



ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2007

30 September 2007

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LETTER OF TRANSMITTAL (INCLUDES REPORT HIGHLIGHTS)

30 September 2007

The Hon John Hill MP
Minister Assisting the Premier in the Arts
GPO Box 2555
ADELAIDE SA 5001

Dear Minister

It is with pleasure that State Theatre Company of South Australia submits its 2006-07 Annual Report, prepared under the *State Theatre Company of South Australia Act 1972*, the *Public Sector Management Act 1995* and the *Public Finance and Audit Act 1987*. In our 35th Anniversary year, we are delighted to report the following highlights for the year under review:

- A mainstage Adelaide season of eight productions that entertained 62590 audience members
- 4438 subscribers for the 2007 season – one of the highest subscription levels in the company's history
- Three nominations for 2007 Helpmann Awards for performances in *Waiting for Godot*, *Uncle Vanya* and *Hamlet*.
- A surplus of \$225 000 for the financial year ended 30 June 2007 and an increase in total equity to \$511 000
- Successful co-productions with a number of performing companies, with *Private Lives* and *Hamlet* touring to the interstate market
- The nomination of the company as a finalist in the Sustained Contribution category of the 2007 Ruby Awards
- The continuation of significant development opportunities for SA artists, and accessibility programs to encourage audience development

STCSA's vision is to create works for the broader community that are challenging, entertaining and of the highest quality, while continuing to contribute to the development and sustainability of the arts in South Australia and nationally. The information contained in this report reflects our achievements to date and our continued commitment to attaining our vision and goals.

Noelene Buddle
Chief Executive Officer

CHAIR'S REPORT

In its 35th Anniversary year since its inception through an Act of Parliament, I am delighted to report that the State Theatre Company of South Australia has enjoyed another year of outstanding critical acclaim and commercial success, providing a strong base from which the company continues to develop its local, national and international role and reputation.

Through a combination of sustained box office success plus prudent cost management, the company has generated an operating surplus of \$225,000, its best ever financial result. This outcome increases equity to \$511,000, providing a stronger financial foundation upon which the company is able to operate, with consideration to the level of inherent risk and operational variables the company is exposed to through the very nature of its activities.

Emphasis continues on our audience development initiatives, and I am pleased to report our continuing ability to attract a strong subscriber base, with 4438 subscribers for 2007. The success of our programming is also reflected through our healthy box office figures, which increased by 19 % in the past financial year, representing an additional audience of over 8,000 patrons. Further details are provided later in this report, however in summary for the 2006/07 reporting period, STCSA's main stage season consisted of eight productions that generated a total audience of over 62,000 patrons across 167 performances: co-productions with the Queensland Theatre Company enabled our work to reach a further 23,000 patrons interstate. We provided 140 employment opportunities for actors, creative staff and other roles associated with developing and creating South Australian theatre.

State Theatre Company continued to maximize its resources and capacity through a number of co-productions with both local and national theatre companies. With the opportunity to realise and build stage sets and costumes, company services were utilised to facilitate a number of productions that otherwise may not have been possible, including collaborations with Brink Productions, Windmill Performing Arts and State Opera of South Australia. A co-production of *Hamlet* with Queensland Theatre Company enabled one of the largest recent shows to be successfully staged by both companies, as well as providing national touring opportunities for local artists.

Provision of industry development opportunities continues to be a priority for the company, with a policy that at least 70% of actors and creative staff engaged are South Australian. Opportunities are enhanced through initiatives in addition to our main stage productions, including Assistant Director Fellowships, Education Workshops and the "Young Guns" playwriting competition. Programs providing broader community access to productions are also a priority for the company, with our Day with State High School performances, Pay What You Can scheme and Vision Impaired performances all continuing to be well patronised.

The company has participated in the Review of the Funding Model originally established from the findings of the Nugent Review in 1999. The Review found that although artistic companies were operating within prudent financial guidelines and exercising strong corporate governance, over the period of time since the inception of the initial Funding Formula, fundamental issues had emerged that impacted on the ability of MPAB companies to fulfil their operational criteria, particularly in the areas of artistic vibrancy. As a result, funding for the company has been adjusted to allow expansion of programming and other opportunities effective 2008, particularly in the areas of Education and Regional Touring Programs.

The quality of the company's program has been recognized through a number of awards and nominations throughout the year. In September 2006 we were delighted to be the recipient of an inaugural Ruby Award in the Best New Work category for our world premiere production of *Honk If You Are Jesus*. In celebration of its 35th Anniversary, the company is a finalist in the Sustained Contribution category for the 2007 Ruby Awards, to be announced later this year. State Theatre Company has also received three nominations in the prestigious 2007 Helpmann Awards.

For the State Theatre Company to achieve the exceptional results that it has this past year is testament to a team effort, and I would like to pay tribute to the high standards and dedication of the company's staff and associates. Additionally, the support of our company sponsors and donors has been vital to our successes and is much appreciated, as is the continuing support of the Federal and State Governments through the Australia Council and Arts SA.

In December 2006, Jen Smith's term as Staff Elected Governor with the Board of Governors was completed, and Michael Hill was elected to the position for a 12 month term. I would like to thank Jen for her contribution to the Board's work, and congratulate Michael on his appointment. I am also pleased to confirm that three of the company's existing Governors (Ms Nicky Downer, Ms Celine McInerney and Mr Peter Vaughan) have been reappointed for a further three year term effective 30 June 2007. I thank these Governors for their continued commitment, as indeed I thank the entire Board for the wisdom and passion they contribute.

It is with regret that I write this as my final report as Chair, as I will not be seeking reappointment to the Board of Governors upon the expiration of my term in December 2007. I have enjoyed my time with the company immensely and am proud of all that it has achieved over the past few years. I thank both my fellow Governors and staff of the company, and I look forward to enjoying future productions and continued success as a passionate supporter of the State Theatre Company.

Brenton Wright
Chair

ARTISTIC DIRECTOR'S REPORT

State Theatre Company has enjoyed a hugely exciting and creative time in the last twelve months, with the presentation of eight productions to the public. Our work has been recognized with three Helpmann nominations: Sean Taylor for Best Supporting Actor as "Astrov" in *Uncle Vanya*, Cameron Goodall for Best Actor in a Play for his outstanding performance in the title role of *Hamlet*, and Michael Hill as Best Director of a Play for *Waiting for Godot*.

The company has had an extraordinary year of critical and commercial success. Audience numbers have grown on a huge scale, with over 60,000 attendees. As I write this we are busily creating work for the future, but take this time to reflect on the achievements of the recent past. My own directorial contribution spanned a variety of repertoire including *Hamlet*, *Life X 3* and the operatic version of *Little Women*.

Samuel Beckett's *Waiting for Godot* proved a resounding success with audiences and critics alike. A striking and poetic design solution from Victoria Lamb, handsomely lit by Nic Mollison with Michael Hill eliciting strong and committed performances from the actors, *Godot* performed well above our expectations at the box office and was a major talking point with audiences. Michael has subsequently received nomination as Best Director of a Play in the recent Helpmann Awards for this funny, lyrical and moving production.

We followed *Godot* with Yasmina Reza's brilliantly funny intellectual farce about Chaos Theory, *Life X 3*. This hilarious, shrewd and philosophical play boasted high production values and excellent performances. Not every audience member's cup of tea, but *Life X 3* continued the company's longstanding interest in exploring plays that are curious and provocative departures from realism. Dean Hills' highly inventive design was complemented by Gavan Swift's ingenious lighting and amusing "intergalactic bossa nova" music from Stuart Day.

Our next offering was *Away*, one of the greatest of Australian plays. To celebrate the 20th anniversary of this iconic and much loved work, Michael Gow directed a marvellous new production, warmly embraced by Adelaide audiences in a very imaginative design from Robert Kemp, who also designed the very first production of the play for Sydney's tiny Griffin Theatre. This production toured the nation and it was a source of great personal pride that I was able to include it in our season, thereby joining celebration of the 20th century landmark.

It's important that we revisit classics of the stage repertoire and so I directed what is one of my favourite plays of all time, Chekhov's *Uncle Vanya*, a wickedly comic and unbearably sad tragic-comedy of dashed hopes and unrequited love. This production met its box office target the day after it opened. I was very proud of the work we all did on this production and it was a great success with audiences. I am sure the fact that Gary Macdonald played the title role had

no small part to play in its success. It also boasted a large cast and a haunting and austere set from Mark Thompson and lusciously designed costumes from Kathryn Sproul.

Balance is the key ingredient in programming a season of plays. It had been more than 20 years since we had last presented *Private Lives*, a delicious comedy of bad manners, and Coward's plays have always been popular with Adelaide audiences. Michael Gow's production, a co-production between Queensland Theatre Company and STCSA, offered a refreshingly youthful cast and a gorgeous, sparkling and highly romantic design from Robert Kemp.

this uncharted hour, by Adelaide playwright Finegan Krukemeyer was a production which continued our support of bold and innovative new work by the tirelessly experimental Brink Ensemble under the stewardship of Artistic Director Chris Drummond. Presented in the intimate Space Theatre, this dense, poetic, mysterious play shot through with pain and grief, was a terrific success for all concerned and a tantalizing evening for our audiences.

