent romances, and magical wonderment.
- ❖ There is more in the Benauds chemistry than just earnest dedication. There is a real excitement for the music. They capture the essence of youth, talent and joie de vivre.
- ❖ As distinguished Australian composer Ross Edwards says, 'The Benaud Trio is just what Australian music needs – excellence combined with youthful vitality and a dedication to showcasing the new and refreshing the old.'

The ensemble's name is a tip of the cap to their shared love for cricket and their belief that the performance of the most exalted and refined of music can sit quite comfortably with a passion for the other riches of culture.



ASHER FISCH LISZT WAGNER PARAPHRASES



LOVE AT FIRST SIGHT: Top 5 CDs of the year list and a “coup de cœur de l'été 2012”. Guaranteed to go straight to your heart!
Classique News (France) 12 October 2012

It is a miracle which issues forth through the nuanced and spiritual pianism of Asher Fisch. ...A remarkable release
Classique News (France) 10 August 2012

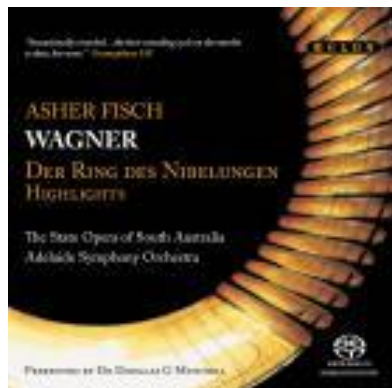
...a superb recital... Exquisite sounds well-recorded; excellent booklet.
Otago Daily Times (NZ) 1 September 2012

A joy to hear.... Fisch plays with a vengeance, while retaining the steady pulse of a conductor.
HBL (Finland) 29 August 2012

- Asher Fisch is one of the most celebrated Wagnerian conductors of our time and brings a symphonic sensibility and lyricism to these majestic concert showpieces.
- This CD offers Wagner “unplugged”; with favourite concert selections distilled and concentrated to their essence. Asher Fisch’s poetic readings of Liszt’s Wagner paraphrases have been developed through an acclaimed career in the opera houses of Europe.
- When a noted conductor offers a recital on the piano, it is a special event. Fisch brings the lyricism of a singer’s conductor to the piano: his refined sensibility for balance and space combine with impeccable poise and precision to allow Wagner’s melodies to unfold with breath-taking immediacy and impact.
- These performances are Asher Fisch’s gift to the listener: deeply satisfying performances shot through with profound and heartfelt musical insights, his first piano solo recording.
- Removed from the master’s vast orchestral machinations, Fisch’s performances at the piano offer rare insights into the core of Wagner’s bejewelled music.
- Liszt’s paraphrases are more than mere transcriptions, they give heart and soul and expressive voice to the mighty originals, heightened by Liszt’s own inimitable virtuosity.
- In these revealing performances, Fisch displays a depth of scholarship and understanding of historical context, uncovering hints of the changing and often highly charged relationship between the two great composers; Liszt’s hinting at the origin of the *Tristan* Chord or later disrespectfully thumbing his nose at Wagner with the addition of a virtuoso octave scale. Fisch knows where all the bodies are buried in these scores, and just how to bring out the detail at its most vivid and vital.
- Although not widely regarded as a composer of major works for piano, the three exquisite miniatures included on this recording show that away from the opera house Wagner could craft music on a smaller scale that is both intimate and personal.



ASHER FISCH DER RING DES NIBELUNGEN HIGHLIGHTS



a sonic experience that is overwhelming...the balance is impeccable Asher Fisch has the full measure of the work.
MusicWeb International (UK) 11 October 2012

***** 4 stars performance/**** 4½ stars sound this remarkable Australian achievement. this compelling Australian Ring....
As we have come to expect from Melba the presentation of this set is of the highest quality.*
SA-CD.NET (UK) 17 August 2012

*...under Asher Fisch's inspired conducting...a powerful, solid presentation of Wagner's masterpiece ...
And mention should be made of audio quality—it is rich, resonant and well-balanced, with plenty of impact to satisfy audiophiles.*
Classical CD Review (US) 1 August 2012

... the Siegmund of Stuart Skelton really impressed us . . . worth seeking out.

- ⊙ A Super Audio Stereo and 5.1 Surround-Sound 2 disc compilation from the landmark complete Melba SOSA Ring which was greeted with international acclaim.
- ⊙ Reviewers around the world proclaimed it the most exciting sounding Ring.
- ⊙ UK Gramophone described it “*the best-sounding Cycle on the market to date, bar none*”
- ⊙ The selection comprises the most popular Ring highlights guaranteed to thrill any lover of Wagner’s music.
- ⊙ The internationally acclaimed Melba Ring announced Music Director Asher Fisch as one of the pre-eminent Wagner conductors of the present era.
- ⊙ Asher Fisch brings his broad early experience in Bayreuth and Berlin with Daniel Barenboim and his extensive immersion in Wagner to bear in these beautifully crafted performances. His Seattle Ring is now considered amongst the great modern day productions
- ⊙ Singers include the magisterial **Lisa Gasteen** as Brünnhilde; **Stuart Skelton**, now a leading Heldentenor as Siegmund; and the late **Deborah Riedel** in full flight as Sieglinde.
- ⊙ The Highlights Booklet features Melba’s customary luxurious presentation with 127 pages, libretti in German and English and an essay by Mike Ashman.



