



ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2011

September 2011

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LETTER OF TRANSMITTAL

30 September 2011

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 2010-11 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*. There were a number of highlights in the year under review, as you will find detailed in the Chair's Report.

STCSA's vision is to create works for the South Australian community that are challenging, entertaining and of the highest quality, while continuing to contribute to the ongoing development of the arts in South Australia and nationally. The information contained in this report reflects our achievements over the last financial year and our continued commitment to our vision.

Pamela Foulkes
Chief Executive Officer

CHAIR'S REPORT

I am pleased to present my report on the activities of the Company for the 2010/11 financial year. In summary, the Company presented 196 performances to an audience of approximately 50,000, including 3,369 subscribers for the 2011 season.

Notwithstanding this, it is true that performing arts companies are under increasing pressure in the current funding environment. We are also noticing significant changes in our audience patterns. We are, for example, delighted by an increase in the number of under 30 ticket buyers and the continued growth in school attendances. However the downside is that this is having a negative impact on our box office revenue targets. There is also a change in emphasis from subscribers to single ticket buyers.

In response the Company is undertaking a detailed strategic planning exercise in order to best respond to the changing market. As part of that planning we have invested significantly in market research and a CRM system which will enable us to grow deeper relationships with our patrons. Further investment is likely as we develop a clearer picture of what the Company might look like over the next 5 years. What we can guarantee is that the Company will be focussed on producing a high quality theatre experience in South Australia.

As a result of the reduced box office and undertaking the investments noted above, our 2010/11 financial year result was a deficiency of some \$58,000. This was countered somewhat by an accounting adjustment to our reserves which leaves our balance sheet in a very strong position with net assets of \$612,000, providing a stable financial base for the future development of the Company.

There have been some changes to Board membership during the year. The terms of subscriber elected members Christine Guille and Bronwyn Halliday expired in September 2010 and the term of the employee elected member Shelley Lush expired in December 2010. Those elected positions no longer exist. Peter Vaughan retired from the Board in December 2010 after 11 years of service to the Company. New ministerial appointments to the Board were the Hon. Anne Levy AO in March 2011 and Terence Crawford, Christine Guille and Bronwyn Halliday in June 2011.

We were particularly pleased to have been able to send two of the Company's mainstage productions, *God of Carnage* and *The Complete Works of William Shakespeare (Abridged)* on tours of regional South Australia following their Adelaide seasons, with the assistance of Country Arts SA.

For the third year the Company designed and presented a production specifically for secondary students, Edward Albee's *The Zoo Story*, which also travelled to outer metropolitan and regional areas. Our Education production from May 2010, *The 7 Stages of Grieving*, was bought by Queensland Theatre Company for their Education program and played 18 sell out performances at the

Billie Brown Studio in Brisbane from 27 July to 6 August 2010. Our commitment to Education will continue in 2012.

The Company's ongoing development would not be possible without the continuing support of our audiences, donors and business partners. The State Government through Arts SA and the Federal Government through the Australia Council for the Arts are significant supporters. I wish also to acknowledge the contribution of my fellow Board members and on behalf of them, also recognise the hard work, commitment and passion of our staff.

John Irving
Chair

ARTISTIC DIRECTOR'S REPORT

On the State Theatre Company stages in the last twelve months it's been a year of high crisis and low comedy, amazing stories and curious incidents, unexpected pleasures and irresistible distractions. It is always my intention to offer diversity to our audiences, to give them vibrant, committed theatre that moves their hearts and inspires their imaginations.

ENTERTAINING MR SLOANE by Joe Orton

Jacki Weaver starred for us in this subversive domestic comedy from the 1960s, shortly before she went on to win close to a dozen US film awards for her performance in the feature film, *Animal Kingdom*. *Sloane* proved a palpable hit with audiences keen to indulge in a gloriously witty romp full of sly sexiness and racy naughtiness. Victoria Lamb designed a wonderfully grungy and dilapidated boarding house surrounded by all kinds of urban detritus, strongly lit by Gavan Swift. Sean Taylor gave a standout performance as the closeted brother, Ed, and Dennis Olsen was nominated for a Helpmann Award for his work with State Theatre in this production, his second such nomination in two years.

ROMEO & JULIET by William Shakespeare

A bold experiment in how to tell this heartbreaking tale of star-cross'd lovers with only six actors, this production divided audiences greatly, and yet not along predicted lines. Spectators of all ages either found themselves involved and intrigued by the imaginative ingenuity of the production, or resistant to its unexpected and refreshingly unorthodox approach to a classic play. It certainly provoked heated and interesting debate. Pip Runciman's imposing cathedral-under-reconstruction set provided a well-focused arena in which the feuding families could play out their blood-soaked drama, imaginatively lit by Geoff Cobham.

GOD OF CARNAGE by Yasmina Reza, translated by Christopher Hampton

Yasmina Reza's comedy of very bad manners was given fierce and very funny life by Michael Hill and his quartet of actors, in a striking world designed by Morag Cook, who had been our Design Associate the previous year and now made her mainstage debut with the Company. A well-attended Adelaide season was then followed by a regional South Australian tour.

THE GIVE AND TAKE by Tony McNamara

Catherine Fitzgerald created a smart and snappy production of this satirical comedy, drawing terrific performances from her cast. The senior members of the cast all delivered strong and well delineated characterizations, and the younger actors gained in maturity and skill as the season progressed. The production featured a witty and imaginative design from Mary Moore.

THE MISANTHROPE by Molière, in a version by Martin Crimp

Due to the Adelaide Festival Centre's disability access upgrade to the Drama Centre, it was necessary for us to move the presentation of our first production for 2011 to Her Majesty's Theatre, and so I

chose a classic comedy, *The Misanthrope*, knowing that it would sit well and play well in that older style venue. We had to present it during the Adelaide Fringe Festival, which meant it was difficult to have a sell-out season, as the Adelaide ticket-buying public were attending many other shows in the same period. Catherine Fitzgerald delivered a very fine production indeed, designed with great panache, wit and style by Julie Lynch.

THE COMPLETE WORKS OF WILLIAM SHAKESPEARE (ABRIDGED) by Adam Long, Daniel Singer & Jess Winfield

This production attracted a diverse range of audience members from all walks of life. My intention in programming this play was to expand and build our audience, pitching it to the single-ticket market and to those who would not ordinarily come to see State Theatre Company shows, but would be more likely to attend shows in the Fringe or Comedy Festivals. It was our hope that, having enjoyed the evening with us, they might be encouraged to consider attending more STCSA productions in the future. The show featured hugely energetic performances from Damian Callinan, Mark Saturno and Nathan O'Keefe, all greeted with equally energetic applause from our audiences. Ailsa Paterson created a clever and resourceful set design, full of imagination and surprise, aided by her brilliantly coloured and inventive costumes. Stuart Day's musical pastiches and parodies were perfectly pitched, and we welcomed Ben Flett to the State Theatre Company family with his first lighting design for us. The production went on to tour regional South Australia, with the assistance of Country Arts SA.

NOVEMBER by David Mamet

Garry McDonald starred in this biting satiric comedy about the hapless and ignorant President of the United States foolishly seeking a second term in the Oval Office, a location meticulously re-created by designer Victoria Lamb. The play proved to be very topical indeed, given the state of play in the corridors of power the world over. Audiences greeted this production with relish and it proved to be a big hit for the Company.

I would like to acknowledge and thank our entire staff, both permanent and casual, for their continued dedication to and love for the work we create, and to our audiences for continuing to demonstrate their love of theatre as an art form that can excite, sustain and nurture them.

I would particularly like to thank Geordie Brookman, who served the Company as Associate Director 2008 - 2010. In October 2010 Geordie was awarded the British Council's 'Realise Your Dream' professional development fellowship. This award has enabled Geordie to travel to the UK to research the concept and potential structure of a national theatre company for Australia, and also made it possible for him to make valuable connections with innovative UK theatre companies.

