



COMPANY B ANNUAL REPORT

CONTENTS

| | |
|---|----|
| COMPANY STAFF 2005 | 2 |
| CORE VALUES & PRINCIPLES AND MISSION | 3 |
| CHAIR'S REPORT..... | 4 |
| ARTISTIC DIRECTOR'S REPORT | 6 |
| ACTING GENERAL MANAGER'S REPORT | 8 |
| SEASON 2005 | 10 |
| TOURING 2005..... | 17 |
| B SHARP 2005..... | 20 |
| ADDITIONAL ACTIVITIES..... | 22 |
| KEY PERFORMANCE INDICATORS..... | 26 |
| FINANCIAL REPORT | 28 |
| DIRECTORS' REPORT..... | 28 |
| DIRECTORS' DECLARATION | 30 |
| INCOME STATEMENT..... | 31 |
| STATEMENT OF CHANGES IN EQUITY..... | 31 |
| BALANCE SHEET..... | 32 |
| CASH FLOW STATEMENT | 33 |
| NOTES TO FINANCIAL STATEMENTS | 34 |
| INDEPENDENT AUDIT REPORT..... | 44 |
| B KEEPERS, CORPORATE PARTNERS AND GOVERNMENT SUPPORT..... | 45 |

THE COMPANY B STORY

COMPANY B sprang into being out of the unique action taken to save the Nimrod Theatre building from demolition in 1984.

Rather than lose a performance space in inner city Sydney, more than 600 arts, entertainment and media professionals as well as ardent theatre lovers, formed a syndicate to buy the building. The syndicate included nearly every successful person in Australian show business.

Company B is one of Australia's most celebrated theatre companies. Under the artistic leadership of Neil Armfield, the company performs at its home at Belvoir St Theatre in Surry Hills, Sydney and from there tours to major arts centres and festivals both nationally and internationally. Company B engages Australia's most prominent and promising playwrights, directors, actors and designers to present an annual artistic program that is razor-sharp, popular and challenging.

Belvoir St Theatre's greatly loved Upstairs and Downstairs stages have been the artistic watering holes of many of Australia's great performing artists such as Geoffrey Rush, Cate Blanchett, Jacqueline

McKenzie, Noah Taylor, Richard Roxburgh, Max Cullen, Bille Brown, David Wenham, Deborah Mailman and Catherine McClements.

Sell-out productions like *Cloudstreet*, *The Judas Kiss*, *The Alchemist*, *Hamlet*, *The Small Poppies*, *Waiting for Godot*, *The Underpants*, *Gulpilil* and *Stuff Happens* have consolidated Company B's position as one of Australia's most innovative and acclaimed theatre companies. Company B also supports outstanding independent theatre companies through its annual B Sharp season.

Belvoir St Theatre is currently undergoing a major renovation to provide Company B with a state of the art home for the future whilst retaining the charm of the original building. Until late August 2006, Company B and B Sharp are resident at the Seymour Centre, Chippendale.

Company B receives government support for its activities from the federal government through the Major Performing Arts Board of the Australia Council and the state government through the NSW Ministry for the Arts.

ADMINISTRATION & PROGRAMMING

ARTISTIC ADMINISTRATOR

John Woodland

DOWNSTAIRS THEATRE

DIRECTOR

Lyn Wallis

LITERARY MANAGER

Anthony Weigh

SPECIAL PROJECTS MANAGER

Sue Donnelly from 21.2.05

ADMINISTRATION COORDINATOR

Kathryn Simes until 4.11.05

Kate Meyers from 7.11.05

VENUE HIRE COORDINATOR

Annika Korsgaard until 15.7.05

FINANCE

BUSINESS MANAGER

Nigel Smith until 22.7.05

Chie-Hoon Lee from 25.7.05

FINANCIAL ADMINISTRATOR

Ann Brown

MARKETING

MARKETING MANAGER

Rani Haywood

MARKETING COORDINATOR

Tanya Cawthorne until 27.7.05

Caroline Pearce from 1.8.05 until 23.12.05

PUBLICITY

Sarah Wilson

Mollison Communications



ARTISTIC DIRECTOR

Neil Armfield

GENERAL MANAGER

Rachel Healy

Sue Donnelly Acting from 1.1.05 until 18.2.05

PRODUCTION

PRODUCTION MANAGER

Brenna Hobson until 11.3.05

Trevor A'Hearn from 18.4.05 until 25.11.05

PRODUCTION COORDINATOR

Ewen Duncan

TECHNICAL MANAGER

Tristan Ellis-Windsor

HEAD MECHANIST

Jan S. Goldfeder

RESIDENT STAGE MANAGER

Kylie Mascord

DOWNSTAIRS
ASSOCIATE PRODUCER

Sam Hawker

DOWNSTAIRS
TECHNICAL MANAGER

Allison Jeny until 30.6.05

COSTUME COORDINATOR

Judy Tanner

WILSON ST SITE MANAGERS

Di Human until 8.4.05

EDUCATION

EDUCATION OFFICER

Jane May

DEVELOPMENT

DEVELOPMENT MANAGER

Carmen Prince until 24.6.05

Matt Wachter from 20.6.05

DEVELOPMENT COORDINATOR

Margaret Miller from 10.1.05 until 29.3.05

FRONT OF HOUSE

FRONT OF HOUSE MANAGER

Damien Storer until 6.7.05

BAR STAFF

**Dorian Beaver, Ben Blaylock,
Seamus Concannon, Lizzie Doyle,**

Ben Geurens, Luc Mollinger,

Ben Mortley, Ashlie Pellow,

Marc Psaila, Bianca Rowe,

Alistair Watts

CLEANER

Reecie Harter until 8.7.05

BOX OFFICE

BOX OFFICE MANAGER

Anne Cooper until 23.5.05

Carly Leonard from 24.5.05

ASSISTANT

BOX OFFICE MANAGERS

Amanda Burns

Carly Leonard until 23.5.05

BOX OFFICE STAFF

Bronte Arns, Sarah Birrell,

Rebecca Clifford, Nicholas Coyle,

Lizzie Doyle, Vikki Foord,

Simon Greiner, Kallista Kaval,

Erin Moon, Kathryn Simes,

Lucy Wirth,

Georgina (Babs) Yabsley

COMPANY B BOARD OF DIRECTORS 2005

Neil Armfield

Anne Britton

Russell Dykstra

Rachel Healy

Louise Herron

John Kitney

Samantha Meers from 1.5.05

Brian Thomson AM

Mary Vallentine AO

Orli Wargon

Peter Watts

CORE VALUES & PRINCIPLES

- Belief in the primacy of the artistic process
 - Clarity and playfulness in storytelling
- A sense of the community within the theatrical environment
 - A responsiveness to current social and political issues
- Equality, ethical standards and shared ownership of artistic and company achievements
 - Development of our performers, artists and staff

MISSION

To produce theatrical works from a shared vision that question and affirm our culture, extend and develop our artists and provide audiences with experiences of imaginative daring and emotional depth.

CHAIR'S REPORT

AT THE beginning of 2005 the Company B Board was looking at a large deficit for the year, mostly related to the move to the Seymour Centre and costs associated with not having our own building from which to operate. We accepted this as we knew it was necessary in order for us to realise the dream of an upgraded and expanded Belvoir St Theatre. However, through great box office results on a number of shows and excellent cost control under difficult circumstances, we returned a small surplus, the eighth in a row! This turnaround in our financial affairs is typical of the surprises and challenges that one encounters in being part of this special company.

Without a doubt 2005 was the 'year of the building' in so many ways, even though we will not officially be back in Belvoir St until August 2006. We commenced the year with an excellent theatre design which had been developed over two years, a significant amount of funding to cover the redevelopment and the understanding that we had an \$8.5m theatre redevelopment project that we would embark upon once we had received Council approval. However, as often happens in building projects, our desired plans were not accepted and we had to radically change the scale of the building project, although the heart of it, the improvement of Belvoir St Theatre, remained intact.



LOUISE HERRON

It is often the case that good things grow out of bad and this is what happened to Belvoir St. At the time it became apparent that our building plans would not be accepted, we were informed that a warehouse on the corner of Belvoir and Elizabeth Streets, about 30 metres from the theatre, may be available for purchase. In the two years prior to this the company

had searched the local neighbourhood to find alternate accommodation if we could not redevelop the theatre site. There was nothing available. When we heard about the warehouse we moved swiftly and could not believe our luck that this 1920s building with high ceilings, lots of natural light and in a prime position may be within our reach. Immediately we could see that this would provide adequate space for all our administration and production staff, a wardrobe store and workroom and a much needed rehearsal room.

Around the same time as Company B was moving to the Seymour Centre, the final details on the purchase of the warehouse occurred. It was both exciting and demanding – the latter because it meant that our fundraising activities needed to be significantly increased. We now had an \$11.3m project.

I have been told that the Belvoir St Theatre fundraising campaign is unprecedented in the Australian performing arts. By the end of 2005 we had raised close to \$2.9m in just 19 months. The funds have come

predominantly from individuals, from all walks of life; the generosity of these people never ceases to amaze me. Actors with meagre incomes send us a donation when they have a job. Subscribers top up their subscription fees to assist the building project and, at the other end of the spectrum, high income earners who have heard good things about Company B, and want to celebrate its history, have also donated significant sums.

The Board members have worked tirelessly in encouraging support for the campaign as well as expertly exercising their directorial responsibilities. I was pleased to welcome Sam Meers and new staff representative, Carly Leonard, onto the Board in 2005 and look forward to their ongoing contribution.

Apart from encouraging direct donations we have held a variety of fundraising dinners, a unique Bingo Night, made a direct mail appeal and launched the 'buy a seat / step' campaign. I would like to record my personal thanks to the dedicated group of people who make up the Company B Board and who never take no for an answer. It is a pleasure to work with such committed individuals, particularly when we are still trying to raise an additional \$600k by September 2006.

I think it is fair to say that the move to the Seymour Centre was stressful for the Company B staff. The move was a large logistical exercise as there was 21 years of history to sort through, save and discard. Concurrent with the move to the Seymour, Company B also had to move its workshop, wardrobe store and archives out of the Wilson St site that

it had occupied for many years. The staff all worked tirelessly to achieve a seamless move to their temporary new home, and were welcomed by the Seymour Centre. My heartfelt thanks to the Company B staff once again for their hard work and loyalty throughout the year.

