

A black and white photograph of two men in suits singing into microphones. The man on the left is in the foreground, wearing a dark suit, white shirt, and a patterned tie. He is holding a microphone and singing. The man on the right is partially visible, wearing glasses and a striped tie, also holding a microphone and singing. The background is dark and out of focus.

**COMPANY B**  
**2006**  
**ANNUAL REPORT**

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# THE COMPANY B STORY

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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, Ursula Yovich, 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*, *Stuff Happens*, *Keating!* and *Parramatta Girls* 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.

On 4 October 2006, Belvoir St Theatre reopened after 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. From July 2005 until September 2006, Company B and B Sharp were 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 Arts NSW.

## ARTISTIC & PROGRAMMING

ARTISTIC DIRECTOR

**Neil Armfield AO**

GENERAL MANAGER

**Rachel Healy** UNTIL 3.11.06

ACTING GENERAL MANAGER

**Sue Donnelly** FROM 30.1.06 UNTIL 28.7.06

**John Woodland** FROM 4.11.06

ASSOCIATE ARTISTIC DIRECTOR

**Wesley Enoch** FROM 20.3.06

DOWNSTAIRS THEATRE DIRECTOR

**Lyn Wallis**

LITERARY MANAGER

**Anthony Weigh** UNTIL 29.1.06

**Eamon Flack** FROM 18.4.06

ACTING LITERARY MANAGER

**Polly Rowe** FROM 29.1.06 UNTIL 16.4.06

## ADMINISTRATION

ARTISTIC ADMINISTRATOR

**John Woodland**

ACTING ARTISTIC ADMINISTRATOR

**Janet Clayton** FROM 6.11.06

SPECIAL PROJECTS MANAGER

**Sue Donnelly** UNTIL 30.1.06

ADMINISTRATION COORDINATOR

**Kate Meyers**

IT & BUILDINGS MANAGER

**Jan S. Goldfeder** FROM 10.11.06

## FINANCE

BUSINESS MANAGER

**Chie-Hoon Lee** UNTIL 30.6.06

**Terese Casu** FROM 3.10.06

FINANCIAL ADMINISTRATOR

**Ann Brown**

# COMPANY B

## BELVOIR ST THEATRE

## PRODUCTION

PRODUCTION MANAGER

**Chris Axelsen** FROM 30.1.06

PRODUCTION COORDINATOR

**Ewen Duncan** UNTIL 13.4.06

**Sam Richards** FROM 20.4.06

TECHNICAL MANAGER

**Tristan Ellis-Windsor** UNTIL 25.6.06

**Liam Fraser** FROM 26.6.06

HEAD MECHANIST

**Jan S. Goldfeder** UNTIL 9.11.06

HEAD MECHANIST

**Shaun Poustie** FROM 10.11.06

DOWNSTAIRS TECHNICAL MANAGER

**Chris Mercer** FROM 3.9.06

COSTUME COORDINATOR

**Judy Tanner** UNTIL 29.1.06

**Claire Rasmussen**

FROM 9.4.06 UNTIL 19.7.06

**Genevieve Blewitt** FROM 9.10.06

## DEVELOPMENT

DEVELOPMENT MANAGER

**Matt Wachter** UNTIL 19.3.06

PHILANTHROPY MANAGER

**Christine Sammers** FROM 10.4.06

CORPORATE PARTNERSHIPS MANAGERS

**Janine Collins** FROM 1.5.06

**Frances McDonald** FROM 12.4.06

## EDUCATION

EDUCATION OFFICER

**Jane May**

## MARKETING

MARKETING MANAGER

**Caroline Pearce**

MARKETING COORDINATOR

**Tilda Silkes** FROM 23.2.06 UNTIL 19.7.06

MARKETING & PUBLICATIONS  
COORDINATOR

**Christine Bradburn** FROM 28.8.06

PUBLICITY

**Sarah Wilson** UNTIL 23.6.06

**Maryann Sulic** FROM 13.2.06

**Mollison Communications**

## FRONT OF HOUSE

FRONT OF HOUSE MANAGER

**Damien Storer** FROM 20.8.06

ASSISTANT FRONT OF HOUSE MANAGER

**Bianca Rowe** FROM 1.10.06

BAR STAFF