Adam Cook
Artistic Director

COMPANY OVERVIEW (INCLUDES ORGANISATIONAL CHART)

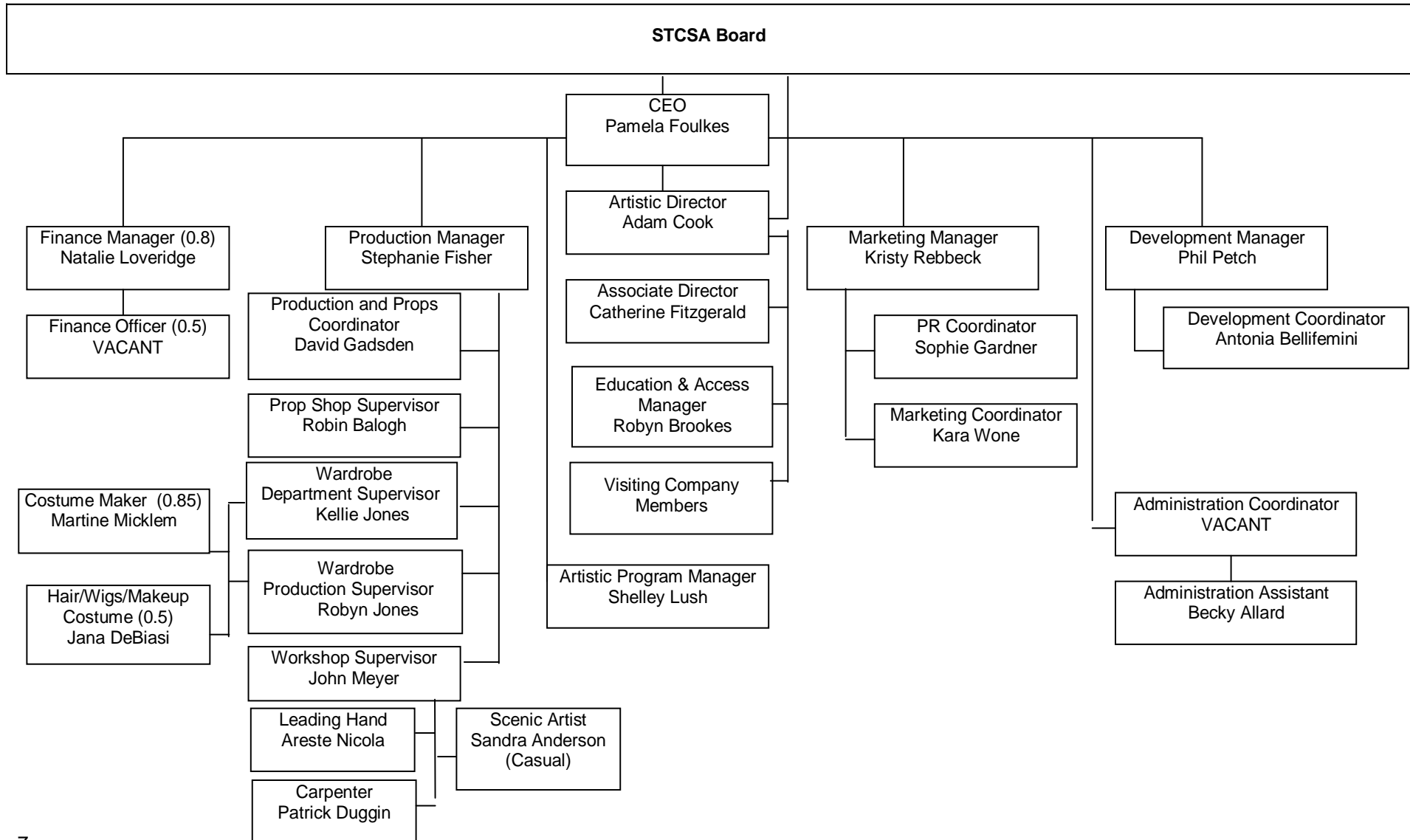
Established under the *State Theatre Company of South Australia Act 1972*, STCSA is a statutory authority that reports to the Minister Assisting the Premier in the Arts via Arts SA, the Government of South Australia's agency for arts and cultural development. The company receives major funding from Arts SA and from the Major Performing Arts Board of the Commonwealth Government's Australia Council for the Arts. The Company is overseen by an eight member Board. In 2010 five of the members were government appointed, two were elected by STCSA subscribers and one was elected by STCSA staff). As a result of a review of the Act, the elected member positions were deleted at the end of 2010 and replaced by Ministerial appointments. STCSA generates income through its operating activities and from corporate sponsors and private donors.

The functions and 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. In consultation with 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 ongoing employees as at 30 June 2011. Staff and artists employed for specific projects on a short-term basis during 2010-2011 have been omitted.

ORGANISATIONAL CHART (AT 30 JUNE 2011)



STATE THEATRE COMPANY BOARD

The composition of the Board during 2010/11 was as follows:

Ministerial Appointments

John Irving (Chair)

Nicola Downer AM

Loretta Reynolds

Peter Siebels

Peter Vaughan (to December 2010)

Hon Anne Levy AO (from March 2011)

Christine Guille (from June 2011)

Bronwyn Halliday (from June 2011)

Terence Crawford (from June 2011)

Subscriber Elected

Christine Guille (to September 2010)

Bronwyn Halliday (to September 2010)

Staff Elected

Shelley Lush (to December 2010)

Board meetings

The Board met on 6 occasions during the year.

	<i>Meetings</i>	<i>Attended</i>
<i>John Irving</i>	6	6
<i>Nicola Downer</i>	6	2
<i>Loretta Reynolds</i>	6	5
<i>Peter Siebels</i>	6	3
<i>Peter Vaughan</i>	3	1
<i>Christine Guille</i>	3	3
<i>Bronwyn Halliday</i>	3	3
<i>Shelley Lush</i>	3	3
<i>Anne Levy</i>	3	2

COMPANY MISSION, VISION AND STRATEGIC PLANNING

Revised in September 2010, the STCSA *Strategic Plan with Business Plan (2010-13)* 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:

- Present exciting and innovative work of the highest quality
- Be accessible and inviting to local audiences
- Reflect Australia's cultural diversity
- Have the capacity to employ artists of the highest quality from both the local and national industry
- Continue to be an employer of choice for artists and support staff
- Be respected locally and nationally as a benchmark for excellent production and performance practices
- Have strong private sector support

STCSA's goals for 2010-13 are to:

- Create great theatre
- Build audiences
- Strengthen finances
- Employ the best

The Company aims to fulfil its artistic mission by:

- Developing and sustaining the talents of its team of artists and staff
- Building the Company profile
- Increasing its financial ability
- Developing audiences
- Making an ongoing commitment to developing the artform

These aims are in accordance with the 2006 SA State Government Strategic Plan.

HUMAN RESOURCE MANAGEMENT (AT 30 JUNE 2011)

As outlined in the STCSA organisational chart in the Company Overview section, the following Human Resource Management data is based on STCSA's ongoing employees at 30 June 2011. 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	26
FTEs	23.3

Gender	% <i>Persons</i>	% <i>FTEs</i>
Male	30.8%	34.3%
Female	69.2%	65.7%

Number of persons for the 2010-11 financial year:	
Separated from the agency	7
Recruited to the agency	7

Number of persons on leave without pay at 30 June 2011	0
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Number of employees by salary bracket			
Salary Bracket	Male	Female	Total
\$0 - \$50,399	2	10	12
\$50,400 - \$64,099	3	5	8
\$64,100 - \$82,099	2	1	3
\$82,100 - \$103,599	0	2	2
\$103,600+	1	0	1
TOTAL	8	18	26

Voluntary Flexible Working Arrangements By Gender			
	Male	Female	Total
Purchased Leave	0	0	0
Flexitime	3	4	7
Compressed Weeks	0	0	0
Part-time	4	0	4
Job Share	0	0	0
Working from Home	0	0	0

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	6	0	1	1.0	8.0
Female	11.6	0.6	1	2.1	15.3
TOTAL	17.6	0.6	2	3.1	23.3
	Persons				
	<i>Ongoing</i>	<i>Short-term contract</i>	<i>Long-term contract</i>	<i>Other (casual)</i>	<i>Total</i>
Male	6	0	1	1	8
Female	12	1	1	4	18
TOTAL	18	1	2	5	26

Number of executives by gender, classification and status in current position								
Classification	<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>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>	<i>2010-11</i>
Sick leave	2.2	3.3	1.2	4.1
Family carer's leave	0.3	0.2	0.1	0.3
Miscellaneous Special Leave	0.02	0	0.1	1.6

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 the realisation of full staff potential.