Committed to offering our audiences ambitious productions on a larger scale and giving more actors the opportunity to perform with us, our major co-production of *Hamlet* was a smash hit with audiences, despite very mixed reviews. Regardless, the word of mouth on this production was very positive and so the good people of Adelaide and Brisbane flocked to it, and in its final week of the Brisbane season it played to over 700 people a night. Cameron Goodall offered us a thoughtful, passionate and haunted Hamlet, moody and manic and stepped up to the challenge with great confidence. He was rigorous and surprising, mining all the dimensions of the character and garnering a Helpmann nomination for Best Actor. Last year he was nominated as Best Supporting Actor for his role in our award-winning production of *The Goat, or Who is Sylvia?* Cameron proved to be a great draw for younger audiences, 22% of our ticket buyers being under 30. Bruce McKinven designed the towering sets, Kathryn Sproul created an eclectic mix of costumes and Gavan Swift conceived the moody, atmospheric lighting. Brett Collery provided ambient soundscapes.

A momentous collaboration between STCSA and State Opera South Australia, *Little Women* opened to high acclaim. It was a great personal pleasure to direct this work and the American composer Mark Adamo joined us for the final week of rehearsals. Our wardrobe and scenery departments worked long, long hours to bring this ambitious and visually rich production to the stage. Dean Hills' set and costume designs created a very striking and evocative world for the opera.

Our Education Program, curated by Associate Director Michael Hill, had an enthusiastic take-up from students and teachers alike. It is our intention to expand our workshop program in the next year to include small-scale productions specifically created for secondary school

students of theatre, focusing on plays and theatrical styles they are studying. Our *Young Guns* competition, which encourages playwrights under 19 to write for the stage, was a great success and well attended: staged readings of the winning entries are shown to an invited audience, and we added a forum to discuss the winning entries immediately following the performances. Jack Hibberd, author of *A Stretch of the Imagination* and *Dimboola*, gave a speech about his experiences throughout the last decades of the last century and awarded certificates and prize money.

My heartfelt thanks to all our artistic and administrative staff for their undying commitment to the work we do and their passion to create wonderful theatre.

Adam Cook
Artistic Director

COMPANY OVERVIEW (INCLUDES ORGANISATIONAL CHART)

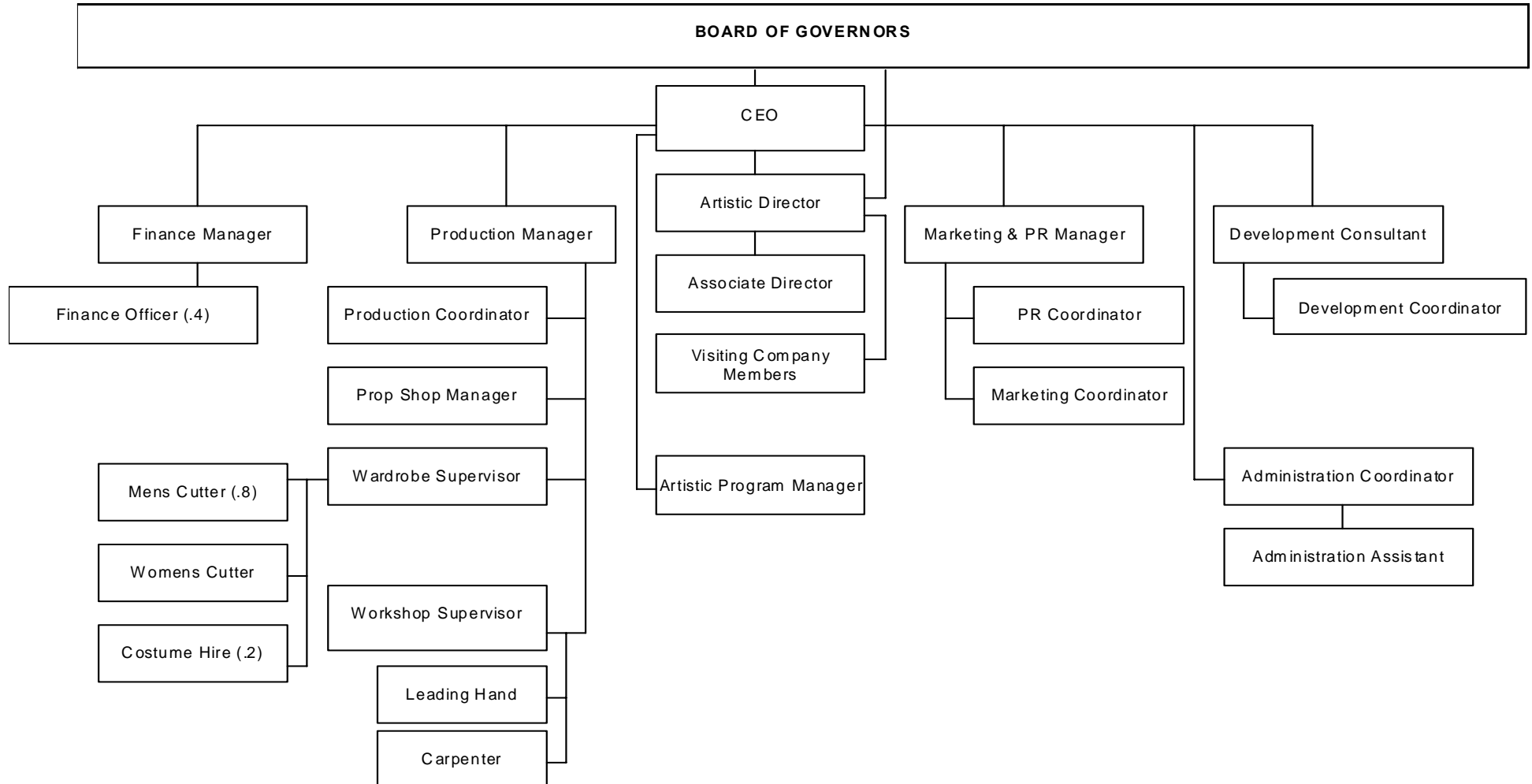
Established under the *State Theatre Company of South Australia Act 1972*, STCSA is a statutory authority which reports to the Minister Assisting the Premier in the Arts via Arts SA, the Government of South Australia's agency for arts and cultural development. The company receives major funding from Arts SA, other SA government agencies and from the Major Performing Arts Board of the Commonwealth Government's Australia Council for the Arts. Overseen by a Board of Governors (five of whom are government appointed, two of whom are elected by STCSA subscribers and one of whom is elected by STCSA staff), STCSA generates income through its operating activities and from corporate sponsors and private donors.

The powers of STCSA under the STCSA Act include inter alia to:

- Present, produce, manage and conduct theatrical performances ... and entertainments of any kind as may in its opinion tend to promote the art of theatre
- Promote or commission the writing of plays or dramas ... and other works for theatrical performance
- Promote the training of all persons concerned in the production, presentation or performance of theatrical presentations
- Assist financially or otherwise in the presentation, production, management or conduct of any art of the theatre in this State
- Do all things necessary or expedient to promote public interest and participation in the art of the theatre

The company's CEO and Artistic Director are appointed by the board. On the advice of the Artistic Director and relevant managers, the CEO is charged with employing a range of personnel across the organisation. Outlined on the following page is STCSA's organisational structure, including board members and ongoing employees at 30 June 2007: staff and artists employed for specific projects on a short-term basis during 2006-2007 have been omitted.

ORGANISATIONAL CHART (AT 30 JUNE 2007)



COMPANY MISSION, VISION AND STRATEGIC PLANNING

Updated in June 2007, the STCSA *Strategic Plan with Business Plan (2007-10)* defines the company's mission as:

We exist to create great theatre that is stunning, entertaining and challenging

In fulfilling this mission, STCSA's long-term vision is to:

- Create productions that are sought after locally, nationally and internationally
- Present exciting and innovative work
- Be accessible and inviting to local audiences and be a frequently chosen entertainment option
- Reflect Australia's cultural diversity
- Have the capacity to employ artists from expert backgrounds both locally and nationally
- Continue to be an employer of choice for artists and support staff who see the company as a place where they can learn and grow
- Be respected as a benchmark for excellent production and performance practices
- Have excellent government support
- Have outstanding private sector support

STCSA's strategic drivers for 2007-10 are to:

- Create outstanding productions
- Focus on innovation to increase our competitive advantage
- Build our brand and profile
- Ensure sound financial management
- Develop audiences
- Develop and sustain our team/people: a talent strategy

STCSA's strategic planning objectives have clear links to the objectives outlined in *South Australia's Strategic Plan (SASP)*. The company's emphasis on creativity and innovation aligns with Objective 4 of *SASP*: Fostering creativity; STCSA's financial management, strategic partnership, and job creation priorities align with Objective 1 of *SASP*: Growing prosperity; STCSA's community access programs align with Objective 5 of *SASP*: Building communities; and STCSA's commitment to education aligns with Objective 6 of *SASP*: Expanding opportunities.

HUMAN RESOURCE MANAGEMENT (AT 30 JUNE 2007)

As outlined in the STCSA organisational chart in the Company Overview section of this report, the following Human Resource Management data is based on STCSA's ongoing employees at 30 June 2007. Staff and artists employed on a short-term basis for specific projects are not included in this data.