The Art of NANCE GRANT



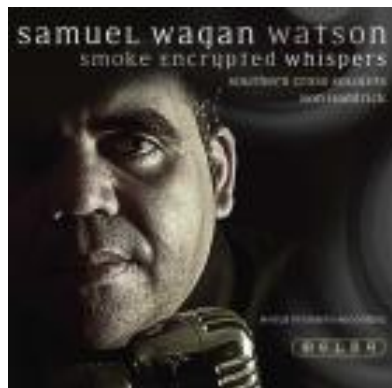
opulent timbre...a luminous top in a perfect blend of registers...More please!
Forum Opéra (France), 8 October 2012

...an amazing tribute to the great Australian voice hardly heard beyond its shores...A vocal treat!
Otago Daily Times (NZ) 16 June 2012

This is an excellent tribute to a great singer. Little known outside her own country, now we can all know and appreciate Nance.
Web La Opera (Spain) 11 August 2012

Grant's vibrant singing... well captured...beautifully heartfelt...Sound quality is excellent
Limelight (Australia) August 2012

- Nance Grant is one of the most memorable and majestic artists to have appeared on the Australian operatic stage. Possessed of a voice with beauty and power, an ease of technique, a perfection of phrasing and taste that cemented her place in the hearts of Australian music lovers.
- This long overdue tribute presents one of the great Australian voices in recordings previously thought lost. Nance Grant chose to stay close to her family in Australia rather than pursue an international career, even though Sir Edward Downes insisted he could 'fill her books' with performances in Britain and Europe.
- The original tapes from radio broadcasts of the '60s and '70s have been carefully restored.
- A rare treat for lovers of the voice, offering for those who never had the opportunity to hear her, the gift of discovering a voice of magnitude and generosity and for music lovers who grew up hearing her on stage the chance to reacquaint themselves with her artistry.
- The recordings represent significant landmarks in the development of opera in Australia:
 - The emerging Victorian State Opera's enormously successful *Idomeneo, re di Creta*, and *Maria Stuarda* under the inspired direction of Richard Divall
 - Australian Opera's *Ariadne auf Naxos*, *Fidelio* and *Tannhäuser* with Sir Edward Downes
 - One of the first of the Australian Opera/Australian Broadcasting Corporation collaborations in presenting concert performances of Wagner operas with Nance Grant as Sieglinde in *Die Walküre* under the direction of Leif Segerstam.
- The program also pays homage to Nance's considerable concert career, including a complete song recital with pianist Geoffrey Parsons, Wagner's *Wesendonck Lieder* and an excerpt from Mendelssohn's *Elijah*.
- The deluxe booklet includes informative historical notes and an appreciation from former Artistic Director of Opera Australia Moffat Oxenbould, and Jeremy Vincent, Corporate Communications Manager, The Arts Centre Melbourne.



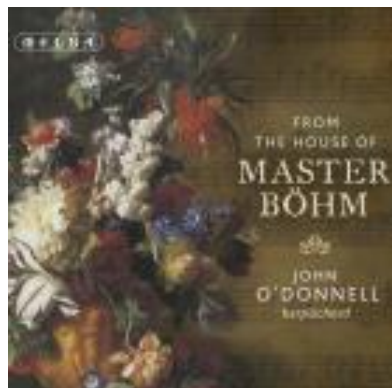
SMOKE ENCRYPTED WHISPERS

Poetry by Samuel Wagan Watson

Reading by Ron Haddrick

Music performed by Southern Cross Soloists

- *Smoke Encrypted Whispers* is a cycle of 23 poems by leading Australian poet Samuel Wagan Watson.
- In Southern Cross Soloists' musical sequence *Smoke Encrypted Whispers* each of Watson's poems is followed by a brief musical reflection from one of 23 Brisbane composers.
- Southern Cross Soloists' peerless skill and diverse palette of wood-wind, piano and voice colours are thrillingly exploited in widely contrasting musical miniatures.
- The reading is performed by distinguished Australian actor Ron Haddrick OBE.
- The thread of Watson's words unifies this variegated tapestry. *Smoke Encrypted Whispers* offers tales of Samuel's personal dreamtime and gives a vivid and touching picture of growing up in suburban Brisbane.
- Watson's Brisbane is a Grimm's fairy-tale world, where half-seen spectres and almost intelligible murmurs inhabit the night and hideous metal gorgons sneer and yowl at the searing light of the day.
- Although offering insight into the spirituality of an indigenous experience in urban Australia, Watson's poetry taps into a mythology – as well as fears, heartbreaks and humour that are shared rather than alien.



FROM THE HOUSE OF MASTER BÖHM

Georg Böhm (1661–1733)

John O'Donnell: harpsichord

- Spirited and musicalogically authoritative performances of Georg Böhm's keyboard suites and chorale partitas by renowned Bach scholar John O'Donnell.
- O'Donnell imbues the exuberant dance movements in Böhm's suites with rustic energy, lilt and swing.
- In the suites' slow movements O'Donnell demonstrates the uncanny ability to make his plucked instrument sing, the oft expressed ideal of centuries of the finest instrumentalists. In achieving this ideal he is aided by the angelic resonance of his 1995 William Bright Harpsichord.
- Böhm's extravagant "stylus phantasticus" passages, features of his choral partitas, are executed by O'Donnell with Dionysian sparkle.
- The whole of O'Donnell's performance is informed by a life of scholarship at the cutting-edge of early music performance. His performance eloquently articulates how much more that there is in Böhm's music than the mere notes on the page.
- The earthy quality characteristic of many of Böhm's pieces harks back to the instrumental dances of earlier times, yet his suites of dance movements also look forward to their zenith in the keyboard suites of J.S. Bach.
- Böhm's music comes down to us almost exclusively via manuscript copies from the Bach family's collection, at least one piece having been copied in the house of master Böhm by a fifteen year old J.S. Bach.