**Soraya Asmar,**

**Alexander Bryant-Smith,**

**Sophie Cook, Ben Geurens,**

**Katrina Golding, Kallista Kaval,**

**Dale March, Ben Mortley,**

**Ashlie Pellow,**

**Christopher Richardson**

## BOX OFFICE

BOX OFFICE MANAGER

**Carly Leonard**

ASSISTANT BOX OFFICE MANAGERS

**Amanda Burns**

**Georgie Le Poer Trench** UNTIL 30.7.06

**Simon Keen** FROM 3.8.06

BOX OFFICE STAFF

**Mary-Elizabeth Andrews,**

**Bronte Arns, Donna Brooks,**

**Lucy Chesterton,**

**Rebecca Clifford,**

**Kevin Cox, Lizzie Doyle,**

**Laurence Driscoll,**

**Sandrine Durand,**

**Simon Greiner,**

**Talia Linz,**

**Lucy Marinelli, Rebekah Moore,**

**Claudia O'Doherty,**

**Nicola Shortridge**

## COMPANY B BOARD OF DIRECTORS 2006

**Neil Armfield AO**

**Anne Britton**

**Michael Coleman** FROM 1.5.06

**Russell Dykstra**

**Rachel Healy** UNTIL 3.11.06

**Louise Herron**

**John Kitney** UNTIL 14.5.06

**Samantha Meers** UNTIL 19.10.06

**Brian Thomson AM**

**Mary Valentine AO** UNTIL 27.3.06

**Orli Wargon**

**Peter Watts AM**



# 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

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What a year we had. It was perhaps the rockiest for the Board of Company B in the last five years but by far the most satisfying.

Through the persistence and leadership shown by Barry McGregor (our project manager), Peter Watts (Company B) and Andrew Cameron (Chair Company A), the renovated theatre was ready for the opening on 4 October, even though it was "not completely finished", as Barry said in his report.

The opening night was a great success: a new play, a new foyer and a great buzz. There was plenty of quirky and loving acknowledgement of the many donors: the Gonski Meers Foundation Foyer, the Hal Bar, the marvellous etching by Robert Cousins, names on seats and stairs, all witnessing the fact that this was a group effort and a mighty successful one, as recognised by our winning the inaugural NSW Australian Business Arts Foundation Giving Award for our collective efforts.

It had been a hairy few months leading up to the opening, the worst moment being when we were told of the asbestos in the roof that put a sudden and most unwelcome halt to the building project. Then it rained. But Sue Donnelly, the acting general manager, showed her true colours by arranging a very timely pre-budget meeting with Senator Rod Kemp. With Geoffrey Rush and Neil, we boldly asked for a Federal Government contribution so that we could open the theatre without the burden of a mortgage. We were delighted to receive the \$1.5m we had asked for.

It made a huge difference, as did the original \$5m from the NSW Government and \$300,000 from the City of Sydney.

Unfortunately while rushing to finish the theatre, the costs of renovating our new warehouse on the corner of Elizabeth and Belvoir Streets ran somewhat wild. We spent a few pretty nervous months, under the expert guidance of Sue Procter, working out how to pay for that without drawing on the line of credit we had arranged with Westpac. Dipping into 2007 as I write this, we now see the light at the end of the tunnel as we experience extraordinary ticket sales driven by sell-out success with both *Keating!* and *Parramatta Girls*, as well as achieving our highest subscription rates ever. All this means that we will not need the Westpac line after all.