In the midst of all this change in 2005, the company managed to produce some of the most exciting and dynamic theatre in Australia. The details of these productions are listed elsewhere but it is important to note that two of the six productions - *The Sapphires* and *Black Medea* - were major indigenous plays that were critically acclaimed and which either sold out or exceeded their box office target. Such is the commitment of Company B to indigenous work that we have been able to secure both government and individual funding to support an indigenous associate artistic director for the next three years. Wesley Enoch started in this position in 2006.

Finally I want to thank Neil, Rachel and Sue for all their work over the year. It has been truly astonishing, as always.

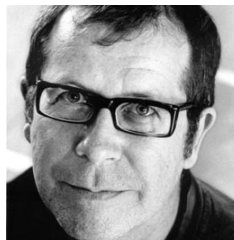
Louise Herron Chair

ARTISTIC DIRECTOR'S REPORT

WE COMMENCED 2005 with the joyous, fun loving hit *The Sapphires*, a Company B version of the MTC production, written by Tony Briggs and directed by Wesley Enoch. Set in 1968 the story gently touched on issues of racism and the Vietnam War atrocity but at the same time provided a high energy, feel-good experience. We had people literally dancing in the aisles and did not have enough seats and standing room to accommodate all those who wanted to see the show. *The Sapphires*, energetically played by Ursula Yovich, Deb Mailman, Rachael Maza and Lisa Flanagan, sang and danced their hearts out. On opening night some of the original *Sapphires* came up and did an encore with the cast. It was the perfect Sydney summer show.

Next up was Ionesco's *The Chairs* with Lynnette Curran and Peter Carroll giving outstanding performances as Poppet and Petty-Pie, the old couple who build up a frenzy in greeting their invisible guests. Dale Ferguson's set full of swinging doors and ending with a stage full of decrepit chairs sparked people's imaginations. Some left thrilled with the experience they'd had, others stayed in the foyer hotly debating what the play was about. Despite warnings that it might not be a big seller, the play attracted healthy reviews and had a strong following, surpassing our expectations and target budget.

The third production *Black Medea*, Wesley's adaptation of Euripides' *Medea*, commented on the delicate subject of violence in indigenous communities. It was a confronting piece played out with confidence by



NEIL ARMFIELD

Aaron Pedersen, in his first Company B show, and Margaret Harvey who many would know from *Black Mary*, *Up the Road* and *Welcome to Broome*. The Belvoir St stage was magically transformed by Christina Smith's wonderful set which had the most stunning back-drop of glittering points of light inspired by a Dorothy Napangardi painting. The sound design by Jethro Woodward had a haunting quality.

Ray's Tempest was our final show at Belvoir St Theatre prior to our departure to the Seymour Centre and the redevelopment of the theatre. It was important for us to have a new Australian work close the theatre and one which included people who had a long association with Belvoir. After a five year absence Richard Roxburgh returned to the company, this time to direct Stevie Rodgers' bitter sweet story about Ray Brink Russell Kiefel was excellent as the lost soul Ray and was supported by

the equally impressive Anni Finsterer and Russell Dykstra. We believed this play was the perfect choice to end our 21 year history at the 'old' Belvoir. The closing night party, which also closed the theatre, was a fabulous event full of lots of old friends and supporters reminiscing about past shows.

I've had a long and fruitful relationship with David Hare, one of the great contemporary writers, and was therefore keen to have *Stuff Happens* as our first show at the Seymour Centre. Britain's National Theatre had performed the play in 2004 with 22 cast members playing 60 odd characters. David was happy for me to rework the doubling of

characters to fit with our budgeted cast of fourteen; however as we got closer to rehearsal I realised I needed at least another two actors. Fortuitously Rodney Rigby of newtheatricals approached us about presenting a Melbourne season following Sydney. Rodney's investment meant that we could afford the required cast plus a trumpeter, and also enabled interstate audiences to see this landmark play about the lead up to the Iraq war.

It was a privilege to work with so many outstanding actors in *Stuff Happens* and indeed the opening image of that huge company advancing out onto the stage was, for some, worth the price of admission alone. The show went through the roof. Brian Thomson's stunning set, which enclosed the stage with a circle of tangled bomb damaged girders evoking the collapsed Twin Towers, had to be peeled back to allow us to sell seats in the extreme side blocks of the audience (seats we'd never anticipated selling). I think what was most satisfying was the feeling of the audience's hunger for seeing a piece of contemporary history, and their satisfaction in watching such a clear epic sweep of events, so that this defining world experience that had divided, confused and disturbed so many Australians achieved an intense clarity.

I was thrilled that Leah Purcell won a Deadly Award for her exquisitely observed performance as Condoleezza Rice and that in the recent Victorian Green Room Awards, Greg Stone won Best Actor for his George W Bush, I won Best Director and our *Stuff Happens* shared the prize for Best Production.

The last show of the season was *Amajuba*, produced by the South African company Farber Foundry. When we were discussing what

production to schedule to fill the gap left by the postponement of *It Just Stopped* (which is on in 2006) we were attracted to this sensitive work about what it was like as a child growing up in the townships of apartheid South Africa. Five vibrant actors gave deeply personal testimonies of their experiences. They sang, danced, laughed and cried and drew the audience into their world. It was extremely moving and many people shed tears. Particularly enjoyable were the school performances where students sat open mouthed, amazed at both the stories and the positive nature of the performers.

One of the sadder moments of the year was at the Memorial we held for our dear friend, Kevin Smith, who died suddenly during the year. Kevin was a proud Walbunga man and a core member of Company B – he carried the fire around the world in *Cloudstreet*, he was our Poppy in *Dead Heart*, the great laughing gravedigger in *Hamlet* and our Caliban to Barry Otto's Prospero, Cate Blanchett's Miranda and Gillian Jones' Ariel in *The Tempest*. Kevin's last work for the company was with Wesley Enoch's beautiful productions of *The Dreamers* and *Conversations with the Dead*. Theatre in this country will not be the same without Uncle Kevin Smith.

2005 was a huge year for Belvoir and I must thank everyone in the Company B family for their hard work and dedication: the staff, the Board, the artists, sponsors, audiences and lastly the Seymour Centre staff who have worked with us to make our stay here just like a 'home away from home'.

Neil Armfield **Artistic Director**

ACTING GENERAL MANAGER'S REPORT

IN 2005 COMPANY B turned 21 and left home... temporarily to the Seymour Centre, so that the redevelopment of Belvoir St Theatre could commence. It is without doubt one of the most momentous changes that we have experienced in our history. Despite this, Company B continued to produce high quality, thought provoking work for which it is renowned and to attract 112,000 people across the country to our productions.

Our 2005 artistic program comprised three new Australian works (two of which were very different indigenous stories), the premiere of a major international work, a vibrant interpretation of a rarely produced Absurdist piece and a presentation of an important South African production which had been touring the world to great acclaim. The year reintroduced audiences to our new Associate Artistic Director, Wesley Enoch, and brought back our old friend Richard Roxburgh, this time as director of a new Australian play, *Ray's Tempest*, which fittingly closed the 'old' Belvoir St Theatre. All four Belvoir plays attracted numerous emails and letters from members of the public congratulating us on the productions. The reviews were also good!

On Wednesday July 11, after months of planning, we moved from Belvoir St to the Seymour Centre. We were anxious about the move. The Seymour Centre has a checkered history in regard to audience appeal. However our concerns were allayed by the extremely positive response to *Stuff Happens*, our first production in the York Theatre. Not only did our subscribers follow us but we attracted a large number of single ticket buyers, many of whom had never attended a Company B production. The show was a sell out. We were also heartened by the fact that our final show for the year, *Amajuba* (a replacement for a production Neil

could not direct due to his earlier illness) also retained our subscribers and attracted some new audiences. In fact overall our subscriber base increased by just on 2% and our Treasured subscribers, i.e. those who have subscribed for 10 years or more, grew by 28%.

In recent years Company B has managed to tour productions from the previous year and 2005 was no exception. At the beginning of the

year *The Spook* went to Glen St Theatre for two weeks and then was part of the Queensland Theatre Company subscription series *Page 8*, one of our *Life Times Three* productions from 2004, was part of the Message Sticks Festival at the Sydney Opera House and then went to the Adelaide Cabaret Festival, The Malthouse Theatre in Melbourne and finally to the Darwin Festival - the first time a Company B production has toured to the Top End. It is enormously gratifying when you make new Australian work to be able to extend its life through touring and it was testimony to the excellent writing and endearing performances in both plays that we were able to organize

these tours with no additional assistance from the Government.

No doubt because of the capital city touring of *Page 8*, it was invited to be part of the performing arts showcase at the 2006 Australian Performing Arts Market. In 2006 it has also toured to the New Zealand International Arts Festival, in regional Victoria and NSW and is going to the United Kingdom as part of the Australia Council's Undergrowth program. Just recently the play won a Green Room Award for Best New Australian Play 2005.

Stuff Happens also had a Melbourne season last year and as a result scooped up three Green Room Awards for Drama Production, Director (Neil Armfield) and Male Performer (Greg Stone).



SUE DONNELLY

Apart from its mainstage program and touring, Company B has active literary and education departments which have grown over time. In 2005 they combined forces to introduce a series of in-school practical workshops giving students access to Company B artists. Teachers' workshops were also introduced. We have been overwhelmed by the response and hope to extend the program in the future. These work-shops complement our popular schools matinees which attract students from all over NSW, some traveling up to four hours one way to see a show. Last year we had 8,000 school students attending performances and workshops - a new record. In addition, thanks to a grant from the Australia Council, we have been able to make our work even more accessible to students, especially those in remote areas. Our website now boasts a new education section, The Creative Process, an innovative series of online resources taking students behind the scenes of each production in our season.