EMPLOYEE NUMBERS, SALARIES AND CLASSIFICATIONS

Total number of employees	
Persons	23
FTEs	21.4

Gender	% Persons	% FTEs
<i>Male</i>	39%	42%
<i>Female</i>	61%	58%

Number of persons during the 2006-07 financial year	
<i>Separated from the agency</i>	6
<i>Recruited to the agency</i>	6

Number of persons on leave without pay at 30 June 2007	NIL
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Number of employees by salary bracket			
<i>Salary Bracket</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>
\$0 - \$40 399	1	5	6
\$40 400 - \$54 999	6	5	11
\$55 000 - \$67 999	1	3	4
\$68 000 - \$88 999	-	-	-
\$89 000+	1	1	2
TOTAL	9	14	23

Status of employees in current position					
	FTEs				
	<i>Ongoing</i>	<i>Short-term contract</i>	<i>Long-term contract</i>	<i>Other (casual)</i>	<i>Total</i>
Male	-	-	9	-	9
Female	-	-	10.2	2.2	12.4
TOTAL	-	-	19.2	2.2	21.4
	Persons				
	<i>Ongoing</i>	<i>Short-term contract</i>	<i>Long-term contract</i>	<i>Other (casual)</i>	<i>Total</i>
Male	-	-	8		8
Female	-	-	10	3	13
TOTAL	-	-	18	3	21

Number of executives by gender, classification and status in current position								
Classi- fication	<i>Ongoing</i>		<i>Contract tenured</i>		<i>Contract untenured</i>		<i>Total</i>	
	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>
	-	-	-	-	1	1	1	1
TOTAL	-	-	-	-	1	1	1	1

LEAVE MANAGEMENT

Average days' leave taken per full time equivalent employee				
Leave type	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>	<i>2006-07</i>
Sick leave	2.7	3.8	3	5.0
Family carer's leave	0.1	NIL	0.07	0.2
Special leave without pay	0.5	NIL	1.6	3.3

WORKFORCE DIVERSITY/EQUAL EMPLOYMENT OPPORTUNITY

By providing a workplace environment that supports diversity and is free from discrimination, harassment and bullying, STCSA displays commitment to encouraging a positive workplace environment which facilitates realisation of full staff potential.

Number of employees by age bracket by gender					
Age bracket	Male	Female	Total	% of total	Workforce benchmark*
15-19	-	-	-	-	7.9
20-24	-	2	2	8.7	10.7
25-29	1	4	5	21.8	9.8
30-34	-	2	2	8.7	10.5
35-39	2	2	4	17.4	11.4
40-44	3	1	4	17.4	12.4
45-49	1	2	3	13.0	12.4
50-54	2	-	2	8.7	10.9
55-59	-	1	1	4.3	8.3
60-64	-	-	-	-	4.4
65+	-	-	-	-	1.3
TOTAL	9	14	23	100	100

* Benchmark from *ABS Supertable LM8* as at January 2006

Number of Aboriginal and/or Torres Strait Islander employees					
	Male	Female	Total	% of agency	Target %*
Aboriginal/Torres Strait Islander people	-	-	-	-	2

* Target from *South Australia's Strategic Plan*

Cultural and linguistic diversity					
	Male	Female	Total	% of agency	% of SA community*
Number of employees born overseas	1	3	4	17.4	20.3
Number of employees who speak language(s) other than English at home	2	1	3	13.0	15.5

* Benchmark from ABS publication *Basic Community Profile (SA)* Cat No 2001.0

Number of employees with ongoing disabilities requiring workplace adaptation				
	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>% of agency</i>
TOTAL	-	1	1	4.3

VOLUNTARY FLEXIBLE WORKING ARRANGEMENTS

Number of employees using voluntary flexible working arrangements by gender			
	<i>Male</i>	<i>Female</i>	<i>Total</i>
<i>Purchased leave</i>	-	-	-
<i>Flexitime</i>	-	-	-
<i>Compressed weeks</i>	-	-	-
<i>Part-time job share</i>	-	4	4
<i>Working from home</i>	-	-	-

TRAINING AND DEVELOPMENT

Documented review of individual performance development plan			
<i>Total number of employees</i>	<i>% with a plan reviewed within the past 12 months</i>	<i>% with a plan older than 12 months</i>	<i>% with no plan</i>
23	9	17	74

OCCUPATIONAL HEALTH, SAFETY AND WELFARE

	2006-07	2005-06	2004-05
OHS legislative requirements			
<i>Number of notifiable occurrences pursuant to OHS&W Regulations Division 6.6</i>	NIL	NIL	NIL
<i>Number of notifiable injuries pursuant to OHS&W Regulations Division 6.6</i>	NIL	NIL	2
<i>Number of notices served pursuant to OHS&W Act s35, s39 and s40 (default, improvement and prohibition notices)</i>	NIL	NIL	NIL
Injury management legislative requirements			
<i>Total number of employees who participated in the rehabilitation program</i>	2	1	1
<i>Total number of employees rehabilitated and reassigned to alternative duties</i>	NIL	1	1
<i>Total number of employees rehabilitated back to their original work</i>	NIL	1	NIL
<i>Number of open claims as at 30 June</i>	5	1	10
<i>% of workers compensation expenditure over gross annual remuneration</i>	1.1	0.5	0.1
Number of claims			
<i>Number of new workers compensation claims in the financial year</i>	4	4	10
<i>Number of fatalities (F), lost time injuries (LTI) and medical treatment only (MTO)</i>			
<i>F</i>	NIL	NIL	NIL
<i>LTI</i>	2	2	3
<i>MTO</i>	2	2	7
<i>Total number of whole working days lost</i>	2	6	6
Cost of workers compensation			
<i>Cost of new claims for financial year</i>	\$650	\$9843	\$2500 (insured cost) \$1500 (cost to company)

<i>Cost of all claims excluding lump sum payments</i>	\$24514 (income maintenance recovered)	\$9843	\$2500 (insured cost) \$1500 (cost to company)
<i>Amount paid for lump sum payments on the settlement of a claim (under the WRC Act)</i>			
<i>s42</i>	NIL	NIL	NIL
<i>s43</i>	NIL	NIL	\$23 388 (insured cost)
<i>s44</i>	NIL	NIL	NIL
<i>Total amount recovered from external sources (WRC Act s54) including from a negligent third party</i>	NIL	NIL	NIL
<i>Budget allocation for workers compensation</i>	\$2000	\$2000	\$2000
Trends			
<i>Injury frequency rate for new lost time injury/disease for each million hours worked</i>	38.989	37.4	48
<i>Most frequent cause (mechanism) of injury</i>	Physical strains on body in moving staging components (set and props)	Physical strains on body in moving staging components (set and props)	Physical strains on body in carrying out stage directions
<i>Most expensive cause (mechanism) of injury</i>	Physical strains on body in moving staging components (set and props)	Physical strains on body in moving staging components (set and props)	Physical strains on body in carrying out stage directions

Registered with WorkCover SA, the company's OHS&W Committee consists of two management representatives, (one of whom is STCSA's CEO - the person responsible under the *OHS&W Act 1986*), and three staff-elected representatives (an office/artistic representative, a wardrobe/costume hire representative and a workshop/prop hire representative).

The committee meets at least every three months, with the purpose of:

- Discussing and addressing general OHS&W issues that affect the organisation
- Assisting in the resolution of specific OHS&W problems for which other in-house resolution possibilities have been exhausted

As STCSA's primary performance venues and administration/production areas are leased from Adelaide Festival Centre Trust, members of the STCSA OHS&W Committee continue to represent STCSA at regular meetings of the AFCT Principal OHS&W Committee.

FINANCIAL ISSUES

CONSULTANTS

Consultancy ranges	2006-07 consultancy expenditure	Number of consultants	Names and descriptions of consultants
<i>Below \$10 000</i>	NIL	NIL	NIL
<i>\$10 000 to \$50 000</i>	NIL	NIL	NIL
<i>Above \$50 000</i>	NIL	NIL	NIL
TOTAL	NIL	NIL	NIL

CONTRACTUAL ARRANGEMENTS

STCSA entered into no contractual arrangements during the 2006-07 financial year where the total value of the contract exceeded \$4 million and the contract extended beyond a year.

OVERSEAS TRAVEL

Number of employees	Destination(s)	Reasons for travel	Total cost to agency
1	USA	STUDY AT STANFORD UNIVERSITY	\$4000

ACCOUNT PAYMENT PERFORMANCE

Particulars	Number of accounts paid	% of accounts paid (by number)	Value in \$A of accounts paid	% of accounts paid (by value)
<i>Paid by the due date*</i>	1 780	92%	4 073 256	96%
<i>Paid late, but paid within 30 days of due date</i>	147	8%	185 757	4%
<i>Paid more than thirty days from due date</i>	NIL	NIL	NIL	NIL

* "Due date" is defined as per section 11.7 of *Treasurer's Instruction 11*

FRAUD

No instances of fraud occurred during the 2006-07 financial year of which STCSA is aware.

DISABILITY ACTION PLAN

STCSA's primary performance venues, administration and production areas are leased from Adelaide Festival Centre Trust, whose disability action plan is detailed in AFCT's annual report.