BOHEMIAN RHAPSODY

Music by Bedřich Smetana, Antonin Dvořák, Freddie Mercury

**Amir Farid, piano
Ewen Bramble, cello
Lachlan Bramble, violin**

-  The exciting Benaud Trio leapt to national prominence on winning the Piano Trio prize at the 2005 Australian Chamber Music Competition.
-  In the follow-up to their critically acclaimed debut recording of Australian Piano Trios on Melba, Benaud Trio now immerse themselves in two pieces at the core of the piano trio repertoire: Smetana's magnificent Trio op.15 and Dvořák's beloved *Dumky*.
-  The recording concludes with one of the Trio's immaculate concert encores, Nicholas Buc's reworking of Freddie Mercury's 'Bohemian Rhapsody'.
-  Benaud Trio's earlier 'Stairway to Heaven' remains an all-time YouTube favourite for piano trio.
-  The Dvořák *Dumky* trio was one of the first pieces that Benaud Trio performed together as an ensemble and has endured as one of their favourites. Its melodic richness and unabashed romanticism have been cherished by the members of the ensemble throughout their musical lives.
-  The Benaud Trio combine in their performance the unalloyed joy of exploring a wide range of the musical canon with a steely dedication to achieving greatness
-  As distinguished Australian composer Ross Edwards says, 'Benaud Trio is just what Australian music needs – excellence combined with youthful vitality and a dedication to showcasing the new and refreshing the old.'



Previous Releases

Melba Recordings Releases (prior to 2002)		
Amoureuse: Sacred and Profane Arias (Massenet)	CD	Richard Bonyngue, Rosamund Illing
Massenet: His Life and Music (DVD, VHS)	Film (documentary)	Richard Bonyngue, Rosamund Illing, various artists/interviewees
Seduction: Tenor Arias by Strauss	CD	Simone Young, Steve Davislim
The Power of Love: British Opera Arias	CD	Richard Bonyngue, Deborah Riedel
The Floral Dance & Other Peter Dawson Favourites	CD	David Lloyd-Jones, Gregory Yurisich
Bach: The Leipzig Chorales	2-CD-set	John O'Donnell

Melba Foundation Releases to June 2012		
Puccini ≡ Passion	CD	Cheryl Barker, Richard Bonyngue, Orchestra Victoria
David Tong: Rakhmaninov, Chopin, Liszt	CD	David Tong
La somnambule	SACD	Richard Bonyngue, Orchestra Victoria
Grand	CD	Sydney Dance Company, Scott Davie
Wager: Das Rheingold	2-SACD-set	State Opera Company of South Australia, Asher Fisch, Adelaide Symphony
Wager: Die Walküre	4-SACD-set	State Opera Company of South Australia, Asher Fisch, Adelaide Symphony
<i>continued overleaf ...</i>		



Previous Releases

Melba Foundation Releases to June 2012		
Wager: Siegfried	4-SACD-set	State Opera Company of South Australia, Asher Fisch, Adelaide Symphony
Wager: Götterdämmerung	4-CD-set	State Opera Company of South Australia, Asher Fisch, Adelaide Symphony
Amoureuse: Sacred and Profane Arias (Massenet) Repackaged, remastered & re-released as SACD	SACD	Richard Bonyngue, Rosamund Illing
Seduction: Tenor Arias by Strauss Repackaged, remastered & re-released as SACD	SACD	Simone Young, Steve Davislim
The Power of Love: British Opera Arias Repackaged, remastered & re-released as SACD	SACD	Richard Bonyngue, Deborah Riedel
The Floral Dance & Other Peter Dawson Favourites Repackaged, remastered & re-released as SACD	SACD	David Lloyd-Jones, Gregory Yurisich
Believe in Love: Rare French & Italian Opera Arias	SACD	Richard Bonyngue, Elizabeth Whitehouse, Orchestra Victoria
Shostakovich: Symphony No.10 in E minor	SACD	Alexander Anissimov, Australian Youth Orchestra
Back from Oblivion	CD	Nick Byrne, David Miller
Gothic Toccata	CD	Calvin Bowman
Through a Glass Darkly	CD	Roger Smalley, Australian String Quartet, Darryl Poulsen, Paul Wright
Phoenix Story	SACD	Pei-Jee Ng, Pei-Sian Ng, David Tong
Hélène / Nuit Persane	2-SACD-set	Guillaume Tourniaire, Orchestra Victoria, Rosamund Illing, Steve Davislim
<i>continued overleaf ...</i>		



Previous Releases

Melba Foundation Releases to June 2012		
Tzigane	SACD	Kristian Winther, Anthony Romaniuk, Michelle Wood
Encore My Good Sir	SACD	Lin Jiang, Ben Martin
Rhapsodie	SACD	Ben Jacks, Barry Tuckwell, The Queensland Orchestra
Cherry Ripe	SACD	Deborah Riedel, Richard Bonyng, Arcadia Lane Orchestra
Winterreise	SACD	Steve Davislim, Anthony Romaniuk
Benjamin Britten Folksong Arrangements	SACD	Steve Davislim, Simone Young
Beloved of the Gods: Mozart and Mendelssohn	SACD	Dean Emmerson Dean, Tinalley String Quartet
Sublime Mozart	SACD	Paul Dean, Grainger Quartet, The Queensland Orchestra
Turbulent Heart: Music of Vierne & Chausson	SACD	Steve Davislim, Guillaume Tourniaire, The Queensland Orchestra
The Galant Bassoon	SACD	Matthew Wilkie, Kees Boersma, Neal Peres Da Costa
J.S. Bach Organ Sonatas, BWV 525-530	SACD	Christopher Wrench
Volupté	CD	Roger Benedict, Timothy Young
Stravinsky: Diversions	CD	Ray Chen, Timothy Young
Rakhmaninov	CD	Leslie Howard
PURE DIVA: Tribute to Dame Joan Hammond	SACD	Cheryl Barker, Guillaume Tourniaire, QSO