Number of Aboriginal and/or Torres Strait Islander employees					
	Male	Female	Total	% of agency	Target %*
Aboriginal/Torres Strait Islander people	0	0	0	0.0	2

* Target from South Australia's Strategic Plan

Number of employees by age bracket by gender					
Age Bracket	Male	Female	Total	% of Total	2011 Workforce Benchmark*
15-19	0	0	0	0	6.4%
20-24	0	1	1	3.9%	10.4%
25-29	0	4	4	15.4%	11.0%
30-34	1	2	3	11.5%	10.1%
35-39	0	3	3	11.5%	10.3%
40-44	2	2	4	15.4%	11.0%
45-49	3	2	5	19.2%	11.5%
50-54	1	2	3	11.5%	11.4%
55-59	1	0	1	3.9%	9.4%
60-64	0	2	2	7.7%	5.5%
65+	0	0	0	0	3.0%
TOTAL	8	18	26	100.0	100.0

*Source: Australian Bureau of Statistics Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) by sex, age, state, marital status – employed – total from Feb78 Supertable, South Australia at May 2011.

Cultural and linguistic diversity					
	Male	Female	Total	% of agency	% of SA community*
Number of employees born overseas	-	-	-	-	20.3
Number of employees who speak language(s) other than English at home	-	-	-	-	16.6

* Benchmark from ABS publication *Basic Community Profile (SA)* Cat No 2001.0, 2006 census

Number of employees with disabilities (according to commonwealth DDA definition)			
Male	Female	Total	% of agency
0	0	0	0.0

Types of employee disabilities				
Disability	Male	Female	Total	% of Agency
Physical	0	0	0	
Intellectual	0	0	0	
Sensory	0	0	0	
Psychological/Psychiatric	0	0	0	
Other	0	0	0	
Total	0	0	0	

Number of employees with disabilities requiring workplace adaptation			
Male	Female	Total	% of Agency
0	0	0	

TRAINING AND DEVELOPMENT

Documented review of individual performance management			
<i>Total number of employees</i>	<i>% reviewed within the past 12 months</i>	<i>% with a review older than 12 months</i>	<i>% with no review</i>
26	100%	0	0

Leadership and management training expenditure		
Training and Development	Total Cost	% of Total Salary Expenditure
Total training and development expenditure	\$18.4K	0.7%
Total leadership and management development expenditure	\$11.9K	0.5%

OCCUPATIONAL HEALTH, SAFETY AND WELFARE

	2007-08	2008-09	2009-10	2010-11
OHS legislative requirements				
<i>Number of notifiable occurrences pursuant to OHS&W Regulations Part 7 Division 6</i>	NIL	NIL	NIL	NIL
<i>Number of notifiable injuries pursuant to OHS&W Regulations Part 7 Division 6</i>	NIL	NIL	NIL	NIL
<i>Number of notices served pursuant to OHS&W Act s35, s39 and s40 (default, improvement and prohibition notices)</i>	NIL	NIL	NIL	NIL

EXPENDITURE	2010-11 (\$k)	2009-10 (\$k)	Variation (\$k) + (-)	% Change + (-)
Income Maintenance	\$1	\$1	0	0%
Lump Sum Settlements Redemptions - Sect.42	0	0	0	0
Lump Sum Settlements Permanent Disability – Sect. 43	0	0	0	0
Medical/Hospital Costs combined	\$2	\$4	(\$2)	0
Other	0	0	0	0
Total Claims Expenditure	\$3	\$5	(\$2)	0

MEETING SAFETY PERFORMANCE TARGETS

	Base: 2009-10	Performance: 12 months to end of June 2011 *			Final Target
	Numbers or %	Actual	Notional Quarterly Target**	Variation	Numbers or %
1. Workplace Fatalities	0	0	0	-	0%
2. New Workplace Injury Claims	4	3	4	-1	3
3. New Workplace Injury Claims Frequency Rate	74.9	66.0	0	66.0	0
4. Lost Time Injury Frequency Rate ***	18.74	22.0	0	22.0	0
5. New Psychological Injury Claims	0	0	0	0	0
6. Rehabilitation and Return to Work:					
6a. Early Assessment within 2 days	50%	33.33%	80%	-46.67%	80%
6b. Early Intervention within 5 days	0	0	0	0	0
6c. Days Lost <= 10 days	100%	100%	60%	40%	60%
7. Claim Determination:					
7a. New claims determined for provisional in 7 calendar days	0%	0%	100%	-100%	100%
7b. Claims determined in 10 business days	100%	75%	75%	0%	75%
7c. Claims still to be determined after 3 months	0	0	3%	-3%	3%
8. Income Maintenance Payments for Recent Injuries:					
2009/10 Injuries (at 24 months development)	0	\$1,466.06	\$388.16	\$1,077.91	Below previous 2 years average
2010/11 Injuries (at 12 months development)	0	\$231.91	\$0	\$213.91	Below previous 2 years average
* Except for Target 8, which is YTD.. For Targets 5, 6c, 7b and 7c, performance is measured up to the previous quarter to allow reporting lag.					
** Based on cumulative reduction from base at a constant quarterly figure.					
***Lost Time Injury Frequency Rate: Injury frequency rate for new lost-time injury/disease for each one million hours worked. This frequency rate is calculated for benchmarking and is used by the WorkCover Corporation. Lost time frequency rate (new claims): Number of new cases of lost-time injury/disease for year x 1 000 000 Number of hours worked in the year					

Registered with Worksafe SA, the company's OHS 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 artistic/administration representative, a wardrobe/costume hire representative and a workshop/props hire representative).

The committee meets regularly, with the purpose of:

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

As STCSA's primary performance venues and administration/production areas are leased from the Adelaide Festival Centre Trust, the STCSA OHS Committee liaises on a regular basis with the relevant staff of the AFCT and sends a representative to the AFCT Principal OHSW monthly meetings.

FINANCIAL ISSUES

CONTRACTUAL ARRANGEMENTS

STCSA entered into no contractual arrangements during the 2010-11 financial year where the total value of the contract exceeded \$4 million and the contract extended beyond a year.

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>	1,667	90.8%	5,353,590	94.8%
<i>Paid late, but within 30 days of due date</i>	111	6.0%	230,097	4.1%
<i>Paid more than thirty days from due date</i>	58	3.2%	64,926	1.1%

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

FRAUD

No instances of fraud occurred during the 2010-11 financial year of which STCSA is aware.

CONSULTANTS

Consultancy ranges	2010-11 consultancy expenditure	Number of consultants	Names and descriptions of consultants
<i>Below \$10 000</i>	NIL	NIL	
<i>\$10 000 to \$50 000</i>	NIL	NIL	
<i>Above \$50 000</i>	NIL	NIL	
<i>TOTAL</i>	NIL	NIL	

OVERSEAS TRAVEL

Number of employees	Destination(s)	Reasons for travel	Total cost to agency
NIL			

DISABILITY ACTION PLAN

STCSA's primary performance venues, administration and production areas are leased from the 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 10 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.
- From 2011, providing one captioned matinee performance of each production for hearing impaired patrons.

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

ASBESTOS MANAGEMENT PLAN

STCSA's primary performance venues, administration and production areas are leased from Adelaide Festival Centre Trust, which has an asbestos management plan (as detailed in its Annual Report) to ensure AFCT buildings comply with legislation and protect the health and safety of employees, lessees, contractors and visitors. STCSA has also developed its own Asbestos Policy as part of its OHS policies and procedures implementation program and liaises also with the DTEI Asbestos Unit in relation to STCSA's administration premises.