STCSA's commitment to welcoming persons with a disability to STCSA work areas and performance venues includes provision of equitable access and services wherever possible. The company's accessibility initiatives include:

- Holding up to 12 discounted seats per performance for patrons in wheelchairs
- Programming two performances of each production specifically for visually impaired patrons, who receive discounted tickets, a pre-show briefing and, during the performance, audio descriptions by Royal Society for the Blind volunteers

STCSA regularly consults with organisations that represent persons with disabilities to ensure optimal service delivery, and dissemination of information about STCSA's accessibility initiatives.

ENVIRONMENTAL (GREENING OF GOVERNMENT OPERATIONS) REPORTING

STCSA's primary performance venues, administration and production offices are leased from Adelaide Festival Centre Trust. STCSA is invoiced a designated fee for office water and electricity consumption, but as use of both is largely integrated with AFCT's, no specific meter readings are available. However, data estimates for Pennington, workshop and the rehearsal room are provided within the following section.

ENERGY MANAGEMENT

Lighting

Sectional lighting within the administrative building allows illumination required by staff who attend the office beyond standard business hours, without requiring the activation of lights throughout the entire building.

Equipment & Appliances

Cathode ray tube (CRT) monitors are in use with several older model computers across the company. As STCSA replaces these computers with newer models, flat screen LCD monitors

(with lower energy demand) will be purchased. CRT monitors are either kept as spares, or donated to charity organisations who refurbish computers, and disseminate them to those in need. Currently, STCSA uses 6 LCD monitors and 12 CRT monitors.

Three printers, two photocopiers and one fax machine are currently in use between approximately 30 staff on three individual sites. One multifunction device (printer, scanner, fax, photocopier) is also located at reception. The administration office photocopier has ENERGY STAR facilities (and 'energy saver mode' and an 'auto off timer', which can reduce annual electricity use for printing and copying by over 60%.

Energy Source

As STCSA's energy use is largely integrated with AFCT's, most energy consumption data is not available. Indicative data for electricity usage at Pennington, and in the workshop and rehearsal room are provided below.

Energy consumption for Pennington, March - November (example data)

* Pennington Usage Mar – Nov 06 (kw)	STCSA consumption Mar – Nov 06 (kw)	Approx. annual STCSA consumption (kw)	Average monthly STCSA consumption (kw)
43380	16484.4	21979.2	1831.6

Energy consumption for Workshop and Rehearsal Room, April – June 06 (example data)

STCSA consumption Apr – Jun 06 (kw)	Approx. annual STCSA consumption (kw)	Average monthly STCSA consumption (kw)
386.2862	1545.1448	128.76206

WATER CONSERVATION & WASTEWATER MANAGEMENT

As STCSA's water usage is governed by AFCT, data regarding the cost of usage will be provided in The nature of STCSA's operations is such that water consumption is related only to use in the administrative office kitchen. Staff are encouraged to utilise the dishwasher only when a full load is required, such as after large functions. Hand-washing of dishes as required allows reduction of water consumption.

Estimate water consumption for Pennington, July 2006 – June 2007 (example data)

Total usage Mar 06 – Apr 07 (kL)	STCSA usage Mar 06 – Apr 07 (kL)	Estimate average annual usage (kL)	Estimate average monthly usage (kL)
352	133.76	114.65.14	9.5542

WASTE MANAGEMENT

As a tenant of the Adelaide Railway Station, STCSA receives cleaning services which include disposal of plastic, glass, food and other waste, and as such quantifiable waste management information is not attainable. However, confidential paper is collected on an as-needs basis, with the paper recycled after being shredded. An estimation of paper consumption is provided below.

Paper consumption for STCSA for July 2006 – June 2007 (estimate data)

Total Spend on Paper	Cost per ream	Estimated consumption:
\$2000	\$4.10 (recycled)	$\$2000 / \$4.10 = 488$ reams

ENERGY EFFICIENCY ACTION PLAN

As STCSA's primary performance venues, administration and production areas are leased from Adelaide Festival Centre Trust, most of STCSA's energy use is integrated with and invoiced to AFCT. Resultantly, separate data for energy use is not available.

STCSA's understanding of the importance of energy efficiency for environmental conservation and cost effectiveness are evident in its ongoing initiatives to reduce resource consumption and limit waste. These initiatives include:

- Switching off electricity when equipment or lighting is not in use
- Re-using and/or recycling paper and cardboard, printer toner cartridges and other office supplies
- Minimising printed materials by encouraging staff to use electronic communication where possible
- Co-ordinating use of the company vehicle to complete multiple tasks in a single trip where possible

ASBESTOS MANAGEMENT PLAN

As STCSA's primary performance venues, administration and production areas are leased from Adelaide Festival Centre Trust, As detailed in AFCT's annual report, AFCT has an asbestos management plan to ensure AFCT buildings comply with legislation and protect the health and safety of employees, lessees, contractors and visitors.

FREEDOM OF INFORMATION STATEMENT

STCSA is a statutory authority established under the *State Theatre Company of South Australia Act 1972*. Through two subscriber-elected board representatives and direct feedback to the company, members of the public can participate in STCSA policy formation and the exercise of the company's functions. The structure and functions of STCSA are further described elsewhere in this report.

STCSA's ticketing categories are implemented to maximise community access, ensuring that performances produced by the company are accessible to all members of the public.

Recent annual reports may be downloaded free of charge from STCSA's website (www.statetheatrecompany.com.au) or by phoning the company on (08) 8231 5151. Requests under the *Freedom of Information Act 1991* for access to other STCSA documents, including current policy documents, should be directed in writing to:

FOI Officer
State Theatre Company of South Australia
PO Box 8252
Station Arcade
ADELAIDE SA 5000

Members of the public seeking simple amendment (i.e. change of name or address) to STCSA records concerning their personal affairs may phone (08) 8231 5151, email info@statetheatrecompany.com.au or write to:

Administration Assistant
State Theatre Company of South Australia
PO Box 8252
Station Arcade
ADELAIDE SA 5000

SPONSOR AND DONOR LIST

GOVERNMENT

The Government of South Australia funds STCSA through Arts SA.



Government of South Australia

Arts SA

The Commonwealth Government funds STCSA through the Australia Council for the Arts.



PRINCIPAL PARTNER

Health Promotion SA

MAJOR PARTNERS

The Advertiser

Angove's

Booze Bros

Burnside Village

Channel Nine

Designer Direct

EDS

Flinders Power

Fusion

Maunsell

Mistral

Optus

Origin Energy

Qantas

SA Lotteries

Savings & Loans

Smallacombe Real Estate

Stamford Plaza

CORPORATE PARTNERS

Business SA

Council for International Trade & Commerce

Flotek

Norman Waterhouse

SA Great

Tynte Flowers

uberart.com.au

KAZ

Prescott Securities Ltd

Media Monitors

TRUSTS & FOUNDATIONS

Perpetual Private Clients

FOUNDATION PATRON

Maureen Ritchie

FEATURED PLAYERS

Anonymous (1)
David & Alison Smallacombe
Urban Construct

PATRONS

Silver

David & Pam McKee
Judy & George Potter

Bronze

Robert & Elizabeth Bauze
Margaret Bennett
Robert Bryce & Lyn Edwards
R & M Champion de Crespigny Foundation
Don & Roma George
David & Cheryl Gray
Noel & Janet Grieve
Zen & Susie Herzberg
Hon Justice Kemerli Murray AO
Valerie Linton & John Moore
Stephen Moylan
Margo Hill-Smith
Rob & Susan Hunt
Trish & Richard Ryan
Dr Adam T Sheridan
Sue Tweddell
Elizabeth & Richard Wilson

GOLD SUBSCRIBERS

Ashelwood Office Partitioning & Furniture
Maria Ciccarelli * Kevin Shepherdson
Kaye Dowling
Colin & Lib Dunsford
Drs Jane Ferguson & Trevor Mudge
George Giannakodakis
Margo & Sam Hill-Smith
Michael Hourigan
Anne Levy
Alan Moskwa
Simon Slade & Jason Groves
David & Alison Smallacombe

MEN AT PLAY

RH Allert	Mark Colson
Geoff Day	Ron Dent
Chris Doak	Andrew Ford
John Heard	Mark Hender
Jim Howard	John Irving
Don Sarah AM	David Shannon
Peter Siebels	Philip Speakman
Daryl Stillwell	Peter Vaughan
Brenton Wright	

COURTROOM DRAMA

John Ibbotson	Arlene Macdonald
Ian Robertson	Rachel Spencer

DRAMATIC WOMEN

Sue Averay	Dianne Barron-Davis
Kathy Bowden	Helen Burge
Coralie Cheney	Stephanie Clampett
Dallas Colley	Francene Connor
Chris Crago	Anne Edwards
Mandy-Jane Giannopoulos	
Janet Grieve	Janet Grieve
Bronwyn Halliday	Janet Hayes
Madeleine Hedges	Glenys Jones OAM
Sue Kitchener	Ginny Ligertwood
Simone Linehan	Martha Lott
Céline McInerney	Frances Magill
Julie Redman	Loretta Reynolds
Lucy Richards	Yvonne Rothall
Meredith Sarah AM	Anne Skipper AM
Lisa Temple	Karen Thomas
Fay Zaikos	

DOCTORS IN THEATRE

Dr Owen Burgan
Dr Stephanie Cooper
Arthur & Voula Giannopoulos
Dr Peter Goldsworthy
Dr Michael Hayes
Dorothy Keefe & Robert Prowse
Dr Alan Moskwa
George Potter
SA Great
Richard Sarre
Tony Seymour
Richard & Elizabeth Wilson