Theatre is a precarious existence and although we raised 62% of our income from box office, touring and bar/food sales, we are acutely aware of the need to work with other partners and appreciative of the investment that our sponsors provide. Optus, who has been with us for seven years, recently signed another agreement as our Corporate Partner. This has been an outstanding relationship, one which encourages our artistic ambitions and shares with us the desire to challenge 'the accepted' and encourage debate. We are also proud to have Freehills as our education partner and The Sydney Morning Herald our media partner. Special mention must also go to Baker & McKenzie who have been invaluable in their advice regarding the legal minefield associated with the building redevelopment, Ernst & Young for their painstaking work on our audit and financial reports and Getronics who help keep our IT system alive.

A by-product of the move to the Seymour Centre was the departure of a number of long standing staff. It is not unusual for performing arts

companies to have staff turnover - it is the nature of the business. However, 2005 was a big year of change for us. For many of those who left, it seemed that they waited until we had packed up Belvoir St, made sure all was okay and then decided that it was now time to explore other adventures. Those who left included theatre's longest serving cleaner Reecie Harter, Brenna Hobson, Nigel Smith, Annika Korsgaard, Carmen Prince and Damien Storer. They still keep in touch, however, and can be seen in the foyer at opening nights checking on how we are going.

Although it has been slightly strange adapting to a new environment, we have been fortunate to have the Seymour Centre as our landlord. Ann Mossop and her team have been very accommodating and, despite some inevitable teething problems, we have been made to feel exceedingly welcome and enjoy a positive working relationship with all in the building.

This is my second stint as Acting General Manager and I am continually overwhelmed by the hard work and positive nature of the people who work in this company. It is a joy to be part of it... most of the time! Special thanks are due to the 'real' General Manager, Rachel Healy, who has kept this company on the rise for the last nine years and manages to pop out beautiful babies in her spare time. The foundations Rachel has laid for this company mean that it is in good stead for many years to come. My huge thanks must also go to our unstoppable Chair, Louise Herron, and the rest of the Company B Board who are an inspiring bunch of people. Lastly, thanks to Neil Armfield who continues to guide the company and produce the most remarkable theatre in this country.

Sue Donnelly *Acting General Manager*



SEASON 2005



THE SAPPHIRES

7 JANUARY - 20 FEBRUARY

WRITTEN BY
Tony Briggs

DIRECTED BY
Wesley Enoch

CAST
**Aljin Abella
Wayne Blair
Lisa Flanagan
Chris Kirby
Deborah Mailman
Rachael Maza
Christopher Pitman
Ursula Yovich**

MUSICIANS
**Roger Bergodaz
Bob Bertles
Simon Burke
Sim Martin**

MUSIC DIRECTOR
Peter Farnan

SET DESIGN
Richard Roberts

COSTUME DESIGN
Dale Ferguson

LIGHTING DESIGN
Matt Scott

CHOREOGRAPHER
Tony Bartuccio

STAGE MANAGER
Tiffany Noack

ASSISTANT STAGE MANAGER
Minka Stevens

SOUND OPERATOR
Jeremy Silver

DRESSER
Jo Beaton

SET BUILDERS
Justin Green and Peter Crome

“

*Tony Briggs has hit on a gem
of a play - The Sapphires is
an upbeat celebration powered by
four truly engaging performers...
who seize [your] attention and
make you swear they are the hottest
of hot soul divas...*

*The Sapphires is heartfelt
and joyous.”*

THE SYDNEY MORNING HERALD

*The Sapphires was presented by
Company B and Sydney Festival in association
with Melbourne Theatre Company.*

SEASON DETAILS

NUMBER OF PERFORMANCES
47

TOTAL AVAILABLE TICKETS
15,181

TOTAL SOLD TICKETS
13,069

BOX OFFICE INCOME
\$446,826

LEFT: Aljin Abella, Rachael Maza,
Deborah Mailman and Ursula Yovich
ABOVE: Rachael Maza, Lisa Flanagan,
Deborah Mailman and Ursula Yovich



THE CHAIRS

26 FEBRUARY - 3 APRIL

WRITTEN BY
Eugene IONESCO
TRANSLATED BY
Martin Crimp
DIRECTED BY
Benedict Andrews

CAST
Peter Carroll
Lynette Curran
Aurel Verne

SET & COSTUME DESIGN
Dale Ferguson
COMPOSER & SOUND DESIGN
Alan John
LIGHTING DESIGN
Damien Cooper
STAGE MANAGER
Anna Kosky
ASSISTANT STAGE MANAGER
Len Samperi
STUNT ADVISOR
Gavin Robins
SOUND RECORDIST & MIXER
Greg White
LIGHTING SECONDMENT
Verity Hampson
SET BUILDERS
Justin Green, Peter Crome and Thane Brown

“
Benedict Andrews' staging, featuring Dale Ferguson's fine set and costumes, Damien Cooper's excellent lighting and Alan John's suitably nostalgic music, is well orchestrated and in tune with Ionesco's fusion of the comic and tragic.”
THE SYDNEY MORNING HERALD

SEASON DETAILS

NUMBER OF PERFORMANCES
34
TOTAL AVAILABLE TICKETS
9,503
TOTAL SOLD TICKETS
7,708
BOX OFFICE INCOME
\$228,090

ABOVE: Lynette Curran and Peter Carroll



BLACK MEDEA

9 APRIL - 8 MAY

WRITTEN BY
Wesley Enoch after Euripides
DIRECTED BY
Wesley Enoch

CAST
**Clive Cavanagh
Kyole Dungay
Margaret Harvey
Aaron Pedersen
Justine Saunders**

SET AND COSTUME DESIGN
Christina Smith
LIGHTING DESIGN
Rachel Burke
COMPOSER & SOUND DESIGN
Jethro Woodward
STAGE MANAGER
Tiffany Noack
ASSISTANT STAGE MANAGER
Juliette Kingcott
WARDROBE SUPERVISOR
Janice Chalmers
FIGHT DIRECTOR
Kyle Rowling
SECONDMENT
Anna Reece
GEOLOGY CONSULTANT
Andrew Marshall – Tanand Pty Ltd
SET BUILDER
Justin Green

“
*In Wesley Enoch's superb version...
Margaret Harvey's Medea and Aaron
Pedersen's Jason are the strong core
of the production.*
*Harvey is passionate and willful...
Pedersen is powerful and moving.*
*It is a confronting production and a
powerful black appropriation of one
of the great tragedies of the classical
European tradition.”*
THE AUSTRALIAN

Black Medea was a Malthouse Theatre production presented by Company B. This production was also presented at The CUB Malthouse from 12 May 2005. An earlier version of *Black Medea* was commissioned and produced by Sydney Theatre Company's Blueprints Program in 2000.

SEASON DETAILS

NUMBER OF PERFORMANCES
27
TOTAL AVAILABLE TICKETS
8,640
TOTAL SOLD TICKETS
6,475
BOX OFFICE INCOME
\$194,428

ABOVE: Kyole Dungay and Margaret Harvey



RAY'S TEMPEST

21 MAY - 3 JULY

WRITTEN BY
Steve Rodgers

Based on an original idea and script
by **Justin Monjo** and
Richard Roxburgh

DIRECTED BY
Richard Roxburgh

CAST
Sibylla Budd
Russell Dykstra
Anni Finsterer
Alan Flower
Damon Gameau
Russell Kiefel
Alyssa McClelland

SET DESIGN
Ralph Myers

COSTUME DESIGN
Tess Schofield

LIGHTING DESIGN
Mark Truebridge

COMPOSER & MUSICIAN
Alan John

SOUND DESIGN
Basil Hogios

DIRECTORIAL ASSISTANT
Sarah Goodes

STAGE MANAGER
Kylie Mascord

ASSISTANT STAGE MANAGER
Len Samperi

SET BUILDERS
Justin Green, Jeb Keighery and
Peter Chrome

“

*...Director Richard Roxburgh conjures
up an awe-struck, twilight semblance
of backyard Australia, a place where
love and loss are sharply felt and
where ordinary and everyday glow
with a subtle magic.”*

THE SUN HERALD

SEASON DETAILS

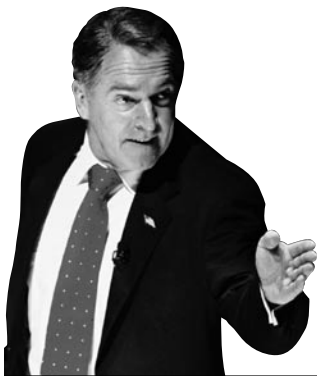
NUMBER OF PERFORMANCES
48

TOTAL AVAILABLE TICKETS
15,360

TOTAL SOLD TICKETS
7,729

BOX OFFICE INCOME
\$248,060

ABOVE: Alan Flower and Russell Kiefel



STUFF HAPPENS

16 JULY - 24 AUGUST

WRITTEN BY

David Hare

DIRECTED BY

Neil Armfield

CAST

Paul Bertram

Wayne Blair

Peter Carroll

Ralph Cotterill

Russell Dykstra

John Gaden

Victoria Haralabidou

George Henare

Russell Kiefel

Rebecca Massey

Pip Miller

Rhys Muldoon

Leah Purcell

Hazem Shammas

Greg Stone

Sandy Winton

SET DESIGN

Brian Thomson

COSTUME DESIGN

Jennifer Irwin

LIGHTING DESIGN

Damien Cooper

COMPOSER

Alan John

TRUMPET

Phil Slater and Scott Tinkler

SOUND DESIGN

Jeremy Silver

ASSISTANT DIRECTOR

Tommy Murphy

DIALECT COACH

John Higgins

STAGE MANAGER

Kylie Mascord

ASSISTANT STAGE MANAGER

Stewart Luke

OBSERVER

Ben Mathews

SET CONSTRUCTION MANAGER

Justin Green

“

“Set in Brian Thomson’s soaring, shadowy, cage-like design...”

Stuff Happens is immediate, brilliantly crafted and riveting... Director Neil Armfield’s splendidly realised production is clear, purposeful and near-seamless... Stone is outstanding as Bush... Rhys Muldoon’s depiction of the politely desperate Blair is brilliant. Dykstra is memorably manipulative as Rumsfeld, as is Russell Kiefel as the ludicrously repugnant Cheney.”