2011 – 2012 Releases

Melba Foundation Releases to June 2012		
Elan	SACD	Guillaume Tourniaire, Orchestra Victoria
Arcadia Lost	SACD	Sydney Symphony Orchestra, Mark Wigglesworth, Michael Dauth, Roger Benedict, Steve Davislim, Hamer Quartet, Benjamin Martin, Cantillation
Puccini≡Passion	SACD	Cheryl Barker, Richard Bonyngue, Orchestra Victoria
A Lotus Blossoming	CD	ENSEMBLE LIAISON: David Griffiths, Svetlana Bogosavljevic, Timothy Young. Guest artist: Wilma Smith
The Virtuoso Piano Music of George Frederick Boyle	CD	Timothy Young
The Romantic Clarinet	CD	Paul Dean, Stephen Emmerson
Benaud Trio	CD	Benaud Trio: Lachlan Bramble, Ewen Bramble, Amir Farid
Liszt Wagner Paraphrases - Asher Fisch	CD	Asher Fisch
ASHER FISCH WAGNER Der Ring des Nibelungen Highlights	2-SACD-set	State Opera Company of South Australia, Asher Fisch, Adelaide Symphony (refer website for others)
The Art of Nance Grant	2-CD-set	Nance Grant (refer website for others)
Smoke Encrypted Whispers	CD	Samuel Wagan Watson, Southern Cross Soloists, Ron Haddrick
From the house of Master Böhm	CD	John O'Donnell
Bohemian Rhapsody	CD	Lachlan Bramble, Ewen Bramble, Amir Farid



Achievements

As per the indicators specified in the Melba Foundation Business Plan:

CORE PERFORMANCE INDICATORS	2011-2012 OUTCOMES	COMMENTS
Artistic/Repertoire		
One CD by young/emerging artist	A second recording of the Benaud Trio	These three young instrumentalists based in Adelaide and Melbourne bring great verve to their performances of classical pieces as well as their important Australian repertoire. They capture the essence of youth, talent and joie de vivre together with a steely determination to achieve greatness.
Positive media reviews	All reviews positive	All 107 reviews were excellent, with 79% of the total being international and 25% noting excellence in sound quality.
Sales	Sales in line with the number of releases.	Sales numbers per CD as planned according to release date. The decision was made to delay some releases for several reasons, primarily due to resourcing and the need to stagger.
External review panel feedback	Highly favourable	Two external experts, Peter Burch and Anthony Clarke completed highly favourable reports on this year's releases.
Technical Excellence		
Favourable media reviews	Achieved	Many outstanding comments about sound quality and an in-depth review of downloads on our new website.
Favourable feedback from artists	Achieved	Artists have passionately endorsed Melba's excellence.



Achievements

CORE PERFORMANCE INDICATORS	2011-2012 OUTCOMES	COMMENTS
All recording projects documented	Achieved	
Project budgets met	Achieved	Budgets are formally reviewed every quarter and any variances investigated and managed.
Development Program		
\$93,500 in development income achieved	96% achieved	A total of \$89,862, raised from donations, events and raffle ticket sales.
Development Program documented. Philanthropic proposal template and Patrons program prospectus established	Achieved	
Governance/Administration		
Full staffing achieved within budget	Managed staffing within budget by appointing consultants	
Undertake review and commence recruitment for gaps in skill areas.	Achieved	Further restructuring of staff roles and responsibilities to streamline procedures and improve quality assurance.
Rolling process for review of risks & Melba's risk mitigation process	✓ Achieved	Actioning plans for future funding.
Sales & Marketing		
Implement on-line sales strategy targets	Implemented in August 2011	Highly favourable feedback on design and content. High quality downloads offered in at least 5 formats, with 7 formats for SACDs.
Develop and implement new targets for marketing	Progressing	

Achievements

CORE PERFORMANCE INDICATORS	2011-2012 OUTCOMES	COMMENTS
Meet sales* forecast with distributors & current on-line sales	Sales in line with the number and timing of releases.	*Melba Recordings collects all sales income and applies this directly to the related project's costs. The details of sales income are commercial-in-confidence.
Per recording: 5 favourable reviews, 3 international, 3 technical/sound excellence	All targets exceeded (Refer overleaf)	All recordings received at least 7 reviews within the first 6 months of release.



Lo and behold, it is by far the best performance I have ever heard of the piece
American Record Guide (US) July/August 2011

An irresistible recital of Stravinsky's arrangements for violin and piano...Ray Chen (with just the right characterful timbre) and Timothy Young...make a superb partnership.
Gramophone (UK) July 2011

Everything engages me... I think Ray Chen plays better than Perlman here
Classical CD Review (US) 10 August 2011



Leslie Howard is a colossus among concert pianists...the most authoritative interpretations and performances I've heard
The Herald (Scotland) 10 July 2011

Howard has the technique and understanding to play these works brilliantly. The disc is recommended.
Turok's Choice (US) 19 July 2011

Everything about this disc is superior: sound, packaging, and Howard's sympathetic performances ««««4 stars
Limelight (Australia) August 2011

There is seldom a disc that arrives for review that creates the excitement and anticipation this one did.'
American Record Guide (US) January/February 2012