FREEDOM OF INFORMATION STATEMENT

STCSA is a statutory authority established under the *State Theatre Company of South Australia Act 1972*. Through 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 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) 8415 5333. 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) of STCSA records concerning their personal affairs may phone (08) 8415 5333, email info@statetheatrecompany.com.au or write to:

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

STATEMENT REGARDING THE WHISTLEBLOWERS PROTECTION ACT 1993

STCSA has appointed a responsible officer for the purposes of the *Whistleblowers Protection Act 1993* pursuant to Section 7 of the *Public Sector Act 2009*.

There have been no instances of disclosure of public interest information to a responsible officer of the Company under the *Whistleblowers Protection Act 1993*.

ENVIRONMENTAL (GREENING OF GOVERNMENT OPERATIONS) REPORTING

STCSA's primary performance venues, administration and production offices are leased from the Adelaide Festival Centre Trust (AFCT). STCSA is invoiced a designated fee for office water and electricity consumption, but as use of

both is largely integrated with that of the AFCT, no specific meter readings are available. However, data estimates for our Pennington storage facility are provided within the following section.

ENERGY MANAGEMENT

LIGHTING

Sectional lighting within the Company office areas allows illumination required by staff who attend the office beyond standard business hours, without requiring the activation of lights throughout the entire building. Lights are kept in good working condition by our landlords to ensure the effective use of energy.

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, planned for the next 12 months, flat screen LCD monitors (with lower energy demand) will be purchased. CRT monitors are either kept as spares, or donated to charity organisations that refurbish computers, and disseminate them to those in need. Currently, STCSA uses 15 LCD monitors and 3 CRT monitors.

Four printers, two photocopiers (one of which is a multifunction photocopier) are currently in use between approximately 30 staff on three individual sites. The multifunction 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%.

Electrical equipment is all tested and tagged to ensure appliances are not drawing too much power and there are no operating faults. The microwaves on site are tested annually to ensure they are operating at optimum levels without leaking radiation.

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 is provided below.

Energy consumption for Pennington, (example data)	
Approx. annual STCSA consumption (kw)	Average monthly STCSA consumption (kw)
22847.16	1906.82

WATER CONSERVATION & WASTEWATER MANAGEMENT

As STCSA's water usage is governed by the AFCT, data regarding the cost of usage will be provided in the AFCT annual report. 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. Bottled spring water is supplied for all employees using the Rehearsal Room, which is ordered on an as needs basis. An average consumption for bottled water is as follows.

Estimate annual water consumption for Rehearsal Room	
No. of bottles supplied July 2010 – June 2011	Litres of water consumed (L)
258	2750

The water charges for all usage at our storage facility at Pennington are as follows:

Estimate annual water consumption for Pennington, (example data)	
STCSA usage April 09 – March 10 (kL)	Estimate average monthly usage (kL)
62.1	4.96

WASTE MANAGEMENT

An estimation of paper consumption is provided below.

Paper consumption for STCSA for July 2010 – June 2011 (estimate data)		
Estimated consumption:	Cost per ream	Total Spend on Paper
A4: 362 reams	\$5.95	362x\$5.95 = \$2153.90
A3: 21 reams	\$15	21x\$15 = \$315
	Total	\$2468.90

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 papers are collected on an as-needs basis, with 4 empties of the 240L bin over the year, and the paper is recycled after being shredded.

ENERGY EFFICIENCY ACTION PLAN

As STCSA's primary performance venues, administration and production areas are leased from the AFCT, most of its energy use is integrated with and invoiced to AFCT. Therefore separate data for energy use is not available.

STCSA's understanding of the importance of energy efficiency for environmental conservation and cost effectiveness is 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.
- Sharing office equipment with the other office tenant, Windmill Theatre, to cut down on consumption of power.

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.



MAJOR PARTNERS

Adelaide Convention Centre
The Advertiser
Anglicare SA
Angove Family Winemakers
Booze Brothers
Burnside Village Shopping Centre
Channel Ten
DMG Radio
ElectraNet
Envestra
Flinders University
Jam
Qantas
Square Holes

CORPORATE PARTNERS

Advantage SA
Business SA
Norman Waterhouse Lawyers
SA Lotteries
Tynte Flowers

FEATURED PLAYERS

The Fargher Foundation

PATRONS

Gold (\$5,000+)

David & Alison Smallacombe
Macquarie Group Foundation

Silver (\$2,000+)

Adam T Sheridan
David & Pam McKee
Margo Hill-Smith
Margaret Bennett
Valerie Taylor

Bronze (\$1,000+)

Don & Roma George
Zen & Susie Herzberg
Céline McInerney
The Hon Justice Kimeri Murray AO
Trish & Richard Ryan
Sue Tweddell

GOLD SUBSCRIBERS

Peter Allcroft & Meridy Dunn
Parsons Brinckerhoff
Francis & Pauline Brooks
Robert Bryce & Lyn Edwards
David Burnett
Rob & Jenny Creasy
Kay Dowling
George & Beth Duncan
Jane Ferguson & Trevor Mudge
Kath Ferguson
John & Rosemary Gumley
Margo & Sam Hill-Smith
Rodney Hutton
Sonja Latzel
Hon Anne Levy AO
Des Marnane
Kristy Marnane
Alan Moskwa
Hamish Ninham
Helen Tiller
David & Alison Smallacombe
Jenny & Sarah Strathearn
Bridget Walters & Bob Brady
Richard & Elizabeth Wilson

MEN AT PLAY

RH Allert AO
Jim Howard
Nicholas Begakis AM
Grahame Bethune
John Biracombe
Mark Butcher
Vincent Burke
Ron Dent
Paul Duldig
Chris Guille
Alistair Haigh
John Heard
Mark Hender
Mark Hoffmann

John Irving
Brett Mahoney
Michael O'Connor
Kieran Purcell
Don Sarah AM
James Sarah
David Shannon
Peter Siebels
Bruce Spangler
Simon Stretton
Andrew Stock
Peter Vaughan

DRAMATIC WOMEN

Sue Averay
Dianne Barron-Davis
Trudyanne Brown
Stephanie Clampett
Sally Chapman
Dallas Colley
Francene Connor
Jane Doyle
Anne Edwards
Robbie Hill
Bronwyn Halliday
Janet Hayes
Glenys Jones OAM
Sue Kitchener
Arlene Macdonald
Allishia Manariotis

Pamela McKee
Julianne Parkinson
Bernice Pfitzner
Julie Redman
Isobel Redmond MP
Loretta Reynolds
Lucy Richards
Yvonne Rothall
Meredyth Sarah AM
Anne Skipper AM
Lisa Temple
Karen Thomas
Marika Tiggerman
Helen Tiller
Sue Tweddell
Fay Zaikos

DOCTORS IN THEATRE

Dr Diana Cox
Dr Arthur Giannopoulos
Dr Peter Goldsworthy AM
Michael Hayes
Prof Dorothy Keefe & Robert Prowse
Dr Alan Moskwa
Prof. Michael Sage
Prof. Helen Sage
Dr Richard & Elizabeth Wilson

STAGEHANDS (\$250+)

Donald & Veronica Aldridge
John Bishop AO
The Hon David J Bleby
Clive & Jane Brooks
Laurie & Denise Doube
Jane Doyle
Joy Fletcher
Casandra Francas
Diana Fry
Jim & Jennie Garsden
Hugh & Sue Kildea
Robert Marrone
Janice E Menz
Ethel Mill
Rob Richards
Anonymous (1)
Don Sarah AM
Anne Rugless
Glenys O'Brien
Stirling Community Theatre
Cheryl Larcombe
Ian & Mary Wilson
Brian & June Ward
Mary Camilleri
Joan Lea
Bronwyn Halliday
Vincent & Josephine Burke

OPERATING ACTIVITIES

ENTERTAINING MR SLOANE

BY JOE ORTON

A State Theatre Company of South Australia production

2 – 25 July 2010

Dunstan Playhouse

Total performances	24
Attendances	6901
Paid	5662
Unpaid	1239

Director	Adam Cook
Designer	Victoria Lamb
Lighting Designer	Gavan Swift
Assistant Director	David Mealor
Voice & Dialect Coach	Simon Stollery
Action Coordinator	Nino Pilla
Stage Manager	Melanie Selwood
Assistant Stage Manager	Kat Braun

Cast	
Sloane	Renato Fabretti
Kemp	Dennis Olsen
Ed	Sean Taylor
Kath	Jacki Weaver

Dennis Olsen received a 2011 Helpmann Award nomination for Best Male Actor in a Supporting Role in a Play for his performance as Kemp.