THE SYDNEY MORNING HERALD

SEASON DETAILS

NUMBER OF PERFORMANCES

40

TOTAL AVAILABLE TICKETS

23,045

TOTAL SOLD TICKETS

18,008

BOX OFFICE INCOME

\$622,035

Stuff Happens was presented by Company B by arrangement with the National Theatre of Great Britain. This production was also presented by newtheatricals in association with Lunchbox Theatrical Productions at The Comedy Theatre in Melbourne from 25 August 2005.

ABOVE: Greg Stone



AMAJUBA: LIKE DOVES WE RISE

25 OCTOBER - 27 NOVEMBER

WRITTEN BY
Yael Farber in collaboration with
the cast, based on the lives
of the cast

DIRECTED BY
Yael Farber

CAST
Tshallo Chokwe
Roelf Matlala
Bongeka Mpongwana
Phillip 'Tipo' Tindisa
Jabulile Tshabalala

LIGHTING DESIGN
Tim Boyd
STAGE MANAGER
Sally Crate

PRODUCTION COORDINATOR
Leigh Colombick (South Africa)
PRODUCTION PHOTOGRAPHY
Robert Day and Ruphin Coudyzer

“

*The striking simplicity of this spare and
hugely energetic production is what
first attracts the eye. The close-knit
ensemble's stories of abandonment,
separation and persecution when
growing up in apartheid South Africa
are framed by rituals of awakening,
remembrance and renewal. That
may sound sober and distancing but
Amajuba is anything but.”*

THE SYDNEY MORNING HERALD

Amajuba: Like Doves We Rise was a Farber
Foundry production presented by
Company B and Arts Projects Australia.
This production was previously presented at
the Athenaeum Theatre in Melbourne from
17 October 2005.

SEASON DETAILS

NUMBER OF PERFORMANCES
39

TOTAL AVAILABLE TICKETS
20,826

TOTAL SOLD TICKETS
9,814

BOX OFFICE INCOME
\$312,235

ABOVE: Roelf Matlala, Jabulile Tshabalala
and Bongeka Mpongwana



THE SPOOK

TOURING 2005

WRITTEN BY
Melissa Reeves
DIRECTED BY
Neil Armfield

CAST
Eugenia Fragos
Damon Herriman
Russell Kiefel
Steve Le Marquand
Anna Lise Phillips
George Spartels
Kerry Walker

SET DESIGN
Ralph Myers
COSTUME DESIGN
Jennie Tate
LIGHTING DESIGN
Damien Cooper
MUSIC
Alan John
SOUND DESIGN
Steve Francis
ASSISTANT DIRECTOR
Jon Halpin
STAGE MANAGER
Kylie Mascord
ASSISTANT STAGE MANAGER
Georgia Gilbert

DATES
Belrose
Glen Street Theatre
1 - 12 February
Brisbane
Queensland Performing Arts Centre
15 February - 5 March

SEASON DETAILS
NUMBER OF PERFORMANCES
34
TOTAL AVAILABLE TICKETS
22,600
TOTAL SOLD TICKETS
8,218
BOX OFFICE INCOME
\$220,911

ABOVE: Kerry Walker



PAGE 8

TOURING 2005

WRITTEN BY

Louis Nowra and David Page
Based on an original concept by
David Page

DIRECTED BY

Stephen Page

PERFORMER

David Page

SET DESIGN

Robert Cousins
COSTUME DESIGN
Jodie Fried

LIGHTING DESIGN

Mark Howett

SOUND DESIGN

Steve Francis

STAGE MANAGER

David Koumans

ASSISTANT STAGE MANAGER

Natasha Hill

DATES

Sydney
Playhouse, Sydney Opera House
31 May - 11 June
Adelaide
Adelaide Festival Centre
14 - 18 June
Melbourne
Beckett Theatre, Malthouse
21 July - 14 August
Darwin
Studio
Darwin Performing Arts Centre
24 - 26 August

Page 8 was originally presented in association
with the 2004 ENERGEX Brisbane Festival
and was performed at the festival
23 – 26 September 2004.

SEASON DETAILS

NUMBER OF PERFORMANCES

47

TOTAL AVAILABLE TICKETS

12,842

TOTAL SOLD TICKETS

4,952

BOX OFFICE INCOME

\$156,283

ABOVE: David Page



STUFF HAPPENS

TOURING 2005

WRITTEN BY

David Hare

DIRECTED BY

Neil Armfield

CAST

Paul Bertram

Wayne Blair

Peter Carroll

Ralph Cotterill

Russell Dykstra

Ronald Falk

John Gaden

Victoria Haralabidou

George Henare

Russell Kiefel

Rebecca Massey

Pip Miller

Rhys Muldoon

Leah Purcell

Kenneth Ransom

Hazem Shammass

Greg Stone

Sandy Winton

SET DESIGN

Brian Thomson

COSTUME DESIGN

Jennifer Irwin

LIGHTING DESIGN

Damien Cooper

COMPOSER

Alan John

TRUMPET

Phil Slater and Scott Tinkler

ASSISTANT DIRECTOR

Tommy Murphy

SOUND DESIGN

Jeremy Silver

DIALECT COACH

John Higgins

STAGE MANAGER

Kylie Mascord

ASSISTANT STAGE MANAGER

Stewart Luke

DATES

Melbourne

Comedy Theatre

24 August - 18 September

The Melbourne season of *Stuff Happens* was presented by newtheatricals in association with Lunch Box Theatrical Productions.

SEASON DETAILS

NUMBER OF PERFORMANCES

29

ABOVE: Rhys Muldoon

B SHARP

DOWNSTAIRS THEATRE DIRECTOR: LYN WALLIS
BELVOIR ST DOWNSTAIRS THEATRE 16 MAR - 3 JUL
DOWNSTAIRS THEATRE, SEYMOUR CENTRE 7 JUL - 9 OCT

B Sharp is a unique partnership between Company B and independent theatre teams that supports and showcases exciting theatrical works, and mentors some of Australia's most outstanding developing directors.

In 2005 B Sharp faced the challenge of presenting its season in two vastly different venues, the Downstairs Theatres at Belvoir St and the Seymour Centre. B Sharp graphic designer Tim Kleindeinst created a brochure that depicted the season as a 'magic act' that involved cutting the season in half, with the more intimate shows playing in the first half of the year, and the larger scale productions taking shape at the Seymour Centre.

At the end of 2005 B Sharp had completed its seventh year as one of Australia's major drivers of the best of 'next wave' theatrical talent. The year also saw the development of The Boiler

Room, a new initiative aimed at helping some experienced independent directors to move forward in their work and careers. The 2005 season once again represented the best of independent theatre work that is typically highly energised, diverse and stimulating.

2005 PROGRAMMING

B Sharp's annual submission process attracted around 110 submissions from companies, primarily from NSW, but also from other states. Nine shows were programmed, five for Belvoir St Theatre and four for the Seymour Centre. Eight shows were selected from submissions, with East Coast Theatre Company's production of *Death Variations* being pre-programmed to allow Company B to support a NSW Ministry for the Arts funding application, which was subsequently successful. This production was the first B Sharp show

to receive significant funding from both state and federal arts funding bodies. Stuck Pigs Squealing's innovative new work *The Black Swan of Trespass* was nominated for a 2005 Sydney Theatre Award.

THE BOILER ROOM

This new mentoring program was introduced early in 2005 as a way of laying the groundwork for a more flexible and dynamic approach to 2006 programming. It is also the result of B Sharp's 'self-assessment' process: the program has been very successful in mentoring companies to a certain level, but the question of how to get some of these teams and their creative leaders to the next professional level needed to be addressed. The Boiler Room not only helps these artists strengthen creative and professional relationships, but spotlights them within the industry.

Six hand-picked directors and B Sharp began an inspiring process of sourcing, reading and connecting with scripts and concepts that will form the basis of these six directors' future B Sharp productions. The 2006 Boiler Room directors are Wayne Blair (*Stolen, Unspoken*), Joseph Couch (*Knives in Hens, Faustus*), Tanya Denny (*In the Blood, Fidelity*), Sarah Goodes (*Elling, Black Milk*), Chris Kohn (*The Black Swan of Trespass, The Architect and Emperor of Assyria*), and Lee Lewis (*A Number, Half and Half*).

As a response to the changing needs of developing artists and the growth of the independent sector, this initiative is defining a much needed intellectual space for some of the independent scene's most promising companies and team leaders. It is allowing greater synergies to develop between Company B and the current wave of creative

2005 SEASON DETAILS

NUMBER OF PERFORMANCES

169

TOTAL AVAILABLE TICKETS

14,551

TOTAL SOLD TICKETS

6,253

BOX OFFICE INCOME

\$113,907



teams, allowing both B Sharp and its key artists to jointly engage with brewing ideas, to discuss creative interests and support future directions.

AUDIENCE ATTENDANCE

The 2005 season box office totalled \$113,907, which was approximately 18.5% less than the total income for 2004. This is the first year that B Sharp has not increased its box office, and this is primarily the result of shifting the season mid-year to a new and larger venue without the benefit of additional marketing resources. There were also fewer performances across the year. Despite the overall lower financial result, B Sharp enjoyed great houses for a number of shows including *Edmond*, which became our second most attended show in the history of B Sharp.

THE PHILIP PARSONS YOUNG PLAYWRIGHT'S AWARD AND MEMORIAL LECTURE

The Memorial Lecture took place on Sunday 9 October in the Seymour Centre's York Theatre, and was delivered by respected Sydney writer, journalist and broadcaster David Marr. Titled 'Theatre Under Howard', the speech examined the effect on art, and especially theatre, in Australia of ten years of conservative government. The event was attended by almost 300 patrons. The Lecture was well-received by the theatre community and was published the following day in The Sydney Morning Herald. Three writers, Van Badham, Tommy Murphy and Brendan Cowell, were shortlisted for the Philip Parsons Young Playwright's Award, with Brendan Cowell winning the Award.