STAGEHANDS (\$250+)

John Bishop AO
Chris Branson
Clive & Jane Brooks
Beverley Brown
Laurie & Denise Doube
Philip & Barbara Fargher
Fenton's Conveyancing
Joy Fletcher
Jim & Jennie Garsden
Felicity Funnor OAM
Timothy & Robbie Hill
Bill Hulme
Hugh Kildea
Dr David Kirby
Janice Menz
Ethel & Graham Mill
Roxanne Norris
Beraniece Pfitzner
Robert & Deborah Pontifex
Rob Richards
Tony & Jane Seymour
Judy Stacey

OPERATING ACTIVITIES

WAITING FOR GODOT

BY SAMUEL BECKETT

A State Theatre Company of South Australia production

7-29 July 2006

The Space

Total performances	26
Attendances	8,147
Paid	7,483
Unpaid	664

Director	Michael Hill
Designer	Victoria Lamb
Movement Director	Sara Ritchie
Assistant Director*	Shalom Almond
Stage Manager	Melanie Anderson
Assistant Stage Manager	Corinna McLaine
Hat Trick Choreography	Nigel Martin

Cast

Estragon	Paul Blackwell
Vladimir	Stephen Sheehan
Pozzo	Jonathan Mill
Lucky	Rory Walker
A Boy	Harrison Dearing
	Nicholas Pernini

Scenic Art Secondments Rebecca Bird + Kay Lupton

Sponsored by Booze Brothers

*Assistant Director Fellowship supported by Flinders Power

LIFE X 3

BY YASMINA REZA

TRANSLATED BY CHRISTOPHER HAMPTON

A State Theatre Company of South Australia production

11 August – 2 September 2006

The Dunstan Playhouse

Total performances	25
Attendances	8,442
Paid	7,525
Unpaid	917

Director	Adam Cook
Designer	Dean Hills
Lighting Designer	Gavan Swift
Sound Design/Composer	Stuart Day
Assistant Director*	Justin McGuinness
Stage Manager	Françoise Piron
Assistant Stage Manager	Beth Whiting

Cast

Sonia	Caroline Mignone
Henri	Geoff Revell
Inès	Carmel Johnson
Hubert	William Zappa

Voice of Child	Nicholas Pernini
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*Assistant Director Fellowship supported by Flinders Power

AWAY

BY MICHAEL GOW

A Queensland Theatre Company and Griffin Theatre Company Production presented by State Theatre Company of South Australia.

12 – 23 September 2006

The Dunstan Playhouse

Total performances	14
Attendances	7,513
Paid	6,685
Unpaid	828

Director	Michael Gow
Designer	Robert Kemp
Lighting Designer	Damien Cooper
Composer/Sound Design	Brett Collery
Choreographer	Neridah Waters
Assistant Director	Nic Dorward
Assistant Designer	Kieran Swann
Stage Manager	Allana Sheard
Assistant Stage Manager	Amy Forman

Cast

Tom/Rick	Leon Cain
Vic	Sue Dwyer
Gwen	Barbara Lowing
Roy	Joss McWilliam
Harry	Daniel Murphy
Meg/Leonie	Francesca Savige
Jim	Richard Sydenham
Coral	Georgina Symes

UNCLE VANYA

BY ANTON CHEKHOV

A State Theatre Company of South Australia production

13 October – 4 November 2006

The Dunstan Playhouse

Total performances	24
Attendances	10,565
Paid	9,355
Unpaid	1,210

Director	Adam Cook
Designer	Mark Thompson
Lighting Designer	Davis Gadsden
Assistant Director*	Duncan Graham
Stage Manager	Françoise Piron
Assistant Stage Manager	Jess King

Cast

Serebryakov	Don Barker
Yelena	Elena Carapetis
Workman	Patrick Duggin
Vanya	Garry McDonald
Marya	Chrissie Page
Waffles	Peter Raymond Powell
Sonya	Jennifer Speake
Astrov	Sean Taylor
Marina	Bridget Walters

*Assistant Director Fellowship supported by Flinders Power

PRIVATE LIVES

BY NOËL COWARD

A Co- Production presented by State Theatre Company of South Australia and Queensland Theatre Company.

16 October – 4 November 2006

Playhouse QPAC

8 November – 13 December 2006

The Dunstan Playhouse

	Adelaide	Brisbane
Total performances	27	21
Attendances	9,744	10,837
Paid	8,841	9,413
Unpaid	903	1,424

Director	Michael Gow
Designer	Robert Kemp
Lighting Designer	Mark Pennington
Composer/Sound Design	Stuart Day
Fight Choreographer	Scott Witt
Stage Manager	Sandie Bekavac
Assistant Stage Manager	Sophia Dalton/ Jess King

Cast

Amanda	Helen Christinson
Victor	James Evans
Sibyl	Annie Maynard
Elyot	Jean-Marc Russ
Louise The Maid	Carol Burns

Sponsored by Smallacombe Real Estate Group

THIS UNCHARTED HOUR

BY FINEGAN KRUCKEMEYER

World Premiere

Presented by Brink Productions and State Theatre Company of South Australia, in association with The Firm and Adelaide Festival Centre's iNSPACE program.

9 – 24 February 2007

The Space

Total performances	19
Attendances	5,478
Paid	4,846
Unpaid	632

Director/Dramaturg	Chris Drummond
Designer	Gaelle Mellis
Lighting Designer	Geoff Cobham
Composers	Raymond Chapman-Smith & Quentin Grant
Stage Manager	Françoise Piron
Assistant Stage Manager	Stephanie Fisher

Cast

Adam	Paul Blackwell
Sarah	Michaela Cantwell
Penny	Elena Carapetis
Young Man	Lachlan Mantell
Luka	Nathan O'Keefe
Soprano	Emma Horwood
Pianist	Jamie Cock

HAMLET

BY WILLIAM SHAKESPEARE

A State Theatre Company of South Australia and Queensland Theatre Company production.

30 March – 21 April 2007

The Dunstan Playhouse

25 April – 12 May 2007

The Playhouse - QPAC

Total performances	Adelaide	Brisbane
45	25	20
Attendances	10,590	12, 375
Paid	9,539	11,020
Unpaid	1,051	1,355

Director	Adam Cook
Set Designer	Bruce McKinven
Costume Designer	Kathryn Sproul
Lighting Designer	Gavan Swift
Composer/Sound Design	Brett Collery
Assistant Director*	Duncan Graham
Fight Choreographer	Rob MacPherson
Design Assistant	Kieran Swann
Stage Manager	Melanie Anderson
Assistant Stage Manager	Neole Goss

Cast

Guildenstern/Francisco/Priest	Adam Couper
Rosencrantz/Barnardo	Julian Crotti
Hamlet	Cameron Goodall
Gertrude	Barbara Lowing
Ghost/Player King/GraveDigger	Joss McWilliam
Horatio	Daniel Murphy
Polonius	Dennis Olsen
Marcellus/Player Queen/Osric	Lucas Stibbard
Claudius	Sean Taylor
Ophelia	Emily Tomlins
Laertes/Lucianus	John Trutwin

Sponsored by Doctors in Theatre

*Assistant Director Fellowship supported by Flinders Power

LITTLE WOMEN

BY MARK ADAMO

Presented by State Opera of South Australia and State Theatre Company of South Australia

19, 22, 24, 26, 29, 31 May, 2 June 2007

Dunstan Playhouse

Total performances	7
Attendances	
Paid	1807
Unpaid	304

Conductor	Timothy Sexton
Director	Adam Cook
Designer	Dean Hills
Lighting Designer	David Gadsden
Repetiteur	Anthony Hunt
Stage Manager	Daniel Van Nek
Assistant Stage Manager	Gabrielle Hornhardt
Surtitle Operators	Gillian Britton Martha Shirinan

Cast

Friedrich Bhaer	Pelham Andrews
Meg	Kylie Bailey
Amy	Eleanor Blythman
Cecilia March	Elizabeth Campbell
Beth	Jessica Dean
Gideon March	Timothy Dufore
Laurie	James Egglestone
Jo	Sally-Anne Russell
Alma March	Sarah Sweeting
John Brooke	David Thelander
Mr Dashwood	Andrew Turner
Off stage chorus	Kristen Hardy Fiona Linn Rachel McCall Sarah Jane Windsor Adelaide Art Orchestra

WORKSHOPS AND DEVELOPMENT

STATE THEATRE COMPANY

YOUNG GUNS 8 PLAYWRIGHTS COMPETITION

Presented as part of Come Out

Entries for Young Guns 7 closed on 13 April and winners were announced in the Education section of *The Advertiser* on 1 May.

Winning playwrights had dramaturgy sessions for their scripts with a professional director and the scripts were then further developed and prepared for a public reading with the writers, director and a cast of professional actors during the week beginning 14 May. The week concluded with readings on the Dunstan Playhouse stage in front of 100 people on 18 May.

Australian writer Jack Hibberd presented the winners with their prizes followed by a short forum discussion about the plays facilitated by Michael Hill and including Adam Cook, Sally Chance (*Come Out* Artistic Director), Jack Hibberd and Lachlan Bruce, a young writer from Southern Youth Ensemble.