Achievements

CD Reviews

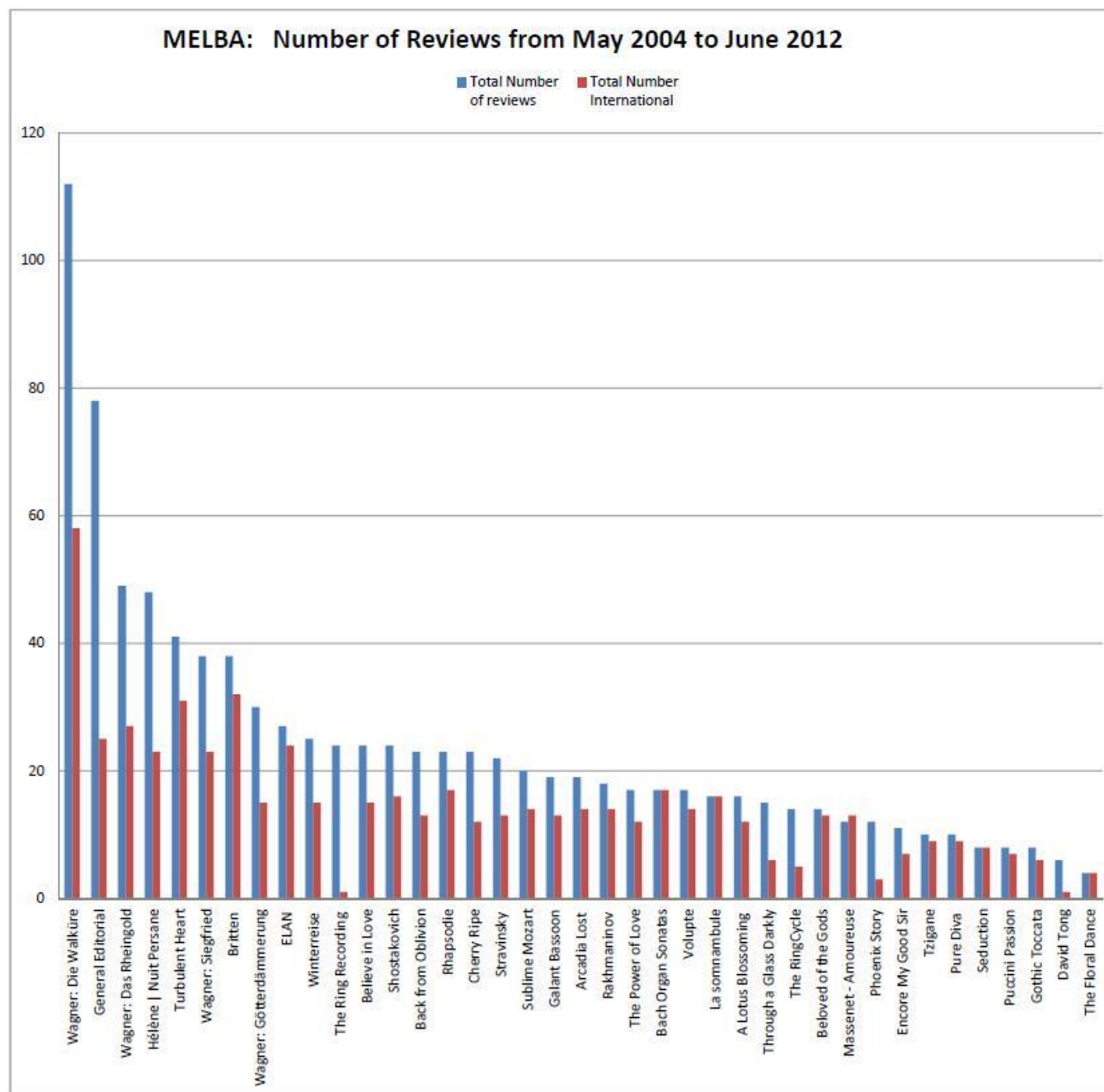
All 107 CD reviews in this financial year were outstanding, with 79% of the total being international and many noting excellence in sound quality. The Stravinsky and Rakhmaninov CDs were released last financial year and have continued receiving outstanding reviews.

CD reviews 2011-12		TOTAL Reviews	International Reviews	Mention Sound Quality	International Mention Sound Quality
MR301128	Stravinsky (released Nov'10)	6	5	0	0
MR301127	Rakhmaninov (released May'11)	16	12	5	4
MR301130	ELAN (released Aug'11)	27	24	9	6
MR301131	Arcadia Lost (released Oct'11)	19	14	7	5
MR301129	Pure Diva (released Jun'11)	10	9	3	3
MR301110	Puccini Passion SACD (released Nov'11)	7	6	0	0
MR301132	A Lotus Blossoming (released Dec'11)	16	12	1	1
MR301137	Piano Music of Boyle (released May'12)	3	1	1	1
MR301133-4	Ring Highlights (released Jun'12)	2	1	0	0
MR301135-6	The Art of Nance Grant (released Jun'12)	1	1	1	1
Grand Total		107	85	27	21

In the 8 year period that Melba Foundation has received Government Funding we have received an unprecedented number and quality of reviews, both nationally and internationally. The totals for each release are shown on the following page and the graph illustrates clearly that the majority of our releases have received at least 18 reviews (Median = 19), with at least 12 of these being international.

I don't know how they keep doing it, but they do!
Audiophilia (Canada) 5 October 2012

Product	Total Number of reviews	Total Number International
Wagner: Die Walküre	112	58
General Editorial	78	25
Wagner: Das Rheingold	49	27
Hélène Nuit Persane	48	23
Turbulent Heart	41	31
Wagner: Siegfried	38	23
Britten	38	32
Wagner: Götterdämmerung	30	15
ELAN	27	24
Winterreise	25	15
The Ring Recording	24	1
Believe in Love	24	15
Shostakovich	24	16
Back from Oblivion	23	13
Rhapsodie	23	17
Cherry Ripe	23	12
Stravinsky	22	13
Sublime Mozart	20	14
Galant Bassoon	19	13
Arcadia Lost	19	14
Rakhmaninov	18	14
The Power of Love	17	12
Bach Organ Sonatas	17	17
Volupte	17	14
La somnambule	16	16
A Lotus Blossoming	16	12
Through a Glass Darkly	15	6
The RingCycle	14	5
Beloved of the Gods	14	13
Massenet - Amoureuse	12	13
Phoenix Story	12	3
Encore My Good Sir	11	7
Tzigane	10	9
Pure Diva	10	9
Seduction	8	8
Puccini Passion	8	7
Gothic Toccata	8	6
David Tong	6	1
The Floral Dance	4	4
AVERAGE:	24	15
MEDIAN:	19	13
** Piano Music of Boyle	3	1
** Ring Highlights	2	1
** The Art of Nance Grant	1	1
** Released May/June 2012, hence not included above		