Lyn Wallis

DOWNSTAIRS THEATRE DIRECTOR

2005 SEASON BELVOIR ST THEATRE

Faustus

The Working Group
16 March – 10 April

The Black Swan of Trespass

Stuck Pigs Squealing
13 April – 1 May

My Arm

Group Theatre
4 – 18 May

In The Blood

Queensize Productions
18 May – 5 June

A Number

Frogbattleship
8 June – 3 July

2005 SEASON SEYMOUR CENTRE

Death Variations

East Coast Theatre Company
7 – 31 July

A Family Affair

Drama Lab Productions
4 – 21 August

Edmond

Albedo Productions
25 August – 18 September

National Security and the Art of Taxidermy

Glynn Nicholas Group
22 September – 9 October

ABOVE: Rebecca Smee and Jo Turner
in *Faustus*.



Lynette Curran

ADDITIONAL

Special programs to ensure access to Company B's productions by all sectors of the community.

Company B aims to give access to the company's work by minimising or eliminating the financial and/or social reasons that deter attendance by potential audiences. Its aim to develop new audiences and provide access to the company's work is delivered through the following strategies:

- **One mid-week matinee performance** during each season is scheduled for unwaged members of the community. The performances are promoted through a comprehensive mailing list of community organisations including community services centres, community health centres, local community

housing centres and refuges, youth services centres and Jobsearch centres.

- **Concession ticket prices for students, pensioners and unemployed** are set at least 30% less than full price and kept at levels below industry standard.

- In 2005 Company B continued to offer **school matinee performances** for each play in the season. Up to five schools' performances were scheduled during each production season. Tickets are sold either as single tickets or through a mini subscription, and teacher's notes are made available to all participating schools. The teacher's notes are also available online. A question and answer session is held with the cast and crew after each school matinee performance and students have the opportunity to tour the backstage area.

- In 2005, 5064 students attended a schools matinee performance at Company B. A school matinee performance was held for *My Arm*, a B Sharp production.

- In 2005, we had continued support from our Education Partner Freehills. In 2005, 1399 students from 27 different high schools attended a Company B matinee under our **Priority Funded Schools Program**, a program supported by Freehills. An increase to our established PFS (10% of each house) program was made possible through funding from the NSW Ministry for the Arts.

- This **Arts Access grant** from the NSW Ministry for the Arts also allowed us to subsidise up to 50% of the travel costs of students attending one of our school matinee performances under

the PFS program. The grant allowed, in particular, students from schools in regional NSW to attend Company B performances. Students from Manilla Central School in the state's north west, Gilgandra HS in the state's west, Warrawong HS in the Illawarra region and Hunter Sports HS in the Hunter region have travelled to Company B to attend a matinee thanks to this transport subsidy.

- In 2005 Company B once again ran a series of **workshops for high school students and professional development workshops for teachers**. Workshops in Lighting and Lighting Design and Playwriting were held.

- In August 2005 Company B launched its **In School Workshop Series**. These in-school workshops run for two hours and are conducted at schools throughout

ACTIVITIES

“
*It means so much to them (and to me) to have
an experience of theatre that shakes their
world... they become so inspired and motivated
and they begin to have big dreams.*

A teacher referring to a schools performance of *The Sapphires* in 2005”

Sydney. This inaugural series consists of four workshops: An Introduction to Playwrighting, An Introduction to Costume Design, An Introduction to Lighting and Lighting Design and Advanced Lighting and Lighting Design

- Company B maintains strong lines of communication with teachers through **regular e-updates which keep teachers informed about productions**, workshops, resources, special offers and opportunities for students. Currently we have over 200 teachers receiving our email newsletter.

- **Company B accepts high school students for work experience.** The aim of the program is to offer students a snapshot of all areas of the company's artistic and administrative operations. In 2005, 14 students completed one week of work experience and two students

completed a work placement as part of their VET Entertainment Certificate.

- Company B offers the **opportunity for a small number of tertiary students to participate in the development of some Company B productions** as secondments. In 2005, secondees were Verity Hampson who worked on *The Chairs* and Anna Reece who worked on *Black Medea*.

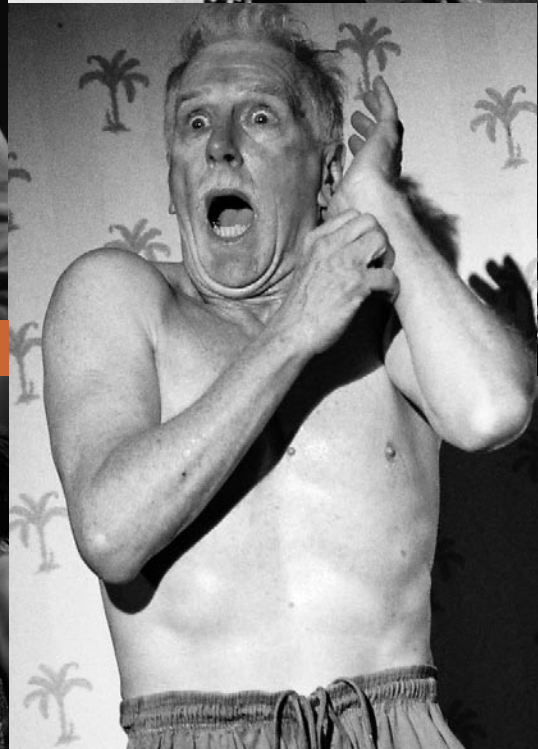
- **In 2005 Company B secured a Strategic Partnership Grant** from the Australia Council to develop The Creative Process, an online education resource for students. The Creative Process will take students behind the scenes of each production in our season. One member of the creative team will take students with them on an interactive journey from the first day of rehearsal to opening night.

- In 2005 Company B obtained funding from our Education Partner Freehills and from The Leroy and Joy Brauer Charitable Trust and the Teen Spirit Charitable Trust (both managed by Perpetual Trustees) for a **Youth Engagement Project** with Key College and POEM Rozelle in 2006.

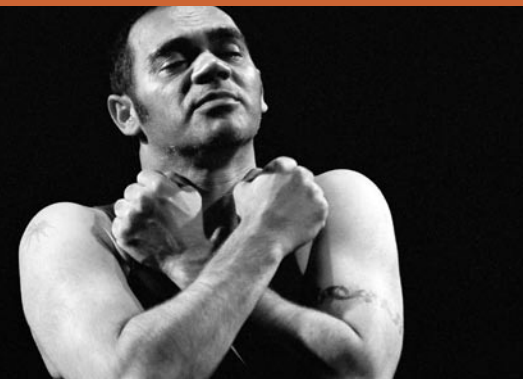
- As in previous years the **International Playreading Series** took place in 2005. The series comprised three Australian works, *Parramatta Girls* by Alana Valentine, *Broken Valley* by Reg Cribb, *Her Master's Voice* by Paul Livingston and also *Colder Than Here* by Laura Wade, a young English playwright. This series allows audience members to provide feedback about works that the company is considering programming in the future.

- In 2005 Company B commissioned a new work by Brendan Cowell, winner of the **2005 Philip Parsons Young Playwright Award**. The company also funded a two week creative development workshop of a project with the working title of *Clown Play*. This is a project being developed for possible future production. Actors involved in the workshop were Russell Dykstra, Damon Herriman, Genevieve Lemon, Deborah Mailman, Rebecca Massey, Tony Phelan and Steve Rodgers.

- The Literary Department oversaw a series of **short-term internships with the 2005 NIDA Directing students** and a post-graduate student from the University of Wollongong, with a view to deepening the students' dramaturgical skills and opening the company up to emerging practitioners.



CLOCKWISE FROM ABOVE: Justine Saunders, Aaron Pederson and Clive Kavanagh in *Black Medea*; Roelf Matlala in *Amajuba: Like Doves We Rise*; Peter Carroll in *The Chairs*; Wayne Blair and Deborah Mailman in *The Sapphires*; David Page in *Page 8*.





CLOCKWISE FROM LEFT: David Page in *Page 8*; Greg Stone in *Stuff Happens*; Rachael Maza in *The Sapphires*; Sibylla Budd and Russell Kiefel in *Ray's Tempest*; Damon Gameau and Alyssa McClelland in *Ray's Tempest*.



KEY PERFORMANCE INDICATORS

ARTISTIC VIBRANCY

| PROFILE OF WORKS | UPSTAIRS SEASON | PLAY READINGS |
|-------------------------------|--------------------|------------------|
| - New | 4 | 4 |
| - Existing | 2 | - |
| PROFILE OF WORKS | | |
| - Australian – new | 3 | 3 |
| - Overseas – new | 1 | 1 |
| - Overseas – existing | 2 | - |
| PROFILE OF PRODUCTIONS | | |
| - New | 5 | n/a |
| - Existing | 1 | n/a |

ACCESS

| | PAID ATTENDANCES MAINSTAGE | PAID ATTENDANCES NON-MAINSTAGE | TOTAL PAID ATTENDANCES | NO. OF PERFORMANCES |
|----------------------------|-------------------------------|-----------------------------------|---------------------------|------------------------|
| SELF-ENTREPRENEURED | | | | |
| - Home city | 62,803 | | 62,803 | 235 |
| SOLD OFF | | | | |
| - Home city | 2,180 | | 2,810 | 13 |
| - Metropolitan | 2,130 | | 2,130 | 14 |
| - Other capital city | 17,306 | | 17,306 | 83 |
| OTHER | | | | |
| B Sharp | | 6,253 | 6,253 | 169 |
| FREE CONCERTS: | | | | |
| No. attendances | 1171 | | | |
| No. performances | | | | 6 |
| EDUCATIONAL | | | | |
| No. attendances | 7926 | | | |
| No. performances | | | | 15 |
| No. workshops | | | | 18 |

KEY PERFORMANCE INDICATORS

FINANCIAL VIABILITY

| | 2004 | 2005 |
|---|-----------------------------------|-----------------------------------|
| STRENGTH OF RESERVES | | |
| Net assets/total assets: | \$1,398,934 / \$8,829,654 (15.8%) | \$1,400,490 / \$4,306,153 (32.5%) |
| PROFITABILITY | | |
| Total income minus expenditure | \$54,906 | \$1,556 |
| EARNED INCOME GENERATING ABILITY | | |
| - Total | | |
| Total earned income/total income | \$4,696,072 / \$5,475,678 (85.8%) | \$3,795,031 / \$4,637,934 (81.8%) |
| - Box Office | | |
| Total box office/total income: | \$2,149,446 / \$5,475,678 (39.3%) | \$2,073,945 / \$4,637,934 (44.7%) |
| - Private Sector | | |
| Total private sector/total income: | \$740,580 / \$5,475,678 (13.5%) | \$657,193 / \$4,637,934 (14.2%) |
| - Other income | | |
| Total other income/total income: | \$1,806,047 / \$5,475,678 (33%) | \$1,063,893 / \$4,637,934 (22.9%) |
| Cost/revenue dynamic | | |
| Earned income minus expenditure | (\$724,701) | (\$841,347) |
| Government funding contribution | | |
| Government funding/total income | \$779,606 / \$5,475,678 (14.2%) | \$842,903 / \$4,637,934 (18.2%) |

DIRECTORS' REPORT

ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2005

The directors of Company B Limited submit herewith the annual financial report for the financial year ended 31 December 2005. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS The names of the directors of the company in office during or since the end of the financial year were:

Neil Armfield
Anne Britton
Russell Dykstra
Rachel Healy
Louise Herron
John Kitney

Samantha Meers
(appointed 1.5.05)
Brian Thomson AM
Mary Vallentine AO
Orli Wargon
Peter Watts

Directors were in office for this entire period unless otherwise stated.