ROMEO & JULIET

BY WILLIAM SHAKESPEARE

A State Theatre Company of South Australia production

2 – 29 August 2010

Dunstan Playhouse

Total performances	25
Attendances	8646
Paid	7057
Unpaid	1589

Director	Geordie Brookman
Dramaturg	Nicki Bloom
Designer	Pip Runciman
Lighting Designer	Geoff Cobham
Assistant Lighting Designer	Ben Flett
Composer & Sound Designer	Andrew Howard
Movement	Larissa McGowan
Stage Manager	Lucie Balsamo
Assistant Stage Manager	Taren Hornhardt

Cast

Lady Montague	Michaela Cantwell
Prince Escalus	Thomas Conroy
Capulet	Terence Crawford
Friar Laurence	Mark Saturno
Benvolio	Roman Vaculik
Lady Capulet	Josephine Were

All other roles played by the ensemble

Supported by “Dramatic Women”

Geordie Brookman supported by David and Alison Smallacombe

GOD OF CARNAGE

BY YASMINA REZA, TRANSLATED BY CHRISTOPHER HAMPTON

A State Theatre Company of South Australia production

17 September – 10 October 2010

Dunstan Playhouse

Total performances	23
Attendances	5729
Paid	4404
Unpaid	1325

Director	Michael Hill
Designer	Morag Cook
Design Assistant	Stella Richards
Lighting Designer	Susan Grey-Gardner
Fight Director	Nino Pilla
Stage Manager	Stephanie Fisher
Assistant Stage Manager	Jess Schultz

Cast

Michael Vallon	Brant Eustice
Annette Reille	Lizzy Falkland
Alan Reille	Kim Gyngell
Veronica Vallon	Caroline Mignone

REGIONAL TOUR

(Under the auspices of Country Arts SA)

12 October – 23 October 2010

Noarlunga, Mount Gambier, Renmark, Port Pirie, Whyalla, Port Lincoln

Total performances	6
Attendances	695
Paid	502
Unpaid	193

THE GIVE AND TAKE

BY TONY MCNAMARA

A State Theatre Company of South Australia production

29 October – 21 November 2010

Dunstan Playhouse

Total performances	23
Attendances	5689
Paid	4460
Unpaid	1229

Director	Catherine Fitzgerald
Designer	Mary Moore
Lighting Designer	Mark Pennington
Composer	Ian Moorhead
Assistant Director	Nescha Jelk
Stage Manager	Gabby Hornhardt
Assistant Stage Manager	Hollee Gunter

Cast

Damien Locke	Chris Asimos
Neil Locke	Matthew Crook
Patti Hirst/Sally Bail	Laura-Jane Emes
Don Locke	George Kapiniaris
Jim Harris	Peter Michell
AJ Orlofsky	Pip Miller
Julie Locke	Rhiannon Owen

Supported by "Men @ Play"

THE MISANTHROPE

BY MOLIÈRE, IN A VERSION BY MARTIN CRIMP

A State Theatre Company of South Australia production

18 February – 13 March 2011

Her Majesty's Theatre

Total performances	23
Attendances	6503
Paid	5488
Unpaid	1015

Director	Catherine Fitzgerald
Designer	Julie Lynch
Lighting Designer	David Gadsden
Composer	Catherine Oates
Voice & Dialect Coach	Simon Stollery
Stage Manager	Bridget Samuel
Assistant Stage Manager	Kat Braun

Cast	
Alceste	Marco Chiappi
Marcia	Eileen Darley
Julian	Nic English
John	Patrick Graham
Jennifer	Jude Henshall
Ellen	Caroline Mignone
Alexander	Renato Musolino
Covington	Brendan Rock
Simon/Messenger	Robert Tompkins

THE COMPLETE WORKS OF WILLIAM SHAKESPEARE (ABRIDGED)

BY ADAM LONG, DANIEL SINGER & JESS WINFIELD

A State Theatre Company of South Australia production.

25 March – 16 APRIL 2011

DUNSTAN PLAYHOUSE

Total performances	24
Attendances	7566
Paid	6595
Unpaid	971

Director	Adam Cook
Designer	Ailsa Paterson
Lighting Designer	Ben Flett
Composer	Stuart Day
Stage Manager	Daniel Van Nek
Assistant Stage Manager	Bridget Samuel

Cast

Damian Callinan

Nathan O'Keefe

Mark Saturno

REGIONAL TOUR

(Under the auspices of Country Arts SA)

3 May – 12 May 2011

Mount Gambier, Renmark, Port Pirie, Whyalla, Port Lincoln

Total performances	5
Attendances	790
Paid	580
Unpaid	210

NOVEMBER

BY DAVID MAMET

A State Theatre Company of South Australia production

2 – 22 May 2011

Dunstan Playhouse

Total performances	21
Attendances	7470
Paid	6239
Unpaid	1231

Director	Adam Cook
Designer	Victoria Lamb
Lighting Designer	Mark Pennington
Stage Manager	Rohan Yates
Stage Management Secondment	Kate Mandalov

Cast	
Dwight Grackle	Jason Chong
The Turkey Representative	Michael Habib
Clarice Bernstein	Barbara Lowing
Charles Smith	Garry McDonald
Archer Brown	Peter Michell

Supported by "Men @ Play"

EDUCATION PROGRAM

THE ZOO STORY

BY EDWARD ALBEE

A State Theatre Company of South Australia production.

26 May – 24 June

Total performances 22

Including:

City 4 school performances
 8 Subscriber performances
 Space Theatre

Attendances:

Paid 930 general public + 779 students

Unpaid 277 + 63 teachers

Suburban 3 schools performances
 Shedley Theatre
 Hopgood Theatre Noarlunga
 Golden Grove Arts Centre

Attendances:

Paid 767 students

Unpaid 56 teachers

Regional **7 schools performances**
 Chaffey Theatre, Renmark
 Sir Robert Helpmann Theatre, Mt Gambier
 Keith Michell Theatre, Port Pirie
 Lea Theatre, Port Augusta
 Nautilus Theatre, Port Lincoln
 Town Hall, Murray Bridge
 The Barossa Arts & Convention Centre, Tanunda

Attendances:

Paid 720 students

Unpaid 47 teachers

Director Catherine Fitzgerald

Assistant Director Alexis West

Designer Cassandra Backler

Lighting Designer David Gadsden

Stage Manager Laura Smans

Voice Coach Simon Stollery

Cast

Jerry	Renato Musolino
Peter	Brendan Rock

With support from Arts SA, Assistant Director Alexis West worked on the production as part of our Aboriginal and Torres Strait Islander Artistic Development program.

The regional tour was supported by ElectraNet and by Country Arts SA.

The production won two Adelaide Theatre Guide Awards: Best Show – Drama and Best Male Performance – Renato Musolino.

DAYS WITH STATE

As part of the education program, we present a number of daytime performances of main stage productions specifically for high school students. The teachers are provided with notes on the show to encourage discussion in the classroom and each play is followed by a post show question and answer session with the show's director, cast and crew. For 2010-11 Days with State attendances were as follows:

Production	Attendance	
<i>Entertaining Mr Sloane</i>	503 students	43 teachers
<i>romeo&juliet</i>	2505 students	145 teachers
<i>The Misanthrope</i>	1041 students	80 teachers
<i>The Complete Works of William</i>		
<i>Shakespeare (Abridged)</i>	1538 students	132 teachers
<i>November</i>	617 students	41 teachers

For all sessions of all mainstage productions, student priced tickets are also made available to secondary student groups for those schools that are unable to attend the Days with State. We also offer a further discounted price to disadvantaged schools.