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The Melba Chorus Jasmine Brunner, Bernard Capicchiano, Geoffrey Court AO CMG, Terry Fern, Charles K Gibson, David Hough, Dr Alastair Jackson, Dr Garry Joslin, Peter Kolliner OAM, Wanda Naeff, Graham Rawlinson, Kerry Shade, Dr Valerie Tarrant, Geoffrey Tozer Estate, Estelle Wilson, Anonymous (2)



Directors

Terry Lane, Freelance journalist

Dr Douglas G Mitchell, Ex-Chancellor Swinburne University of Technology

Robert Richter QC

Barry Tuckwell AC OBE FRCM FRSM, Consultant & Conductor

Maria Vandamme (CEO, Executive Member), Executive Producer



Endnotes

ⁱThe quote “**Melba - a label of fragrant distinction**”; comes from a review of *Rhapsodie: Fantasie: Poème*, (MR301117) in Music Web International (UK), 22 March 2009, along with the observation “**All credit to the Australian Government for having the percipience to fund it.**”

ⁱⁱ The Finance Sub-Committee are presented with Melba Recordings CD sales income reports which are presented at Board Meetings and are submitted to the Australia Council as part of the quarterly monthly management accounts.

MELBA FOUNDATION LIMITED

ACN 098 562 102

**GENERAL PURPOSE FINANCIAL
REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

**MELBA FOUNDATION LIMITED
GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

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Melba Foundation Limited is a company limited by guarantee, incorporated and domiciled in Australia.

A description of the nature of the company's operations and its principal activities is included in the directors' report.

**MELBA FOUNDATION LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

Your directors present their report on the company for the year ended 30 June 2012.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Maria Elizabeth Vandamme
Dr. Douglas Graham Mitchell
Terry Lane
Barry Emmanuel Tuckwell
Robert Richter (Appointed 21 March, 2012)
Dr. Christine Rothauser (Resigned 18 January, 2012)
Gregory David Flood (Resigned 21 March, 2012)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the entity during the financial year was:

- (1) To assist and support Australian musicians, composers and performers in the development of their careers, both in Australia and internationally;
- (2) To conduct searches for emerging musical and performing artists;
- (3) To provide funds to support the production of recordings of musical performances;
- (4) To host concerts to showcase the performances of emerging and established musicians, composers and performers; and
- (5) To promote the arts and music for the benefit of members of the public.

No significant changes in the nature of the entity's activities occurred during the financial year.

Operating Results

The profit/(loss) of the entity amounted to (\$566,704) 2011: \$131,221.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Review of Operations

A review of operations of the entity during the financial year indicated that the changes in revenue led to a decrease in net profit before tax by 532%.

No provision has been made for income tax as the Company is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

The company was incorporated on 26 October 2001.

**MELBA FOUNDATION LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

Significant Changes in the State of Affairs

Financial support from the Federal Government ceased on 30 June 2012. Melba Foundation Ltd is financially viable; the Directors are monitoring projected future cash flows and plans to manage its funds to ensure continuity.

After Balance Date Events

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Environmental Regulation

The entity's operations are not regulated by any significant environmental regulation under law of the Commonwealth or of a state or territory.

Information on Directors

Maria Elizabeth Vandamme

Director, born 30/06/1949
Appointed 26th October, 2001
Music Producer/Broadcaster

Dr. Douglas Graham Mitchell

Director, born 9/12/1938
Appointed 9th December, 2003
Ex-Chancellor of Swinburne University

Terry Lane

Director, born 6/12/1939
Appointed 15th January, 2005
Journalist

Barry Emmanuel Tuckwell

Director, born 05/03/1931
Appointed 21st November, 2007
Professor of Music, Grammy Nominee

Robert Richter

Director, born 13/02/1946
Appointed 21st March, 2012
Barrister

**MELBA FOUNDATION LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

Meetings of Directors

During the financial year, 9 meetings of directors were held. Attendees by each director were as follows:

	No. of Meetings attended	No. of Meetings eligible to attend
Maria Elizabeth Vandamme	9	9
Dr. Douglas Graham Mitchell	7	9
Terry Lane	9	9
Dr. Christine Rothauser	3	5
Barry Tuckwell	8	9
Greg Flood	6	9
Robert Richter	3	3

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.
The entity was not party to any such proceedings during the year.

Insurance of Officers

No premium was paid during the year to insure any officers of the Company.

Auditor

Davidsons Assurance Services Pty Ltd have been appointed as the auditor in accordance with section 327 of the Corporations Act 2001.

Company Secretary

The following person held the position of entity secretary at the end of the financial year:

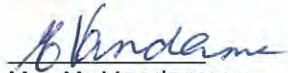
Michelle Jeffries	Company Secretary
	Appointed 4 June 2008
	Business Manager

**MELBA FOUNDATION LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

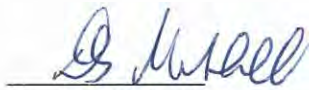
Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 5.

Signed in accordance with a resolution of the Board of Directors.



Ms. M. Vandamme
Director



Dr. D. Mitchell
Director

Melbourne

Dated this 26 day of September, 2012

AUDITORS' INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MELBA FOUNDATION LIMITED

As auditor for Melba Foundation Ltd for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

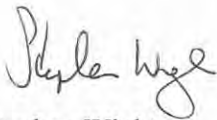
- (a) no contraventions of auditor independence requirements of the Corporations Act 2001, in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Melba Foundation Ltd.