PRINCIPAL ACTIVITIES The principal activity of the Company during the financial year was the operation of a live theatre and the production of live theatrical performances. There was no significant change in the nature of these activities during or since the end of the financial year.

DIVIDENDS The provisions of the Memorandum and Articles of Association of the Company prohibit the payment of a dividend. Accordingly, no dividend has been paid or declared during or since the end of the financial year or since the Company's incorporation.

MEMBERS There were 65 members of the Company as at 31 December 2005 (2004: 48).

REVIEW OF OPERATIONS The operations of the Company during the financial year were the operation of a live theatre, production of live theatrical performances and hire of the theatre to external hirers. The net surplus of the Company for the financial year was \$1,556 (2004: \$54,906).

CHANGES IN STATE OF AFFAIRS During the financial year there was no significant change in the state of affairs of the Company other than that referred to in the financial statements or notes thereto.

FUTURE DEVELOPMENTS AND RESULTS Disclosure of information regarding likely developments in the operation of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

SUBSEQUENT EVENTS There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

INFORMATION ON DIRECTORS

Neil Armfield is one of Australia's foremost directors of theatre and opera and has been Artistic Director of Company B since 1994 and has been a director

since 27 October 2003. As well as directing for film and television, Neil has directed for all Australian state theatre companies and a number of opera companies internationally. Neil was a recipient of the 1988 Sidney Myer Performing Arts Award for Outstanding Achievement in the Performing Arts; the Sydney Theatre Critics' Circle Award for Significant Contribution to the Theatre; he is a winner of five Green Room Awards for Best Director, four Sydney Critics' Circle Awards for Best Director and received the Helpmann Award for Best Director in 2001 and 2002. He received a three year Australian Artists Creative Fellowship in 1991.

Anne Britton is the former national secretary of the Media, Entertainment and Arts Alliance, the professional organisation representing performers, theatre workers and journalists. Anne has extensive experience in industrial relations and arts and media policy. She is currently a judicial member of the Administrative Decisions Tribunal and an arbitrator with the Worker Compensation Commission. She is on the Board of the Legal Aid Commission of NSW.

Russell Dykstra joined the board on 25 November 2003. Russell is a well-known Australian actor who has worked regularly with Company B. His theatre, film and TV work is wide-ranging and he is the recipient of an AFI Award for Best Actor.

Rachel Healy is a graduate of the University of Adelaide and has been working in the arts industry for sixteen years. Prior to her appointment as

General Manager of Company B she worked with the Australian Ballet, Handspan Theatre and Maggie Theatre. Rachel has served on a number of arts industry boards, including as Deputy Chair of the Theatre Board of the Australia Council, and she is currently a Trustee of the Sydney Opera House. In 1998 she was awarded the Nugget Coombs Award for Arts Administration in the Young Manager category. Rachel became a Board member on 27 October 2003.

Louise Herron has been a director since 2 February 2001. Louise is a corporate adviser with Carnegie Wylie, advising on a range of transactions including takeovers, mergers and acquisitions. Previously, she spent several years as a corporate adviser with Investec Wentworth, as a director of MGB Equity Growth, a private equity fund with investments in a range of industries, including technology and entertainment and before that was partner of Minter Ellison Lawyers. Louise is also a director of the Australian Major Performing Arts Group.

John Kitney has been a director since 20 August 2001. John chairs Company B's Finance committee. His current position is Chief Financial Officer of Defence Housing Authority. He has held similar positions with other organisations and he is also a past senior executive of the Australia Council. John has had a long-standing interest in the arts. He is also a board member of the Theatre of Image and until recently he was the Treasurer of the Australian National Playwrights' Centre.

Samantha Meers has been a director since May 2005. Sam is the Executive Director of the Nelson Meers Foundation, a philanthropic foundation dedicated to the arts. In 2005, the Nelson Meers Foundation was the winner of the AbaF Philanthropy Leadership Award. Previously, Sam practised as a media lawyer in two of Sydney's leading law firms, and as in-house counsel

with Grundy Television. Sam then spent several years as a director with SHOWTIME (a joint venture between Liberty Media and four Hollywood studios), during which time she was a founding board member and deputy chair of the Australian Subscription Television and Radio Association. Sam is also a board member of Philanthropy Australia.

Brian Thomson AM has been a director since 11 May 2003. Brian is one of Australia's most acclaimed designers and has been a regular part of the Company B ensemble. A Tony Award winner, he recently received an Order of Australia (AM) for his contribution to Australian theatre and opera.

Mary Vallentine AO joined the Board on 18 September 2004. She has worked in music and theatre administration for over 30 years. Positions held include Assistant Manager Musica Viva Australia (1974-78), General Manager State Theatre Company of S.A. (1982-84), Administrator Adelaide Festival (1978 and 1980) and most recently Managing Director Sydney Symphony Orchestra (1986-2002). She now works as a consultant. Board memberships include Director Black Dog Institute, Director Currency House, Member NSW Arts Advisory Council and she was previously a member of NSW Rhodes Scholarship Committee. In 1996 she received an Award in the Order of Australia.

Orli Wargon joined the Board on 9 May 2002. She is a dermatologist with a special interest in paediatric dermatology and postgraduate dermatology education. She has been involved in curriculum development and has sat on the dermatology examination board for five years. She has a keen interest in the arts and has been involved in the Centenary Fund of the Art Gallery of NSW and has assisted in the establishment of accommodation for visual artists on the Bundanoon property of the Bundanoon Trust. Recently she was appointed as

Conjoint Associate Professor in the School of Women's and Children's Health UNSW.

Peter Watts has been a director since 20 August 2001. Peter is an architect and landscape architect by training and for the past 24 years has been Director of the Historic Houses Trust of New South Wales. In this capacity he has brought together many different art practices into the thirteen museums of the Trust and its many programs. Peter is Chairman of the Rouse Hill Hamilton Collection Pty Ltd, Director of the Foundation for the Historic Houses Trust of NSW Ltd, Trustee of the Official Establishments Trust and a member of the Administrative Decisions Tribunal.

MEETINGS OF DIRECTORS During the financial year, 6 meetings of directors were held. Attendances were as follows:

| DIRECTOR | No. ELIGIBLE TO ATTEND | NUMBER ATTENDED |
|-----------------|---------------------------|--------------------|
| Neil Armfield | 6 | 6 |
| Anne Britton | 6 | 5 |
| Russell Dykstra | 6 | 3 |
| Rachel Healy | 6 | 6 |
| Louise Herron | 6 | 6 |
| John Kitney | 6 | 2 |
| Samantha Meers | 5 | 1 |
| Brian Thomson | 6 | 2 |
| Mary Vallentine | 6 | 5 |
| Orli Wargon | 6 | 6 |
| Peter Watts | 6 | 4 |

INDEMNIFICATION OF DIRECTORS AND OFFICERS

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred as such an officer or auditor.

AUDITORS INDEPENDENCE DECLARATION

The directors received the declaration from the auditor of Company B Limited and is included on page 44 of this report.

Signed in accordance with a resolution of the directors made pursuant to Section 298(2) of the Corporations Act 2001.



Louise Herron
Director
Sydney
28 March 2006

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Company B Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 31

December 2005 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards and Corporations Regulations 2001; and
(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Louise Herron
Director
Sydney
28 March 2006

INCOME STATEMENT

| <i>YEAR ENDED 31 DECEMBER 2005</i> | <i>NOTE</i> | <i>2005</i> | <i>2004</i> |
|---------------------------------------|-------------|--------------|---------------|
| REVENUE | 2 | \$ | \$ |
| Production income | | 2,512,089 | 3,014,243 |
| Grants received | | 842,903 | 809,606 |
| Other income | | 1,282,941 | 1,679,832 |
| | | 4,637,934 | 5,503,681 |
| EXPENSES | | | |
| Production expenses | | 2,256,119 | 2,986,086 |
| Employee expenses | | 1,166,197 | 1,361,010 |
| Marketing and promotions expenses | | 399,566 | 336,912 |
| Occupancy expenses | | 203,558 | 87,500 |
| Fundraising expenses | | 35,964 | 67,422 |
| Administration expenses | | 574,974 | 609,845 |
| PROFIT BEFORE INCOME TAX | | 1,556 | 54,906 |
| Income tax expense | | - | - |
| NET PROFIT FOR THE PERIOD | | 1,556 | 54,906 |
| PROFIT ATTRIBUTABLE TO MEMBERS | | 1,556 | 54,906 |

STATEMENT OF CHANGES IN EQUITY

| | <i>Attributable to equity holders of the Company</i> | |
|-----------------------------------|--|------------------|
| | <i>Retained earnings (accumulated losses) \$</i> | <i>Total \$</i> |
| 1 January 2004 | 1,344,028 | 1,344,028 |
| Profit for the year | 54,905 | 54,905 |
| Total income/expense for the year | 1,398,933 | 1,398,933 |
| At 31 December 2004 | 1,398,933 | 1,398,933 |
| Profit for the year | 1,556 | 1,556 |
| At 31 December 2005 | 1,400,490 | 1,400,490 |