EDUCATION WORKSHOPS AND DEVELOPMENT

STUDENT WORKSHOPS

1. <i>Brecht</i>	1 – 4 August 2010
Number of workshops	4
Student attendance	115
Director	Antje Gunther
Actors	Craig Behenna & Emma beech
2. <i>Shakespeare</i>	21 – 24 March 2011
Number of workshops	4
Student attendance	107
Director	Alison Howard
Actors	Lizzy Falkland & Rory Walker
3. <i>Absurd Drama</i>	17 & 18 May 2011
Number of workshops	2
Student attendance	64
Director	Alison Howard
Actors	Lizzy Falkland & Craig Behenna

TEACHER WORKSHOPS

1. Group Devised Performance	18 April 2011
Teacher attendance	22
Director	Cassandra Backler

WORKSHOPS ON DEMAND

This Education initiative sends professional artists into schools to teach practical workshops to students from Years 9 – 12. Each workshop is tailored to the school's background and student experience levels.

1. <i>Acting Techniques</i>	3 workshops (Approx 80 students)
Director	Elena Carapetis
2. <i>Objective Movement</i>	3 workshops (Approx 80 students)
Director	Jo Stone
3. <i>Fight Workshop</i>	1 workshop (Approx 25 students)
Director	Chan Griffin
4. <i>Acting Voice</i>	2 workshops (Approx 50 students)
Director	Simon Stollery
5. <i>Brecht</i>	1 workshop (Approx 25 students)
Director	Antje Gunther

WORK EXPERIENCE

An organised program for secondary student work experience was run during the July school holidays, designed to give the students an in- depth look into the activities of a professional theatre company. In 2010, 20 high school students took part in four days of workshops with all areas of the company, including design, sound and lighting, set building, wardrobe, marketing, script reading and acting techniques. Information is provided to these students on pathways into a career in the Arts, depending on their area of interest.

SECONDMENTS

Throughout the year the Company also facilitated several secondments in our workshop and wardrobe departments, as well as a Creative Writing Secondment from AC Arts to work with Associate Director Catherine Fitzgerald on *The Zoo Story*. These secondments provide an opportunity for those already in the industry or in tertiary arts studies to gain experience working in a professional theatre company.

STATE **SA** THEATRE COMPANY

ABN 55 386 202 154

Financial Statements
For the year ended
30th June 2011

State Theatre Company of South Australia

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State Theatre Company of South Australia
Statement of Comprehensive Income
for the year ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
Expenses			
Staff Benefits Expenses	4	2,559	2,382
Supplies and services	5	2,685	3,279
Depreciation	10	27	20
Total expenses		<u>5,271</u>	<u>5,681</u>
Income			
Commonwealth revenues		542	533
Box office and related revenue		1,604	2,199
Sponsorship and donations	7	384	402
Interest	7	75	66
Other income	7	312	260
Total income		<u>2,917</u>	<u>3,460</u>
Net cost of providing services		<u>2,354</u>	<u>2,221</u>
Revenues from SA Government			
Revenues from SA Government		<u>2,296</u>	<u>2,265</u>
Net result		<u>(58)</u>	<u>44</u>
Total comprehensive result		<u>(58)</u>	<u>44</u>

The net result and total comprehensive result are attributable to the State Government as owner

State Theatre Company of South Australia
Statement of Financial Position
as at 30 June 2011

	Note	2011 \$'000	2010 \$'000
Current assets			
Cash and cash equivalents	8	720	839
Receivables	9	299	321
Inventories		2	2
Total current assets		<u>1,021</u>	<u>1,162</u>
Non-current assets			
Other financial assets	2(j)	622	592
Plant and equipment	10	43	64
Total non-current assets		<u>665</u>	<u>656</u>
Total assets		<u>1,686</u>	<u>1,818</u>
Current liabilities			
Payables	11	352	327
Unearned Revenue	12	481	581
Staff Benefits	13	106	99
Provisions	14	2	2
Special funds	15	2	2
Total current liabilities		<u>943</u>	<u>1,011</u>
Non-current liabilities			
Payables	11	9	10
Staff Benefits	13	102	109
Provisions	14	6	5
Special funds	15	14	13
Total non-current liabilities		<u>131</u>	<u>137</u>
Total liabilities		<u>1,074</u>	<u>1,148</u>
Net assets		<u>612</u>	<u>670</u>
Equity			
Retained Earnings		612	670
Total equity		<u>612</u>	<u>670</u>
The total equity is attributable to the SA Government as owner			
Unrecognised contractual commitments	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 2011

	Note	Retained Earnings	
		2011 \$'000	2010 \$'000
Balance at 1 July		670	561
Error correction	2(m)	-	65
		<u>670</u>	<u>626</u>
Net result		(58)	44
Balance at 30 June		<u>612</u>	<u>670</u>

All changes in equity are attributable to the SA Government as owner

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

State Theatre Company of South Australia
Statement of Cash Flows
for the year ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
Cash flows from operating activities			
Cash outflows			
Staff benefits payments		(2,559)	(2,335)
Payment for supplies and services		(2,745)	(3,349)
Cash (used in) operations		<u>(5,304)</u>	<u>(5,684)</u>
Cash inflows			
Receipts from Commonwealth		542	533
Box office and other receipts		2,110	2,618
Interest received		45	37
GST recovered from the Australian Taxation Office		197	80
Cash generated from operations		<u>2,894</u>	<u>3,268</u>
Cash flows from SA Government			
Receipts from SA Government		2,296	2,265
Cash generated from SA Government		<u>2,296</u>	<u>2,265</u>
Net cash provided by/(used in) operating activities	17.2	<u>(114)</u>	<u>(151)</u>
Cash flows from investing activities			
Cash outflows			
Purchase of plant and equipment		(6)	(47)
Cash (used in) investing activities		<u>(6)</u>	<u>(47)</u>
Net cash (used in) investing activities		(6)	(47)
Net increase/(decrease) in cash and cash equivalents		(120)	(198)
Cash and cash equivalents at the beginning of the period		824	1,022
Cash and cash equivalents at the end of the period	17.1	<u>704</u>	<u>824</u>

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

1. Objectives of The State Theatre Company of South Australia

The State Theatre Company of South Australia (the Company) was established under the *State Theatre Company of South Australia Act, 1972* and 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; and
- Have outstanding private sector support.

2. Summary of significant accounting policies

a) Statement of compliance

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the Public Finance and Audit Act 1987.

Except for AASB 2009-12 which the Company has early adopted, Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the reporting period ending 30 June 2011.

b) Basis of preparation

The preparation of the financial statements require:

- the use of certain estimates and requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in these financial statements:

- a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100,000 for separate identification of these items applies;
- b) staff whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10,000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those staff; and
- c) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Company's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2011 and the comparative information presented.

c) Reporting entity

The Company is a statutory authority of the State of South Australia, established pursuant to the *State Theatre Company of South Australia Act 1972*. The financial statements and accompanying notes include all controlled activities of the Company.

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 2011. Accordingly, these financial statements have been prepared on a going concern basis.

d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific Accounting Standards and Accounting Policy Statements has required a change.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The activities of the Company are not subject to income tax. The Company is liable for payroll tax, fringe benefits tax, Goods and Services Tax (GST), emergency services levy, land tax equivalents and local government rate equivalents.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments are disclosed on a gross basis.

g) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Company will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose income where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

The following are specific recognition criteria:

Revenues from SA Government

Appropriations for program funding are recognised as revenues when the Company obtains control over the assets. Control over appropriations is normally obtained upon receipt.