Winners

The Purple Chair by Ailsa Dunlop

Hitting The Fourth Wall by Gemma Sneddon

Director/Dramaturg

Michael Hill

Stage Manager

Melanie Anderson

Cast

The Purple Chair

Sammy	Jacqy Phillips
Tim	Nathan O'Keefe
Victoria	Jada Alberts
Daniel	Luke Clayson
Charlotte	Eliza Lovell

Hitting The Fourth Wall

Frederick	Luke Clayson
Enrico	Nathan O'Keefe
Setting Indicator/Writer	Eliza Lovell
Thematic Intervention/ Stage Manager	Jada Alberts
Audience Member	Jacqy Phillips

Supported by Adelaide Festival Centre Trust, *The Advertiser* and South Australian Government through Arts SA and Department of Education and Children's Services and Come Out

Student Workshops

1. Directing for Students	23 February
Student attendance	28
Director	Michael Hill
Actors	Elena Carapetis & Rob MacPherson
2. Plays within Plays	21 March
Student attendance	26
Director	Michael Hill
Actors	Elena Carapetis & Rob MacPherson
3. Foul and Pestilent	12 April
Student attendance	16
Director	Michael Hill
Actors	Elena Carapetis & Duncan Graham

Teacher Workshops

1. Directing Shakespeare	19 April
Teacher attendance	8
Director	Michael Hill
Actors	Elena Carapetis & Duncan Graham
2. Directing for Teachers	20 April
Teacher attendance	16
Director	Martin Laud Gray
Actors	Nick Pelomis & Michaela Cantwell



state theatre company
OF SOUTH AUSTRALIA

ABN 55 386 202 154

Financial Statements
for the year ended
30th June 2007

State Theatre Company of South Australia

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State Theatre Company of South Australia

Income Statement for the year ended 30 June 2007

	Note	2007 \$'000	2006 \$'000
Expenses			
Employee related expenses		2,159	1,952
Supplies and services	5	2,945	2,626
Depreciation		21	22
Total Expenses		<u>5,125</u>	<u>4,600</u>
Income			
Commonwealth revenues	6	436	419
Box office and related revenue	6	2,175	1,822
Sponsorship and donations	6	511	388
Revenues from non operating activities	6	75	38
Other revenue	6	400	291
Total Income		<u>3,597</u>	<u>2,958</u>
Net Cost of Providing Services		<u>1,528</u>	<u>1,642</u>
Revenues from SA Government			
Revenues from SA Government	6	<u>1,753</u>	<u>1,681</u>
Net Result		<u>225</u>	<u>39</u>
The Net Result is attributable to the State Government as owner			

The above statement should be read in conjunction with the accompanying notes.

State Theatre Company of South Australia

Balance Sheet
as at 30 June 2007

	Note	2007 \$'000	2006 \$'000
ASSETS:			
CURRENT ASSETS			
Cash	8	1,065	980
Receivables	9	310	227
Inventories		2	2
TOTAL CURRENT ASSETS		<u>1,377</u>	<u>1,209</u>
NON-CURRENT ASSETS			
Investments		506	408
Plant and equipment	10	49	46
TOTAL NON-CURRENT ASSETS		<u>555</u>	<u>454</u>
TOTAL ASSETS		<u>1,932</u>	<u>1,663</u>
LIABILITIES:			
CURRENT LIABILITIES			
Payables	11	1,225	1,167
Employee benefits	12	79	86
Special funds	13	2	4
TOTAL CURRENT LIABILITIES		<u>1,306</u>	<u>1,257</u>
NON-CURRENT LIABILITIES			
Payables	11	11	11
Employee benefits	12	88	93
Special funds	13	16	16
TOTAL NON-CURRENT LIABILITIES		<u>115</u>	<u>120</u>
TOTAL LIABILITIES		<u>1,421</u>	<u>1,377</u>
NET ASSETS		<u>511</u>	<u>286</u>
TOTAL EQUITY			
Accumulated surplus		511	286
TOTAL EQUITY		<u>511</u>	<u>286</u>
Commitments for expenditure	15		
Contingent assets and liabilities	16		

The above statement should be read in conjunction with the accompanying notes.

State Theatre Company of South Australia

Statement of Changes In Equity
for the year ended 30 June 2007

	Accumulated Surplus	
	2007	2006
	\$'000	\$'000
Balance at 1 July	286	247
Total recognised income and expense	225	39
Balance at 30 June	<u>511</u>	<u>286</u>

The above statement should be read in conjunction with the accompanying notes.

State Theatre Company of South Australia

Cash Flow Statement
for the year ended 30 June 2007

	Note	2007 \$'000	2006 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Outflows			
Employee benefits		(2,172)	(1,950)
Suppliers		(2,827)	(2,157)
GST paid to suppliers		(250)	(231)
Cash Used in Operations		<u>(5,249)</u>	<u>(4,338)</u>
Cash Inflows			
Grants from funding bodies	6	436	419
Grants with respect to Reserves Incentive Funding Scheme	6	46	16
Box office and other receipts		2,881	2,482
Interest received		58	41
GST refunded by Australian Taxation Office		101	127
GST received		151	121
Cash Generated from Operations		<u>3,673</u>	<u>3,206</u>
CASH FLOWS FROM SA GOVERNMENT			
Grants from SA Government		1,753	1,681
Cash Generated from SA Government		<u>1,753</u>	<u>1,681</u>
Net cash provided by operating activities	17.2	<u>177</u>	<u>548</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Outflows			
Payments for plant and equipment		(21)	(22)
Payments for investments		(69)	(24)
Cash used in investing activities		<u>(90)</u>	<u>(46)</u>
NET INCREASE/(DECREASE) IN CASH		87	502
CASH AT 1 JULY		<u>960</u>	<u>458</u>
CASH AT 30 JUNE		<u><u>1,047</u></u>	<u><u>960</u></u>

The above statement should be read in conjunction with the accompanying notes.

1. OBJECTIVES AND FUNDING

The State Theatre Company of South Australia (the Company) was established under the *State Theatre Company of South Australia Act, 1972* that exists to create great theatre that is stunning, entertaining and challenging. Our vision is to:

- Create productions which are sought after locally, nationally and internationally
- Present exciting and innovative work
- Be accessible and inviting to local audiences and be a frequently chosen entertainment option
- Reflect Australia's cultural diversity
- Have the capacity to employ artists from expert backgrounds both locally and nationally
- Continue to be an employer of choice for artists and support staff who see the Company as a place where they can learn and grow
- Be respected as a benchmark for excellent production and performance practices
- Have excellent government support
- Have outstanding private sector support

The Company's principal sources of funds are State Government appropriations, Commonwealth Government grants and Box Office and related revenues.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

a) Basis of Accounting

The financial report is a general purpose financial report. The accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), applicable Australian Accounting Standards and Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987* (PFAA).

Australian accounting standards include Australian equivalents to International Financial Reporting Standards and AAS 29 *Financial Reporting by Government Departments*. The Company has early-adopted the amendments to AASB 101 *Presentation of Financial Statements*. Refer to note 4.

The PFAA and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards.

Accounting Policy Statements issued pursuant to Treasurer's Instructions may modify or clarify accounting standards application, disclosure, format and wording to provide certainty and to ensure consistency and appropriate reporting across the public sector.

The Company's Income Statement, Balance Sheet and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable. The Cash Flow Statement has been prepared on a cash basis.

The financial report has been prepared based on a twelve month operating cycle and presented in Australian currency.

The normal business activities of the Company are dependent on the continuation of grants from the State Government and the Australia Council at appropriate levels. The Governments have advised that funding at current levels will be maintained through to 31 December 2009. Accordingly, this financial report has been prepared on a going concern basis.

2.2 Comparative Figures

The presentation and classification of items in the financial report are consistent with prior periods except where a specific accounting policy statement or Australian accounting standard has required a change.

2.3 Rounding

All amounts in the financial statements are rounded to the nearest thousand dollars (\$'000).

2.4 Taxation

The activities of the State Theatre Company of South Australia are exempt from Commonwealth income tax but subject to other Commonwealth taxes such as fringe benefits tax, goods and services tax and other State taxes (including payroll tax).

Income, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred by the Company as a purchaser is not recoverable from the Australian Taxation Office. Receivables and payables are stated with the amount of GST included.

2.5 Income and Expenses

Income and Expenses are recognised in the Income Statement when it is probable that the flow of economic benefits will occur and can be reliably measured.

Income and Expenses have been classified according to their nature.

Grants are recognised as revenues when the company obtains control over the assets. Control over these revenues is normally obtained upon receipt. (see also note 16)

Income from disposal of non-current assets is recognised when control of the asset has passed to the buyer and is determined by comparing proceeds with carrying amount.

Goods and services received/provided free of charge are recorded as revenue and expenditure in the Income Statement account line items to which they relate at their fair value in accordance with Accounting Policy Framework III *Asset Accounting Framework* paragraph APS 2.12

Revenues and Expenses for productions are recognised when a production has concluded. Ticket sales and production costs for future productions and productions in progress at balance date are recorded as advance box office revenue and prepayments.