BALANCE SHEET

| <i>YEAR ENDED 31 DECEMBER 2005</i> | <i>NOTE</i> | <i>2005</i> | <i>2004</i> |
|--------------------------------------|-------------|------------------|------------------|
| CURRENT ASSETS | | \$ | \$ |
| Cash assets | 16(a) | 3,671,898 | 8,210,039 |
| Receivables | 4 | 460,543 | 421,532 |
| Inventories | 5 | 14,990 | 20,950 |
| Other | 6 | 61,066 | 116,443 |
| TOTAL CURRENT ASSETS | | 4,208,497 | 8,768,964 |
| NON-CURRENT ASSETS | | | |
| Intangible assets | | 20,547 | - |
| Plant and equipment | 7 | 77,109 | 60,690 |
| TOTAL NON-CURRENT ASSETS | | 97,656 | 60,690 |
| TOTAL ASSETS | | 4,306,153 | 8,829,654 |
| CURRENT LIABILITIES | | | |
| Payables | 8 | 1,134,719 | 351,150 |
| Deferred revenue | 9 | 1,716,657 | 6,958,912 |
| Provisions | 10 | 30,456 | 99,455 |
| TOTAL CURRENT LIABILITIES | | 2,881,832 | 7,410,877 |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 11 | 23,831 | 19,843 |
| TOTAL NON-CURRENT LIABILITIES | | 23,831 | 19,843 |
| TOTAL LIABILITIES | | 2,905,663 | 7,430,720 |
| NET ASSETS | | 1,400,490 | 1,398,934 |
| EQUITY | | | |
| Retained profits | 15 | 1,400,490 | 1,398,934 |
| TOTAL EQUITY | | 1,400,490 | 1,398,934 |

CASH FLOW STATEMENT

| <i>YEAR ENDED 31 DECEMBER 2005</i> | <i>NOTE</i> | <i>2005</i> | <i>2004</i> |
|--|--------------|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | \$ | \$ |
| Receipts from patrons, customers and grant providers | | 4,812,930 | 5,479,944 |
| Payments to suppliers and employees | | (3,858,269) | (5,397,084) |
| Interest received | | 198,466 | 111,023 |
| Net cash provided by Operating Activities | 16(c) | (1,153,127) | 5,769,436 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for plant and equipment | | (31,775) | (37,201) |
| Proceeds from sale of plant and equipment | | - | 28,002 |
| Purchase of floating rate note | | - | 500,000 |
| Net cash used in Investing Activities | | (31,775) | 490,801 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Funding of Building Redevelopment | | (5,659,493) | 5,575,553 |
| Net Cash Flows used in Financing Activities | | (5,659,493) | 5,575,553 |
| Net Increase/(Decrease) In Cash Held | | (4,538,141) | 6,260,237 |
| Cash at the Beginning of the Financial Year | | 8,210,039 | 1,949,802 |
| Cash at the End of the Financial Year | 16(a) | 3,671,898 | 8,210,039 |

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) FINANCIAL REPORTING FRAMEWORK

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, applicable Accounting Standards and Urgent Issues Group Consensus Views, and complies with other requirements of the law.

The financial report has been prepared on the basis of the historical cost convention. Cost is based on the fair value of the consideration given in exchange for assets.

b) STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standard ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

This is the first financial report prepared based on AIFRS and comparatives for the year ended 31 December 2004 have been restated accordingly. Reconciliations of AIFRS equity and profit for 31 December 2004 to the balances reported in the 31 December 2004 financial report are detailed in Note 1(e) below.

c) SIGNIFICANT ACCOUNTING POLICIES

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 and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies adopted are consistent with those of the prior year.

(i.) Cash and Cash Equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(ii.) Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(iii.) Inventories are valued at the lower of cost and net realisable value.

(iv.) Recoverable Amount of Non-Current Asset

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(v.) Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

| | |
|------------------------|-----------|
| Plant and equipment | 5 years |
| Motor vehicles | 6-7 years |
| Furniture and fittings | 10 years |

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated.

(vi.) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

(vii.) Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as the lease income.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

(viii.) Accounts Payable

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

(ix.) Provisions

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

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(x.) Employee Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and
- other types of employee benefits

are recognised against profits on a net basis in their respective categories.

(xi.) Other Taxes

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement 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 taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(xii.) Income Tax

The Company is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997, as granted by the Commissioner of Taxation on 8 June 2000. Consequently the Company has not provided for any liability for income tax in these financial statements.

(xiii.) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Productions - Revenue is recognised upon the performance of productions to which the ticket revenue relates.

Interest - Control of the right to receive the interest payment.

(xiv.) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual installments.

(xv.) Productions

The total cost of staging productions, including the manufacturing cost of costumes, scenery sets and properties, is charged to income and expenditure in the period each production is performed. This procedure conforms to standard theatrical accounting practice as adopted in Australia and other parts of the world. Costs of production and other associated expenditure in respect of performances not yet performed but which will be in the next 12 months are included in the Balance Sheet as part of prepaid expenditure. Those with a performance date longer than 12 months away are classified as non current intangibles.

(xvi.) Advance Box Office

Monies received from both subscribers and non-subscribers for advanced bookings are included in income progressively during each production to which they relate, and not before. All monies received in advance for 2005 box office income is recorded as deferred revenue and transferred to income when the respective show commences.

d) AASB 1 TRANSITIONAL EXEMPTIONS

The Company has made its election in relation to the transitional exemptions allowed by AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' as follows:

Business Combinations - AASB 3 'Business Combinations' was not applied retrospectively to past business combinations (i.e. business combinations that occurred before the date of transition to AIFRS).

Financial Instruments - Comparative information for financial instruments is prepared in accordance with AGAAP and the Group has adopted AASB 132 'Financial Instruments: Disclosure and Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement' from 1 July 2005.

e) IMPACT OF ADOPTION OF AIFRS

There is no impact of adopting AIFRS on the total equity and profit after tax as reported under previous Australian Generally Accepted Accounting Principles ("GAAP").

| 2. REVENUE & EXPENSES | 2005 (\$) | 2004 (\$) |
|---|------------------|------------------|
| REVENUE | | |
| Production income | 2,512,089 | 3,014,243 |
| Sale of goods – bar | 147,337 | 284,600 |
| Rental revenue – theatre and venue | 120,667 | 246,021 |
| Sponsorship income | 424,640 | 452,347 |
| B Keepers | 110,200 | 104,000 |
| Fundraising and donations | 124,825 | 141,516 |
| Grants received: | | |
| Australia Council – fundraising assistance grant | 39,000 | 70,000 |
| Australia Council – Major Performing Arts Board | 374,525 | 369,803 |
| NSW Ministry for the Arts – base grant | 374,525 | 369,803 |
| Project grants | 54,853 | 30,190 |
| Other | 237,118 | 281,699 |
| Proceeds from sale of assets | - | 28,002 |
| Interest income | 118,154 | 111,457 |
| TOTAL REVENUE | 4,637,934 | 5,503,681 |
| EXPENSES | | |
| Production expenses | 2,256,118 | 2,986,086 |
| Cost of sales – bar | 99,376 | 145,528 |
| Operating lease rental expense – minimum lease payments | 80,701 | 87,500 |
| Sale of assets | - | 28,002 |
| Depreciation of non-current assets: | | |
| Plant and equipment | 9,789 | 3,051 |
| Furniture and fittings | 85 | 70 |
| Motor vehicle | 5,482 | 5,482 |
| Net bad and doubtful debts from other entities | 3,765 | (13,676) |

| 3. LEASE COMMITMENTS | 2005 (\$) | 2004 (\$) |
|--|------------------|------------------|
| Non-cancellable operating leases | - | - |
| Not longer than 1 year | 6,800 | 2,697 |
| Longer than 1 year and not longer than 5 years | 5,977 | 9,888 |
| | 12,777 | 12,585 |

4. CURRENT RECEIVABLES

| | | |
|---|----------------|----------------|
| Trade receivables | 171,402 | 110,379 |
| Allowance for doubtful debts | (4,178) | (5,351) |
| | 167,224 | 105,028 |
| Goods and Services Tax (GST) receivable | 14,047 | 5,925 |
| Interest receivable | 10,772 | 91,084 |
| Amounts receivable from BSTL | 266,912 | 219,495 |
| Other | 1,588 | - |
| | 460,543 | 421,532 |

5. CURRENT INVENTORIES

| | | |
|--------------------------|---------------|---------------|
| Finished goods (at cost) | - | 5,960 |
| Consumables | 14,990 | 14,890 |
| | 14,990 | 20,950 |

6. OTHER CURRENT ASSETS

| | | |
|-------------|--------|---------|
| Prepayments | 61,066 | 116,443 |
|-------------|--------|---------|

7. PLANT & EQUIPMENT

| 2005 | PLANT & EQUIPMENT | MOTOR VEHICLES | FURNITURE & FITTINGS | TOTAL |
|--|-------------------|----------------|----------------------|---------------|
| GROSS CARRYING AMOUNT | | | | |
| Balance at 31 December 2004 | 53,580 | 36,544 | 27,316 | 117,440 |
| Additions | 31,234 | - | 540 | 31,774 |
| Disposals | - | - | - | - |
| Balance at 31 December 2005 | 84,814 | 36,544 | 27,856 | 149,214 |
| ACCUMULATED DEPRECIATION | | | | |
| Balance at 31 December 2004 | (19,938) | (10,278) | (26,535) | (56,751) |
| Disposals | - | - | - | - |
| Depreciation expense | (9,788) | (5,482) | (85) | (15,355) |
| Balance at 31 December 2005 | (29,726) | (15,760) | (26,620) | (72,105) |
| NET BOOK VALUE As at 31 December 2005 | 55,088 | 20,784 | 1,237 | 77,109 |
| 2004 | PLANT & EQUIPMENT | MOTOR VEHICLES | FURNITURE & FITTINGS | TOTAL |
| GROSS CARRYING AMOUNT | | | | |
| Balance at 31 December 2003 | 45,232 | 36,544 | 26,465 | 108,241 |
| Additions | 36,350 | - | 851 | 37,201 |
| Disposals | (28,002) | - | - | (28,002) |
| Balance at 31 December 2004 | 53,580 | 36,544 | 27,316 | 117,440 |
| ACCUMULATED DEPRECIATION | | | | |
| Balance at 31 December 2003 | (16,887) | (4,796) | (26,465) | (48,148) |
| Disposals | - | - | - | - |
| Depreciation expense | (3,051) | (5,482) | (70) | (8,603) |
| Balance at 31 December 2004 | (19,938) | (10,278) | (26,535) | (56,751) |
| NET BOOK VALUE As at 31 December 2004 | 33,642 | 26,266 | 781 | 60,690 |

| | 2005 (\$) | 2004 (\$) |
|---|---------------|--------------|
| Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year: | | |
| Plant and equipment | 9,788 | 3,051 |
| Motor vehicles | 5,482 | 5,482 |
| Furniture and fittings | 85 | 70 |
| | 15,355 | 8,603 |