Commonwealth Revenue

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 2010-11 were to contribute to operations for the 2011 calendar year.
- State Government operating grants received in 2010-11 were to contribute to operations for the 2010-11 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 transaction and there is no present obligation to repay the monies.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

Sponsorship

Sponsorships are provided in cash and through resources provided free of charge. Sponsorship income is recognised according to the pattern of benefits exchanged. Sponsorship received in advance of benefits paid is recorded as unearned revenue.

Resources provided free of charge are recorded at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been provided.

Box office and related revenue

Box office revenues for productions are recognised when a production has concluded. Ticket sales for future productions and productions in progress at reporting date are recorded as unearned revenue - advance box office revenue.

There were seven mainstage productions staged during the year (eight mainstage productions staged in 2009-10).

h) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Company will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose expenses where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

The following are specific recognition criteria:

Staff benefits expenses

Staff benefits expenses includes all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Company to various superannuation plans in respect of current services of current staff.

Depreciation

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets:

	Years
Motor Vehicles	5
Equipment	4-7
Computer Equipment	3-4

Acquisitions of \$1,000 or less are expensed.

Resources provided free of charge

Resources provided free of charge are recorded as expenditure in the Statement of Comprehensive Income at their fair value, and in the expense line items to which they relate.

Production expenses

Expenses for productions are recognised when a production has concluded. Production costs for future productions and productions in progress at reporting date are recorded as prepayments.

i) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

j) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value. Short term deposits include deposits at call with the South Australian Government Financing Authority and are recorded at cost.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consists of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include trade receivables from the provision of goods and services and prepayments for future productions.

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

Collectability of trade receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt. Bad debts are written off when identified.

Other financial assets

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 Statement of Financial Position by building reserves to a level that is sufficient to underpin their financial health.

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.

Funds acquired under the Scheme have not been used to secure any liabilities of the Company.

These funds are long term deposits which are held with the South Australian Government Financing Authority and are recorded at cost. The balance of the fund as at 30 June 2011 was \$622,000 (\$592,000 in 2009-10).

Inventories

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

Inventory is measured at cost, with cost being measured on the basis of the first-in, first-out method.

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 used costumes and theatre props to account.

Plant and equipment

Plant and equipment is initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

All plant and equipment with a value equal to or in excess of \$1,000 are capitalised and are tested for indication of impairment at each reporting date.

k) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The notes accompanying the financial statements disclose financial liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

Payables

Payables include creditors, accrued expenses and staff 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 payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Staff benefit 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 externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes.

Leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

Staff Benefits

These benefits accrue for staff as a result of services provided up to the reporting date that remain unpaid. Long term staff benefits are measured at present value and short term staff benefits are measured at nominal amounts.

Wages, salaries, annual leave and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

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.

Long service leave

The liability for long service leave is recognised after an employee has completed 5.0 (5.5 in 2009-10) years of service. 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 the Company's experience of staff retention and leave taken.

Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

l) Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments are disclosed on a gross basis.

m) Correction of errors

A provision for site restoration of \$65,000 was incorrectly created prior to the year ended 30 June 2010. This error had the effect of overstating liabilities as at 30 June 2010 by \$65,000, and understating retained earnings as at 30 June 2010 by \$65,000.

The error has been corrected by restating each of the affected financial statement line items for the prior year.

3. New and revised accounting standards and policies

The Company did not voluntarily change any of its accounting policies during 2010-11.

In accordance with amendments to APS 4.8 within Accounting Policy Framework II *General Purpose Financial Statements Framework*, effective 1 July 2010, the Company has disclosed all employees whose normal remuneration is equal to or greater than the base executive level remuneration. Previously APS 4.8 within APF II required the Company to disclose all employees whose normal remuneration was greater than or equal to \$100,000. The impact of this change in accounting policy is the number of employees disclosed has reduced by two to zero for 2010-11 and one to zero for 2009-10.

Except for the amending Standard AASB 2009-12, which the Company has early-adopted, the Australian Accounting Standards and Interpretations that have recently been issued and amended but are not yet effective, have not been adopted by the Company for the period ending 30 June 2011. 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 financial statements of the Company.



State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

	2011 \$'000	2010 \$'000
4. STAFF BENEFITS EXPENSES		
Salaries and wages	2,096	1,893
Long Service Leave	16	48
Annual Leave	107	115
Staff on-costs - superannuation	195	170
Staff on-costs - other	144	154
Board fees	1	2
Total staff benefits expenses	<u><u>2,559</u></u>	<u><u>2,382</u></u>

REMUNERATION OF BOARD MEMBERS

Members that were entitled to receive remuneration for membership during the year were:

Mr John Irving	Mr Peter Vaughan	Mr Terence Crawford
Ms Nicky Downer AM	Ms Bronwyn Halliday	
Ms Anne Levy	Ms Christine Guille	
Mr Peter Siebels	Ms Loretta Reynolds	

	2011 No	2010 No
The number of members whose remuneration received or receivable falls within the following bands:		
\$1 to \$9,999	<u>2</u>	<u>4</u>
Total number of members	<u><u>2</u></u>	<u><u>4</u></u>

Remuneration of members reflects all costs of performing board member duties. In accordance with the Department of Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year. The total remuneration received or receivable by members was \$1,000 (\$2,000 in 2009-10).

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances. Members do receive complimentary tickets to each production.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

	2011 \$'000	2010 \$'000
5. SUPPLIES AND SERVICES		
Transactions with Non SA Government Entities		
Promotion and sponsorship expenses	753	863
Contractors fees	146	627
Rent	100	106
Scenery, sound, lighting and special effects	111	112
Travel and accommodation	111	159
Royalties	125	163
Communications	32	29
Costume and props	92	78
Other Production Costs	58	72
Administration expenses	151	163
	<u>1,679</u>	<u>2,372</u>
Transactions with SA Government Entities		
Theatre hire and charges	747	658
Ticket agency charges	136	189
Administration expenses	41	46
Rent	82	14
	<u>1,006</u>	<u>907</u>
Total supplies and services expense	<u><u>2,685</u></u>	<u><u>3,279</u></u>
6. AUDITORS' REMUNERATION		
Amounts paid/payable to the Auditor-General's Department	<u>26</u>	<u>31</u>
No other services were provided by the Auditor-General's Department		

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

	2011 \$'000	2010 \$'000
7. REVENUES		
Sponsorship and Donations		
Cash	209	233
In Kind	175	169
Total Sponsorship and Donations	<u>384</u>	<u>402</u>
Interest		
Interest	1	1
Interest from SA Government	44	42
Interest - Reserves Incentive Funding Scheme (SAFA)	30	23
	<u>75</u>	<u>66</u>
Other		
Prop Shop income	133	131
Company Service Fees	93	76
Shared Office Recovery	26	23
Miscellaneous revenue	60	30
Total Other	<u>312</u>	<u>260</u>
8. CASH AND CASH EQUIVALENTS		
Short Term Deposits	657	786
Cash at Bank and on hand	63	53
	<u>720</u>	<u>839</u>
9. RECEIVABLES		
Prepayments for future productions	268	223
Trade receivables	34	98
Allowance for doubtful debts	(3)	-
	<u>299</u>	<u>321</u>
The following table shows the movement in doubtful debts		
Balance as at 1 July	-	2
Amounts written off	-	(2)
Increase in allowance recognised in profit or loss	3	-
Balance as at 30 June	<u>3</u>	<u>-</u>

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence that a receivable is impaired. An allowance for impairment loss has been recognised in 'other expenses' in the Statement of Comprehensive Income for specific debtors and debtors assessed on a collective basis for which such evidence exists.

Unimpaired receivables overdue by less than 30 days is \$1,000 (nil in 2009-10).

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables and prepayments are non-interest bearing.

Other than recognised in the provision for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

	2011 \$'000	2010 \$'000
10. PLANT AND EQUIPMENT		
Motor Vehicle - at cost	27	27
Accumulated depreciation	<u>(25)</u>	<u>(20)</u>
	<u>2</u>	<u>7</u>
Equipment - at cost	145	142
Accumulated depreciation	<u>(142)</u>	<u>(138)</u>
	<u>3</u>	<u>4</u>
Computer Equipment - at cost	291	288
Accumulated depreciation	<u>(253)</u>	<u>(235)</u>
	<u>38</u>	<u>53</u>
TOTAL	<u><u>43</u></u>	<u><u>64</u></u>

There were no indications of impairment of plant and equipment as at 30 June 2011.