Dated this 26th day of September, 2012

Davidsons Assurance Services Pty Ltd
Certified Practising Accountants

101 West Fyans Street,
Geelong, Vic 3220.



Stephen Wight
Director

MELBA FOUNDATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012	2011
		\$	\$
Revenue from government and other grants	2	500,000	750,000
Other revenue	2	130,848	349,923
Marketing Program expenses	3	(182,377)	(262,634)
Program costs	3	(632,048)	(575,510)
Project costs	3	(197,428)	(117,030)
Other expenses	3	<u>(185,699)</u>	<u>(13,528)</u>
Profit/(Loss) before income tax expense		(566,704)	131,221
Income tax expense		-	-
Profit/(Loss) after income tax expense		<u>(566,704)</u>	<u>131,221</u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		<u>(566,704)</u>	<u>131,221</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

MELBA FOUNDATION LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012	2011
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	833,158	1,208,396
Trade and other receivables	5	264,266	454,722
TOTAL CURRENT ASSETS		<u>1,097,424</u>	<u>1,663,118</u>
TOTAL ASSETS		<u>1,097,424</u>	<u>1,663,118</u>
CURRENT LIABILITIES			
Trade and other payables	6	950	-
TOTAL CURRENT LIABILITIES		<u>950</u>	<u>-</u>
TOTAL LIABILITIES		<u>950</u>	<u>-</u>
NET ASSETS		<u>1,096,474</u>	<u>1,663,118</u>
EQUITY			
Members Subscription Fees		120	60
Retained Earnings		1,096,354	1,663,058
TOTAL EQUITY		<u>1,096,474</u>	<u>1,663,118</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

MELBA FOUNDATION LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Equity	Retained Profits	TOTAL
	\$	\$	\$
Balance at 30 June 2010	<u>-</u>	<u>1,531,837</u>	<u>1,531,837</u>
Profit for the year ended 30 June 2011	-	131,221	131,221
Other Comprehensive Income	-	-	-
Members Subscription Fees	60	-	60
Balance at 30 June 2011	<u>60</u>	<u>1,663,058</u>	<u>1,663,118</u>
Profit/(Loss) for the year ended 30 June 2012	-	(566,704)	(566,704)
Other Comprehensive Income	-	-	-
Members Subscription Fees	60	-	60
Balance at 30 June 2012	<u>120</u>	<u>1,096,354</u>	<u>1,096,474</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

MELBA FOUNDATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012	2011
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Government Grants		500,000	750,000
Receipts from Patron Income		50,637	275,980
Receipts from Interest Income		40,986	54,443
Receipts from Other Income		39,225	18,000
Payments to Suppliers		(1,006,146)	(967,486)
Net cash generated/(used) in operating activities	(9b)	<u>(375,298)</u>	<u>130,937</u>
CASH FLOW FROM INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Members Subscription Fees		60	60
Net cash generated from financing activities		<u>60</u>	<u>60</u>
Net increase (decrease) in cash held		(375,238)	130,997
Cash at the beginning of the financial year		<u>1,208,396</u>	<u>1,077,399</u>
Cash at the end of the financial year		<u>833,158</u>	<u>1,208,396</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report is for Melba Foundation Limited as an individual entity, incorporated and domiciled in Australia. Melba Foundation Limited is a company limited by guarantee.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation of financial report

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

A. Revenue

Grant revenue is recognised in the income statement when it is controlled. Where there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or service provided.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue and distribution income from investments is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

B. Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through the income statement

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar and option pricing models.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Income Statement.

C. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

D. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these Circumstances GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cashflow statement on a net basis.

E. Contributions

Melba Foundation Limited receives non-reciprocal contributions from the government and other parties for no or a nominal value. These contributions are recognised at the fair value on the date of acquisition upon which time an asset is taken up in the balance sheet and revenue in the income statement.

F. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

G. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

H. Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

I. Members Subscription Fees

The annual fees of \$10.00 paid by each Member are treated as contributions by members and therefore credited directly to equity.

	2012	2011
	\$	\$
NOTE 2: REVENUE		
Revenue from Government and Other Grants		
Government Grants	500,000	750,000
	<u>500,000</u>	<u>750,000</u>
Other Revenue		
Patron Income	50,637	275,980
Interest Received	40,986	54,443
Special Events	1,475	19,500
Raffle	37,750	-
	<u>130,848</u>	<u>349,923</u>
Total Revenue	<u>630,848</u>	<u>1,099,923</u>
	2012	2011
	\$	\$
NOTE 3: EXPENDITURE		
Marketing program expenses	182,377	262,634
Program costs	632,048	575,510
Project costs	197,428	117,030
Auditor Remuneration	3,100	3,000
Other Costs	7,661	10,528
Doubtful Debts	174,938	-
	<u>1,197,552</u>	<u>968,702</u>

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
NOTE 4: CASH AND CASH EQUIVALENTS	\$	\$
CURRENT		
Cash at bank	<u>833,158</u>	<u>1,208,396</u>

	2012	2011
NOTE 5: TRADE AND OTHER RECEIVABLES	\$	\$
CURRENT		
Melba Recordings Pty Ltd (Equipment)	54,534	62,337
GST Refundable	-	1,624
Sundry Debtors	-	1,500
	<u>54,534</u>	<u>65,461</u>
Melba Recordings Pty Ltd	384,670	389,261
Less: Provision for Doubtful Debts	<u>(174,938)</u>	<u>-</u>
	<u>209,732</u>	<u>389,261</u>
	<u>264,266</u>	<u>454,722</u>

Melba Recordings Pty Ltd (Equipment)

The loan of \$54,534 represents the carrying value of all recording, editing and production equipment held in Melba Recordings Pty Ltd as at 30 June, 2012.