2.6 Current and Non Current Items

Assets and liabilities are characterised as either current or non-current in nature. The Company has a clearly identifiable operating cycle of 12 months. Therefore assets and liabilities that will be realised as part of the normal operating cycle will be classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

2.7 Cash and Investments

2.7 (a) Cash

For the purposes of the Cash Flow Statement, cash includes cash at bank and deposits at call that are readily converted to cash and are used in the cash management function on a day-to-day basis. The definition of cash in relation to the Balance Sheet differs as it does not take into account cash for specific purposes.

Cash also includes highly liquid investments with short periods to maturity that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value. Cash is measured at nominal value.

Short term deposits (Note 8) include deposits at call with the South Australian Government Financing Authority and are recorded at cost. Interest revenues are recognised as they accrue. Interest rates are at market rates of an average 6.2 percent for the year ended 30 June 2007 (5.4 percent in 2005-06).

2.7 (b) Investments

The Company entered into an agreement, known as the Reserves Incentive Funding Scheme Agreement, with the Australia Council and Arts SA during 2003-04. The Scheme is designed to encourage and assist the Major Performing Arts companies to strengthen their balance sheets by building reserves to a level that is sufficient to underpin their financial health.

Investments include long term deposits with the South Australian Government Financing Authority and are recorded at cost. Interest revenues are recognised as they accrue, and are reinvested in the fund. Interest rates are at market rates of 6.2 percent (5.6 percent in 2005-06).

The balance of the fund as at 30 June 2007 was \$506,000 (\$408,000 in 2005-06). During the year, the Australia Council, Arts SA and the Company each contributed \$23,000 to the fund.

The funds received under the Agreement must be placed in escrow and can only be released under certain circumstances, which are set out in the Agreement, which includes the Company making a formal submission, signed by the Board Chair, to Arts SA and the Australia Council.

2.8 Receivables

Receivables include amounts receivable from trade and prepayments.

Trade receivables arise in the normal course of selling goods and services to other agencies and to the public. Trade receivables are due within 7-30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement, depending on the nature of the sale.

The Company determines the provision for doubtful debts based on a review of balances within trade receivables that are unlikely to be collected. These are generally receivables that are 90 days or more overdue.

2.9 Inventories

Inventories are stated at the lower of cost or their net realisable value. Inventory is measured at cost, with cost being allocated in accordance with the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Inventories include raw materials relating to the construction of sets, props and costumes for theatre productions.

In addition to the assets reported, the Company also holds stocks of costumes and theatre props. However, given the special purpose nature of these items, the Board of Governors does not believe it appropriate to bring the value of costumes and theatre props to account.

2.10 Plant and Equipment

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Useful lives are reviewed annually. The major asset categories and their expected useful lives are as follows:

	Years
Motor Vehicles	5
Office Equipment	5
Computer Equipment	3-4

Depreciation is calculated using the straight line method of allocation and is recognised in the financial statements from the date of acquisition. Acquisitions of \$1,000 or less are expensed.

2.11 Payables

Payables include creditors, accrued expenses and employment on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Company.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All amounts are measured at their nominal amount and are normally settled within 30 days in accordance with Treasurer's Instruction 11 *Payment of Creditors Accounts* after the Company receives an invoice.

Employment on-costs include superannuation contributions and payroll tax with respect to outstanding liabilities for salaries and wages, long service leave and annual leave.

The Company makes contributions to several superannuation schemes operated by the State Government and other industry superannuation funds. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as the South Australian Superannuation Board (SASB) and other superannuation funds have assumed these. The only liability outstanding at balance date relates to any contributions due but not yet paid to the SASB and other superannuation funds.

2.12 Employee Benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

Liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date. The liability for annual leave reflects the value of total annual leave entitlements of all employees as at 30 June 2007 and is measured at the nominal amount.

The liability for long service leave is recognised after an employee has completed 6.5 years of service in accordance with Accounting Policy Framework IV *Financial Asset and Liability Framework*. An actuarial assessment of Long Service Leave undertaken by the Department of Treasury and Finance based on a significant sample of employees throughout the South Australian public sector determined that the liability measured using the short-hand method was not materially different from the liability measured using the present value of expected future payments. This calculation is consistent with State Theatre Company of SA's experience of employee retention and leave taken.

2.13 Insurance

The Company has arranged, through SA Government Captive Insurance Corporation (SAICORP), a division of SA Government Financing Authority, to insure all major risks of the Company. The excess payable under this arrangement varies depending on each class of insurance held.

2.14 Leases

The Company has entered into operating leases.

Operating Leases

In respect of operating leases, the lessor effectively retains substantially the entire risks and benefits incidental to ownership of the leased items. Operating lease payments are charged to the Statement of Financial Performance on a basis which is representative of the pattern of benefits derived from the leased assets.

The aggregate benefit of lease incentives received by the Company in respect of operating leases have been recorded as a reduction of rental expense over the lease term on a straight line basis.

3. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks, market risk (foreign exchange and price), credit risk and liquidity risk.

The Company has non-interest bearing assets (cash on hand and on call and receivables) and liabilities (payables) and interest bearing assets (held to maturity investments).

The Company has no significant concentration of credit risk. The Company has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

In relation to liquidity/funding risk, the continued existence of the Company in its present form, and with its present services, is dependent on Government policy and on continuing capital appropriations by Parliament to maintain the Company's asset base.

4. CHANGES IN ACCOUNTING POLICIES

Except for the amendments to AASB 101 *Presentation of Financial Statements*, which the Company has early-adopted, the Australian accounting standards and interpretations that have recently been issued or amended are not yet effective, have not been adopted by the Company for the reporting period ending 30 June 2007. The Company has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial report of the Company.

State Theatre Company of South Australia

Schedule of Company's Expenses for the year ended 30 June 2007

5. SUPPLIES AND SERVICES

			2007	2006
	Production and Performance \$'000	Administration \$'000	Total \$'000	Total \$'000
Transactions with Non SA Government Entities				
Promotion and sponsorship expenses	734	-	734	642
Contractors fees	385	79	464	381
Rent	148	-	148	120
Scenery, sound, lighting and special effects	141	-	141	108
Travel and accommodation	114	1	115	68
Royalties	107	-	107	261
Communications	1	40	41	41
Costume and props	93	-	93	68
Other Production Costs	112	-	112	76
Administration expenses	-	187	187	149
	1,835	307	2,142	1,915
Transactions with SA Government Entities				
Theatre hire and charges	537	-	537	456
Ticket agency charges	139	-	139	142
Administration expenses	-	38	38	36
Rent	-	89	89	77
	676	127	803	711
Total supplies and services expenses	2,511	434	2,945	2,626

State Theatre Company of South Australia
 Financial Year Ended 30 June 2007
 Notes to and forming part of the Financial Statements

	2007 \$'000	2006 \$'000
6. REVENUES		
Grants from the:		
State Government:		
Operating	1,753	1,671
Special Purpose	-	10
Australia Council:		
Operating	436	419
Total Grants	2,189	2,100
Box office and Related Revenue	2,175	1,822
There were eight productions staged during the year and seven production staged last year.		
Sponsorship and Donations		
Cash	403	260
In Kind	108	128
Total Sponsorship and Donations	511	388
Other Revenue:		
Interest	1	15
Interest from SA Government	58	26
Prop Shop income	109	130
Company Service Fees	110	27
Miscellaneous revenue	122	93
Total Other Revenue	400	291
Revenues from Non Operating Activities		
State Government grants - Reserves Incentive Funding Scheme	23	8
Australia Council grants - Reserves Incentive Funding Scheme	23	8
Interest - Reserves Incentive Funding Scheme (SAFA)	29	22
	75	38

State Theatre Company of South Australia
 Financial Year Ended 30 June 2007
 Notes to and forming part of the Financial Statements

	2007	2006
	\$'000	\$'000
7. AUDITORS' REMUNERATION		
Amount due and receivable by the auditors for auditing the financial report.	<u>19</u>	<u>19</u>
No other services were provided by the auditors.		
8. CASH ASSETS		
Short Term Deposits	1,033	949
Cash at Bank and on hand	<u>32</u>	<u>31</u>
	<u>1,065</u>	<u>980</u>
9. RECEIVABLES		
Prepayments for future productions	227	174
Trade receivables	84	65
Provision for doubtful debts	<u>(1)</u>	<u>(12)</u>
	<u>310</u>	<u>227</u>

State Theatre Company of South Australia
 Financial Year Ended 30 June 2007
 Notes to and forming part of the Financial Statements

	2007 \$'000	2006 \$'000
10. PLANT AND EQUIPMENT		
Motor Vehicle - at cost	27	22
Accumulated depreciation	<u>(4)</u>	<u>(11)</u>
	<u>23</u>	<u>11</u>
Equipment - at cost	138	138
Accumulated depreciation	<u>(126)</u>	<u>(124)</u>
	<u>12</u>	<u>14</u>
Computer Equipment - at cost	216	210
Accumulated depreciation	<u>(202)</u>	<u>(189)</u>
	<u>14</u>	<u>21</u>
TOTAL	<u><u>49</u></u>	<u><u>46</u></u>

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the financial year are as follows:

	Motor Vehicles \$'000	Equipment \$'000	Computer Equipment \$'000	Total \$'000
2006-07				
Balance as at 1 July	11	14	21	46
Additions	26	-	6	32
Disposals	(9)	-	-	(9)
Depreciation expense	(5)	(2)	(13)	(20)
Carrying amount at 30 June	<u>23</u>	<u>12</u>	<u>14</u>	<u>49</u>