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
2010-2011				
Balance as at 1 July	7	4	53	64
Additions	-	3	3	6
Depreciation expense	<u>(5)</u>	<u>(4)</u>	<u>(18)</u>	<u>(27)</u>
Carrying amount at 30 June	<u>2</u>	<u>3</u>	<u>38</u>	<u>43</u>

	Motor Vehicles \$'000	Equipment \$'000	Computer Equipment \$'000	Total \$'000
2009-2010				
Balance as at 1 July	12	8	17	37
Additions	-	-	47	47
Depreciation expense	<u>(5)</u>	<u>(4)</u>	<u>(11)</u>	<u>(20)</u>
Carrying amount at 30 June	<u>7</u>	<u>4</u>	<u>53</u>	<u>64</u>

11. PAYABLES	2011 \$'000	2010 \$'000
CURRENT		
Creditors	276	168
Accruals and advances	63	147
Staff Benefit On-costs	<u>13</u>	<u>12</u>
	<u><u>352</u></u>	<u><u>327</u></u>
NON-CURRENT		
Staff Benefit On-costs	<u>9</u>	<u>10</u>
	<u><u>9</u></u>	<u><u>10</u></u>

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Creditors are normally settled within 30 days. Staff on-costs are settled when the respective staff benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

12. UNEARNED REVENUE	2011 \$'000	2010 \$'000
CURRENT		
Advance box office revenue	431	514
Unearned sponsorship revenue	46	40
Other unearned revenue	4	27
	<u>481</u>	<u>581</u>

13. STAFF BENEFITS	2011 \$'000	2010 \$'000
CURRENT		
Annual Leave	59	55
Long Service Leave	23	27
Accrued salaries and wages	24	17
	<u>106</u>	<u>99</u>
NON-CURRENT		
Long Service Leave	<u>102</u>	<u>109</u>

The total current and non-current staff benefits (i.e. aggregate staff benefits plus related on-costs) for 2011 is \$119,000 (\$111,000 in 2009-10) and \$111,000 (\$119,000 in 2009-10).

14. PROVISIONS	2011 \$'000	2010 \$'000
CURRENT		
Provision for workers compensation	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>
NON-CURRENT		
Provision for workers compensation	<u>6</u>	<u>5</u>
	<u>6</u>	<u>5</u>

A liability has been recorded to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Public Sector Workforce Relations Division of the Department of Premier and Cabinet.

Movement in Provision	Total \$'000
Balance as at 1 July	7
Change in provision	4
Less: Payments	(3)
Balance as at 30 June	<u>8</u>

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

15. 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.

	2011 \$'000	2010 \$'000
Adele Koh Scholarship Acting Fund		
Balance at 1 July	2	2
Payments	-	-
Balance at 30 June	<u>2</u>	<u>2</u>
Jill Blewett Playwright's Award Fund		
Balance at 1 July	13	15
Interest	1	-
Payments	-	(2)
Balance at 30 June	<u>14</u>	<u>13</u>

16. UNRECOGNISED CONTRACTUAL COMMITMENTS

Operating Leases

Commitments in relation to operating leases contracted for at reporting date but not recognised as liabilities are payable as follows:

	2011 \$'000	2010 \$'000
Not later than one year	167	161
Later than one year but not later than five years	<u>298</u>	<u>58</u>
	<u>465</u>	<u>219</u>

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

The Company leases office, workshop and rehearsal space from the Adelaide Festival Centre Trust, which is due to expire in December 2014.

The Company leases facilities for property, scenery and costume storage and hire from N.T.C Pty Ltd, which is due to expire in June 2013.

Remuneration Commitments

Remuneration commitments include contracts with staff and artists for theatre performances scheduled to take place subsequent to 30 June 2011.

Remuneration commitments are as follows:

	2011 \$'000	2010 \$'000
Not later than one year	563	632
Later than one year but not later than five years	<u>63</u>	<u>243</u>
	<u>626</u>	<u>875</u>

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

	2011 \$'000	2010 \$'000
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17. CASH FLOW RECONCILIATION

17.1 Reconciliation of Cash and Cash Equivalents

For the purposes of the Statement of Cash Flow, 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 Statement of Cash Flow is reconciled to the related items in the Statement of Financial Position as follows:

Statement of Cash Flow	704	824
Statement of Financial Position	<u>720</u>	<u>839</u>
	(16)	(15)
 Cash held for specific purposes:		
Adele Koh Scholarship account	2	2
Jill Blewett Award account	<u>14</u>	<u>13</u>
	16	15

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

Net Cash (used in)/provided by Operating Activities	(114)	(151)
Less Revenues from SA Government	(2,296)	(2,265)
Add/Less non-cash items:		
Depreciation	(27)	(20)
Interest on non-financial assets	30	20
Changes in Assets/Liabilities		
Receivables	(22)	59
Payables	(24)	(31)
Unearned Revenue	100	211
Staff Benefits	-	(42)
Provisions	(1)	(2)
 Net Cost of providing Services	 <u><u>(2,354)</u></u>	 <u><u>(2,221)</u></u>

State Theatre Company of South Australia
Financial Year Ended 30 June 2011
Notes to and forming part of the Financial Statements

18. FINANCIAL INSTRUMENTS

Categorisation of financial instruments

Category	Statement of Financial Position line item	Note	2011 \$'000 Carrying/Fair Value	2010 \$'000 Carrying/Fair Value
Financial Assets				
Cash and cash equivalents	Cash and cash equivalents	8	720	839
Receivables and prepayments	Receivables	9	302	321
Reserves Incentive Scheme investments	Other financial assets	2 (j)	622	592
Financial Liabilities				
Financial Liabilities at cost	Payables	11	339	382

Credit Risk

Credit risk arises when there is the possibility of the Company's debtors defaulting on their contractual obligations resulting in financial loss to the Company. The Company measures credit risk on a fair value basis and monitors risk on a regular basis.

The Company has minimal concentration of credit risk. The Company has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Liquidity Risk

The Company is funded principally by grants by the SA Government. The Company settles undisputed accounts within 30 days. In event of a dispute, payment is made within 30 days from resolution.

The Company's exposure to liquidity risk is insignificant based on past experience and current assessment of risk. The carrying amount of financial liabilities recorded in this note represent the Company's maximum exposure to financial liabilities.

Market risk

Market risk for the Company is primarily through interest rate risk.

Sensitivity Disclosure Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Company as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

Handwritten mark


State Theatre Company of South Australia
Certification of the Financial Statements for the year ended 30 June 2011

We certify that the attached general purpose financial statements for the State Theatre Company of South Australia:


- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Company; and
- present a true and fair view of the financial position of the State Theatre Company of South Australia as at 30 June 2011 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the State Theatre Company of South Australia for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

Signed in accordance with a resolution of the Board of the State Theatre Company of South Australia



John Irving
Board Chair
State Theatre Company of SA



Pamela Foulkes
Chief Executive Officer
State Theatre Company of SA



Natalie Loveridge
Finance Manager
State Theatre Company of SA

Dated: 29/9/11

Dated: 29/9/11

Dated: 29/9/11



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**To the Chair of the Board
State Theatre Company of South Australia**

As required by section 31 of the *Public Finance and Audit Act 1987* and section 17 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 2011. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2011
- a Statement of Financial Position as at 30 June 2011
- a Statement of Changes in Equity for the year ended 30 June 2011
- a Statement of Cash Flows for the year ended 30 June 2011
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair, Chief Executive Officer and the Finance Manager.

The Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the members of the Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

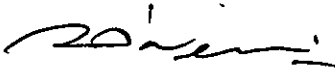
My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the members of the Board, 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.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the State Theatre Company of South Australia as at 30 June 2011, 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.



S O'Neill
AUDITOR-GENERAL
29 September 2011