Melba Recordings Pty Ltd

The loan of \$209,732 after provisions represents the net asset value of Cash at Bank (\$2,339), Stock on Hand (\$305,590), Intangibles (\$905) and Receivables (\$34,195) less Liabilities (\$133,297) in Melba Recordings Pty Ltd as at 30 June, 2012.

During the year ended 30 June 2012, the carrying value of stock in Melba Recordings Pty Ltd was revalued to acknowledge the difficult market conditions relating to the classical music industry and the slow moving nature of the finished products (CD's) that have been produced through funding provided by Melba Foundation Limited.

As a result of the reduction in the carrying value of stock in Melba Recordings Pty Ltd, the Directors of Melba Foundation Limited made a Provision for Doubtful Debts against the Receivable owing from Melba Recordings Pty Ltd.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
NOTE 6: TRADE AND OTHER PAYABLES	\$	\$
CURRENT		
GST Payable	<u>950</u>	<u>-</u>

NOTE 7: EVENTS AFTER THE BALANCE DATE

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

NOTE 8: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other persons unless otherwise stated.

NOTE 9: CASH FLOW INFORMATION

a. Reconciliation of Cash

Cash at bank	<u>833,158</u>	<u>1,208,396</u>
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b. Reconciliation of Cashflow from Operations with Profit after Income Tax

Profit/(Loss) after income tax	(566,704)	131,221
Changes in assets and liabilities		
Decrease (Increase) in receivables and other assets	190,456	16,324
(Decrease) Increase in trade and other payables	950	(16,608)
Cash flows provided by operating activities	<u>(375,298)</u>	<u>130,937</u>

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 10: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.
The entity does not have any derivative instruments at 30 June 2012.

i. Treasury Risk Management

A finance committee consisting of senior committee members meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

Price risk

The entity is not exposed to any material commodity price risk.

i. Interest Rate Risk

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	\$	\$	\$	\$	\$	\$
Financial assets								
Cash at bank	5.52%	5.84%	833,158	1,208,396	-	-	833,158	1,208,396
Trade and other receivables	-	-	-	-	264,266	451,598	264,266	451,598
Total financial assets			833,158	1,208,396	264,266	451,598	1,097,424	1,659,994

Sensitivity analysis:

Interest rate risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2012, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2012	2011
	\$	\$
Change in profit		
— Increase in interest rate by 2%	\$14,854	\$18,646
— Decrease in interest rate by 2%	(\$14,854)	(\$18,646)
Change in equity		
— Increase in interest rate by 2%	\$14,854	\$18,646
— Decrease in interest rate by 2%	(\$14,854)	(\$18,646)

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed for foreign exchange risk, as the entity is not exposed to fluctuations in foreign exchange.

2012	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets:				
Available-for-sale financial assets	533,158	-	-	533,158
Held-for-trading financial assets	-	-	-	-
Held-to-maturity financial assets	300,000	-	-	300,000
	833,158	-	-	833,158
2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets:				
Available-for-sale financial assets	562,699	-	-	562,699
Held-for-trading financial assets	-	-	-	-
Held-to-maturity financial assets	645,697	-	-	645,697
	1,208,396	-	-	1,208,396

NOTE 11: CAPITAL MANAGEMENT

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 12: ENTITY DETAILS

The registered office of the entity is:
C/- Mutual Trust Pty Ltd
Level 33, 360 Collins Street
MELBOURNE VIC 3000

The principal place of business is:
2/23 Herbert Street
ELWOOD VIC 3184

NOTE 13: ACCOUNTING POLICIES

New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. A discussion of those future requirements and their impact on the company follows:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Company has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Company is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Company will take advantage of Tier 2 reporting at a later date.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes - Recovery of Revalued Non-depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Company.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements [August 2011], AASB 128: Investments in Associates and Joint Ventures [August 2011] and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

AASB 10 replaces parts of AASB 127 [March 2008, as amended] and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Company has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either 'joint operations' (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or 'joint ventures' (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a 'structured entity', replacing the 'special purpose entity' concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Company.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Company.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Company.

- AASB 2011-9: Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Company.

MELBA FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

- AASB 119: Employee Benefits [September 2011] and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (applicable reporting periods commencing on or after 1 January 2013)

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Company does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 [September 2011] also includes changes to:

- (a) require only those benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- (b) the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) for an offer that may be withdrawn – when the employee accepts;
 - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137 and if earlier than the first two conditions – when the related restructuring costs are recognised.

The company has not yet been able to reasonably estimate the impact of these changes to AASB 119.

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

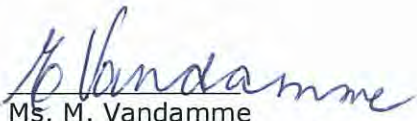
	Short-Term Benefits	Post- employment Benefits	Other Long- term Benefits	Total
2012				
Total Compensation	-	-	-	-
2011				
Total Compensation	-	-	-	-

**MELBA FOUNDATION LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2012**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 21, are in accordance with the *Corporations Act 2001*:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001;
and
 - (b) give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


Ms. M. Vandamme
Director


Dr. D. Mitchell
Director

Melbourne
Dated this 26 day of September, 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MELBA FOUNDATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Melba Foundation Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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 *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

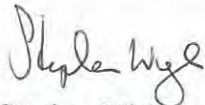
Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Melba Foundation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Melba Foundation Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) the financial report also complies with *International Financial Reporting Standards*.



Stephen Wight

Director

Dated this 26th day of September, 2012

Davidsons Assurance Services Pty Ltd
101 West Fyans Street
Newtown Victoria 3220