	Motor Vehicles \$'000	Office Equipment \$'000	Computer Equipment \$'000	Total \$'000
2005-06				
Balance as at 1 July	15	5	25	45
Additions	-	13	9	22
Disposals	-	-	-	-
Depreciation expense	(4)	(4)	(13)	(21)
Carrying amount at 30 June	<u>11</u>	<u>14</u>	<u>21</u>	<u>46</u>

State Theatre Company of South Australia
Financial Year Ended 30 June 2007
Notes to and forming part of the Financial Statements

11. PAYABLES

	2007 \$'000	2006 \$'000
CURRENT		
Trade creditors	129	234
Advance Box Office Revenue	724	726
Accruals and advances	361	195
Employee Benefit On-costs	11	12
	1,225	1,167
NON-CURRENT		
Employee Benefit On-costs	11	11
	11	11

12. EMPLOYEE BENEFITS

CURRENT		
Annual Leave	64	69
Long Service Leave	15	17
	79	86
NON-CURRENT		
Long Service Leave	88	93
	88	93

EMPLOYEE BENEFITS AND RELATED ON-COST LIABILITIES

Annual Leave

Included in payables - current (note 11)	10	11
Provision for employee benefits - current (note 12)	64	69
	74	80

Long Service Leave

Included in payables - current (note 11)	1	1
Provision for employee benefits - current (note 12)	15	17
	16	18

Included in payables - non-current (note 11)	11	11
Provision for employee benefits - non-current (note 12)	88	93
	99	104

Aggregate employee benefit and related on-cost liabilities	189	202
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REMUNERATION OF EMPLOYEES

There was one employee whose remuneration received or receivable fell within the bands \$100 000 to 109 999.

13. SPECIAL FUNDS

The company controls two special funds, the Adele Koh Scholarship Acting Fund and the Jill Blewett Playwright's Award, both of which were financed by public donations.

	2007 \$'000	2006 \$'000
Adele Koh Scholarship Acting Fund		
Balance at 1 July	4	4
Payments	(2)	-
Balance at 30 June	2	4
Jill Blewett Playwright's Award Fund		
Balance at 1 July	16	16
Interest	-	2
Payments	-	(2)
Balance at 30 June	16	16

14. RELATED PARTY INFORMATION

Members of the Board of Governors who have held office during the year are:

	Attendances (9 meetings held)	
Mr Brenton Wright	8	
Ms Nicky Downer AM	6	
Mr Richard Flynn	8	
Mr Michael Hill	4	(term commenced December 2006)
Ms Celine McInerney	8	
Mr Peter Siebels	6	
Ms Jen Smith	4	(term completed December 2006)
Ms Rachel Spencer	9	
Mr Peter Vaughan	9	

Five members of the Board of Governors received remuneration from the Company totalling \$12,000 including \$1,000 superannuation during the reporting period ended 30 June 2007 (four members received remuneration in 2005-06, totalling \$6,000). Members of the Board of Governors use the services of the Company no more favourably than members of the public, except for members receiving complimentary tickets to each production.

Five board members' remuneration received or receivable was less than \$10 000. (4 in 2005-06)

15. COMMITMENTS FOR EXPENDITURE

Finance Leases

State Theatre Company had no finance leases during 2006-07 and 2005-06

Operating Leases

Operating lease commitments (excluding GST) contracted for are payable as follows:

	Ricoh Photocopier	Pennington Lease	AFCT Lease	2007 \$'000	2006 \$'000
Not later than one year	7	53	77	137	116
Later than one year but not later than five years	10	-	346	356	68
	<u>17</u>	<u>53</u>	<u>423</u>	<u>493</u>	<u>184</u>

The Company leases a photocopier from Ricoh at a total contract cost of \$27,000

The rental lease on the State Theatre Prop Shop building at Pennington was signed in August 2005. It is due to expire in February 2008.

The company sub-lets part of the Pennington storage premises to other companies for a monthly rental fee, based on letters of agreement. These agreements are cancellable at 4 weeks notice.

The rental lease on the State Theatre offices in the Adelaide Railway Station and the workshop and rehearsal areas located in the Adelaide Festival Centre (AFC) was signed on 15 December 2005. It expired in December 2006, subject to a right of renewal for one further term of 5 years. The Company has given notice of intention to renew, but is yet to receive documentation from AFC.

Contracts

The Company, given the nature of its operations, has entered into contracts with artists and arrangements with interstate Theatre Companies for theatre performances scheduled to take place subsequent to 30 June 2007. The terms and conditions of the contracts and the arrangements place a liability on the Company to make some payments should the artists or the interstate Theatre Companies not be engaged.

Contracts and arrangements amounting to \$815,000 were entered into as at 30 June 2007 (\$651,000 as at 30 June 2006) and are due for payment as follows:

Due within one year:					
Contract employees				474	443
Co-production agreements				87	-
				<u>561</u>	<u>443</u>
Due later than one year, but less than 5 years:					
Contract employees				254	208
				<u>254</u>	<u>208</u>

16. CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities

The Company is not aware of any contingent liabilities.

Contingent Assets

The Company is not aware of any contingent assets.

Funding

A Tripartite Funding Agreement between the State Government, Australian Government and the Company provides operating grants for the Company. The funding arrangements for these Governments are intended to cover the different operating periods. In particular:

- Australian Government operating grants received in 2006/07 were to contribute to operations for the 2007 calendar year.
 - State Government operating grants received in 2006/07 were to contribute to operations for the 2006/07 financial year.
- In accordance with the Australian Accounting Standards grants are recognised as revenue when the Company obtains control over the assets. Control over grants is normally obtained upon receipt because the grants are a non-reciprocal transactions and there is no present obligation to repay the monies. Also refer note 2 .5.

State Theatre Company of South Australia
Financial Year Ended 30 June 2007
Notes to and forming part of the Financial Statements

2007 **2006**
\$'000 **\$'000**

17. CASH FLOW RECONCILIATION

17.1 Reconciliation of Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash includes cash on hand and at bank and short term deposits, net of bank overdraft and cash held in trust. Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Cash Flow Statement	1,047	960
Balance Sheet	<u>1,065</u>	<u>980</u>
	(18)	(20)
Cash held for specific purposes:		
Adele Koh Scholarship account	2	4
Jill Blewett Award account	<u>16</u>	<u>16</u>
	18	20

17.2 Reconciliation of Net Cash provided by (used in) Operating Activities to Net Cost of Providing Services

Net Cash provided by Operating Activities	177	548
Less Revenues from SA Government	(1,753)	(1,681)
Add/Less non-cash items:		
Depreciation	(21)	(22)
Interest with respect to Reserves Incentives Funding Scheme	29	22
Gain on disposal of Motor Vehicle	3	-
Decrease in Provision for Doubtful Debts	11	-
Changes in Assets/Liabilities		
Increase/(Decrease) in receivables	19	(43)
Increase/(Decrease) in prepayments	54	(107)
(Decrease) in inventories	-	(1)
(Increase) in payables	(60)	(355)
Decrease/(Increase) in employee benefits and oncosts	13	(3)
Net Cost of providing Services from Ordinary Activities	<u><u>(1,528)</u></u>	<u><u>(1,642)</u></u>


State Theatre Company of South Australia
Governors Statement for the year ended 30 June 2007

We certify that the financial statements:

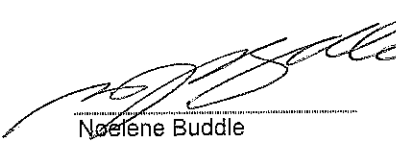
- are in accordance with the accounts and records of the State Theatre Company of South Australia and give an accurate indication of the financial transactions of the Company for the year ended 30 June 2007;
- present fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the State Theatre Company of South Australia as at 30 June 2007, and the result of its operations and its cash flows for the year then ended; and

The internal controls over the financial reporting have been effective throughout the reporting period.


Signed in accordance with a resolution of the Board of Governors



Brenton Wright
Chair
Board of Governors
State Theatre Company of SA



Noelene Buddle
CEO
State Theatre Company of SA



Marie-Ann Ellis
Finance Manager
State Theatre Company of SA

Dated: 21/9/07

Dated: 21/09/07

Dated: 21/9/07

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

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TO THE GOVERNORS STATE THEATRE COMPANY OF SOUTH AUSTRALIA

As required by section 31 of the *Public Finance and Audit Act 1987* and section 26 of the *State Theatre Company of South Australia Act 1972*, I have audited the accompanying financial report of the State Theatre Company of South Australia for the financial year ended 30 June 2007. The financial report comprises:

- An Income Statement;
- A Balance Sheet;
- A Statement of Changes in Equity;
- A Cash Flow Statement;
- Notes to the Financial Statements; and
- A Governors Statement signed by the Chair, Board of Governors and the Chief Executive Officer and the Finance Manager.

The Responsibility of the Governors for the Financial Report

The Governors are responsible for the preparation and fair presentation of the financial report in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The Auditing Standards require that the auditor complies with relevant ethical requirements relating to audit engagements and plans and performs the audit to obtain reasonable assurance 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 controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the governors, as well as the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the State Theatre Company of South Australia as at 30 June 2007, and its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards (including the Australian Accounting Interpretations).



S O'Neill
Auditor-General
26 September 2007