8. PAYABLES

| | | |
|---|------------------|----------------|
| Trade payables | 306,134 | 203,112 |
| Sundry payables | 41,798 | 49,532 |
| Accrued expenses | 7,387 | 10,954 |
| Amounts payable to Belvoir St Theatre Limited | 779,400 | 87,912 |
| | 1,134,719 | 351,510 |

9. DEFERRED REVENUE

| | | |
|--|------------------|------------------|
| Advance ticket sales | 1,114,517 | 1,300,419 |
| Building Redevelopment grant received from NSW Ministry for the Arts, plus interest earned to date | - | 5,659,493 |
| Grants in advance | 602,140 | - |
| | 1,716,657 | 6,959,912 |

10. CURRENT PROVISIONS

| | | |
|---------------------------------|--------|--------|
| Employee entitlements (Note 12) | 30,456 | 99,455 |
|---------------------------------|--------|--------|

11. NON-CURRENT PROVISIONS

| | | |
|---------------------------------|--------|--------|
| Employee entitlements (Note 12) | 23,831 | 19,843 |
|---------------------------------|--------|--------|

| | 2005 (\$) | 2004 (\$) |
|--|---------------|----------------|
| 12. EMPLOYEE ENTITLEMENTS The aggregate employee entitlement liability recognised and included in the financial statements is as follows: | | |
| Provision for employee entitlements: | | |
| Current (Note 10) | 30,456 | 99,455 |
| Non-current (Note 11) | 23,831 | 19,843 |
| | 54,287 | 119,298 |
| Number of employees at end of financial year | 43 | 55 |

13. REMUNERATION OF AUDITORS

| | | |
|---|---------------|---------------|
| AUDITING OF THE FINANCIAL REPORT | 30,000 | 30,000 |
|---|---------------|---------------|

Ernst & Young sponsors Company B Limited to the same value as the audit fee.

14. DIRECTOR AND EXECUTIVE DISCLOSURES

(a) Details of Key Management Personnel

(i) **Directors:** Neil Armfield (executive), Anne Britton (non-executive), Russell Dykstra (non-executive), Rachel Healy (executive) *Secretary*, Louise Herron (non-executive) *Chairperson*, John Kitney (non-executive) *Treasurer*, Samantha Meers (non-executive), Brian Thomson (non-executive), Mary Vallentine (non-executive), Orli Wargon (non-executive), Peter Watts (non-executive) *Deputy Chairperson*.

(ii) **Executives:** Neil Armfield *Artistic Director*, Rachel Healy *Managing Director*, Sue Donnelly *Managing Director* (acting until 28.2.05)

(b) Compensation of Key Management Personnel

| | | |
|----------------------|---------|---------|
| Short-term | 158,888 | 128,021 |
| Post employment | - | - |
| Other long-term | - | - |
| Termination benefits | - | - |
| Share-based payments | - | - |

Payments made to directors are not for their services as directors of the Company for which no fee is received. Payments were made by the Company to some directors for their contributions as employees of or contractors to the Company.

| 15. RETAINED PROFITS | 2005 (\$) | 2004 (\$) |
|---|------------------|------------------|
| Balance at the beginning of financial year | 1,398,934 | 1,344,028 |
| Net profit | 1,556 | 54,906 |
| Balance at the end of financial year | 1,400,490 | 1,398,934 |

16. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash For the purposes of the statement of cash flows, cash includes cash on hand and in banks and money market investments readily convertible to cash within 2 working days. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

| | | |
|--------------------------------------|------------------|------------------|
| Cash on hand | 4,400 | 2,490 |
| Cash at bank and short-term deposits | 3,667,498 | 8,207,549 |
| | 3,671,898 | 8,210,039 |

(b) Cash held in Escrow Funds received under the Australia Council and NSW Ministry for the Arts' Reserves Incentive Scheme, together with the company's own contribution to the Scheme, are held in escrow under the terms of an Agreement signed with the Australia Council and the NSW Ministry for the Arts governing the use of the funds. The funds have not been used to secure any liabilities of the company and can only be released under the provisions of the funding Agreement. As at 31 December, 2005, the company is holding \$147,738 (2004: \$142,556).

(c) Reconciliation of Profit from Ordinary Activities to Net Cash Flows from Operation Activities

| | | |
|---|-------------|-----------|
| Profit from ordinary activities | 1,556 | 54,906 |
| Non-cash flows in operating profit: | | |
| Depreciation of non-current assets | 15,355 | 8,603 |
| Changes in net assets and liabilities: | | |
| (Increase) / decrease in assets: | | |
| Current receivables | (28,729) | (225,363) |
| Current inventories | 5,960 | (5,537) |
| Other current assets | 34,830 | (550) |
| Increase / (decrease) in liabilities: | | |
| Current payables | 726,131 | 2,957 |
| Deferred revenue | (5,243,255) | 5,916,152 |
| Provisions | (18,215) | 18,268 |
| Net cash flows provided by operation activities | (4,506,277) | 5,769,436 |

17. CONTINGENT LIABILITIES

In 2003 the Company entered into an agreement with the Melbourne Theatre Company to jointly produce a single production, *The Lieutenant of Inishmore*. The Company will be required to pay no more than \$37,760 for re-rehearsal costs, if and when the Melbourne Theatre Company stages this production.

18. FINANCIAL INSTRUMENTS

(a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues are expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Interest Rate Risk

The company has cash and cash equivalents, short-term deposits, and money market investments at the end of the financial year totalling \$3,671,498 (2004: \$8,210,039). These are earning interest at market rates. The average effective interest rate was 4.9% (2004: 5.13%).

(c) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis. The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

(d) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements.

19. SEGMENT INFORMATION

The Company's activities involve the operation of a live theatre and the production of live theatrical performances. The activities are conducted primarily within Australia.

20. RELATED PARTY DISCLOSURES

Directors' Remuneration and Retirement Benefits

No director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year end other than employment contracts. Two of the directors were involved in Company B productions during the current year and their remuneration for this work has been disclosed in note 14.

21. MEMBERS GUARANTEE

Company B Limited is incorporated in New South Wales as a company limited by guarantee. In the event of the Company being wound up, each member undertakes to contribute a maximum of \$20 respectively for payment of the Company's liabilities. As at 31 December 2005 there were 65 members of Company B Limited and the amount of capital that could be called up in the event of Company B Limited being wound up is \$1,300.

22. ADDITIONAL COMPANY INFORMATION

Company B Limited is an unlisted non-profit company incorporated and operating in Australia.

Principal Place of Business and Principal Registered Office:

**The Seymour Centre
3-7 Cleveland St
Darlington NSW 2008
Australia**

INDEPENDENT AUDIT DECLARATION & REPORT

AUDITORS INDEPENDENCE DECLARATION

Auditor's Independence Declaration to the Directors of Company B Limited

In relation to our audit of the financial report of Company B Limited for the year ended 31 December 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



D Simmonds
Partner, Sydney, Ernst & Young
27 March 2006

INDEPENDENT AUDIT REPORT

To the members of Company B Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the directors' declaration for Company B Limited (the Company), for the year ended 31 December 2005.

The directors of the Company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the Company, and that complies with Accounting Standards in Australia, in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company. Our audit was conducted in accordance with Australian Auditing in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other

procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the Company.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the Company a written Auditor's Independence Declaration, a copy of which is included by reference in the Directors' Report.

Audit opinion

In our opinion, the financial report of Company B Limited is in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the financial position of Company B Limited at 31 December 2005 and of its performance for the year ended on that date; and
- (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.



D Simmonds
Partner, Sydney, Ernst & Young
5 April 2006

THANK YOU

COMPANY B KEEPERS

B Keepers are a unique group of individuals whose financial support is a reflection of their passion for, and commitment to, Company B. The B Keeper program is one of the ways the company can continue to create the kind of theatre that we love and that has attracted and inspired audiences at Belvoir St Theatre, around Australia and across the world. Company B gratefully acknowledges its B Keepers for their loyal and generous support.

CORPORATE B KEEPERS

Sterling Mail Order

PATRON B KEEPERS

| | | |
|---------------------------|---------------------------------|----------------------------------|
| Anonymous (7) | Erica Hahn | Michael & Jim McAlary |
| Robert & Libby Albert | Andrew & Wendy Hamlin | Jane McDermott & Michael Austin |
| Gil Appleton | Marion Heathcote | Professor Elizabeth More |
| Peter & Cherry Best | Bruce & Isabel Herron | Rae & Peta Morris |
| Bev & Phil Birnbaum | Louise Herron | Stephen Page |
| Dashiell Blanchett Upton | Sue Hunt | Timothy & Eva Pascoe |
| Max Bonnell | Anita Jacoby | Bob, Sheila & Katie Pitts |
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Company B is grateful to accept all bequests, donations and legacies of support.

Your gift can be directed towards the Building Redevelopment or to our foundation which will be used to further the artistic goals and provide opportunities for the artists of Company B.

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FRONT IMAGE: Wayne Blair, Leah Purcell, John Gaden, Greg Stone, Peter Carroll, Ralph Cotterill, Russell Kiefel, Russell Dykstra in *Stuff Happens*