Company A now owns, without mortgage, a fully renovated theatre and warehouse. These comfortably house our administration and provide us with our own rehearsal space that exactly replicates our Upstairs Theatre stage. Twelve million dollars is a lot of money to have been given, raised and spent but the Board is pleased to leave this as our contribution for the next generation of Company B. Anne Britton has done a marvellous job sorting out the arrangements between Company A and Company B, as she has in all aspects of her role as a Director.

The next hurdle we faced was Rachel Healy's understandable, but difficult nevertheless, decision to leave Company B after ten years to move to

a fantastic new role at the Opera House. In the decade that Rachel managed the Company, it became what it is today: the heart and soul of Australian theatre. Rachel and Neil had one of those rare symbiotic relationships. They drew from one another and together built something extraordinary. Neil has often said how greatly he appreciated Rachel's artistic sensibility, as well as her eye for detail and ability to manage so many things at once. Her leaving speech is reproduced in full in this report. It gives a great sense of Rachel and her enormous contribution.

Where would we find a replacement? Vicki Middleton, the GM from Legs on the Wall, was the stand out candidate interviewed by the selection panel comprising Peter Watts, Rob Brookman (GM Sydney Theatre Company), Neil and me. She is young, vivacious, highly skilled and a real asset to the Company.

Sue Donnelly ably filled in while Rachel was on maternity leave from February to July and John Woodland after Rachel left in November. I thank you and loved working with both of you.

It was a difficult time for all staff, with equal amounts of excitement and anxiety about what we were doing and whether it would all work out in the end. You have been an extraordinary team – so committed and, as Paul Keating said at the opening of *Keating!* in Melbourne, "the last commune left in Australia".

And to the main business of Company B – making memorable, thought provoking and inspiring

theatre – which continued apace. In February, the Department of Immigration and Citizenship sent us a thank you letter for the DVD of the Company B Production of *In Our Name*, the play about the Iraqi families in immigration detention at Port Hedland. I wish we could publish the whole letter. The Department now uses the DVD of *In Our Name* as part of its training program. The Department's officers described the play as "effective, moving and demonstrating issues that can arise in the Detention environment". The DVD "highlighted many practices that will not happen again". To me, little could be more satisfying.

We maintained our box office income of \$2.5m but production expenses, for a combination of reasons, left us \$500,000 in the red. That is our first deficit for nine years, but I think that with everything that was going on, including temporary venues, it was unfortunate but not fatal. The situation has now been rectified.

Our sponsors Optus, Freehills, Baker & McKenzie, Getronics, the Chairman's Group and others have provided us with much needed support. We now have a fabulous development team in Christine Sammers, Janine Collins and Frances McDonald. I look forward to their continued success. Our next challenge is to attract more corporate production sponsors.

And to the Board. I thank every one of you. I cannot imagine a better, more committed, more complementary, group of people. During their time on the Board, John Kitney and Sam Meers helped

us navigate through some very difficult issues. Mary Vallentine was sadly missed when she went to Doha to run Cultural Program for the Asian Games (but again dipping into 2007, she is back with her uncanny ability to sense and summarise). Michael Coleman has been a brilliant replacement chairman of the finance committee, ably assisted by Sue Procter. We all welcomed Kate Meyers as the new staff representative.

It has been my honour and pleasure to chair this Board for the last five years. I feel privileged to be part of the Company B family every time I go to the theatre or speak to Neil, Vicki and the rest of the crew. There are a few big issues we still need to tackle, like making sure our staff are properly recognised in every way. But there is enough passion in the Board and management to ensure we will deal with them in the best possible way.

**Louise Herron, Chair**



# ARTISTIC DIRECTOR'S REPORT

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2006 was an extraordinary year by any measure: one which saw the company complete the redevelopment of Belvoir St Theatre and the new Belvoir St Warehouse, move into these fantastic new spaces, lose our beloved General Manager, Rachel Healy, after ten years of incomparable and inspired management of the company... and through all this produce six amazing shows! Four at Seymour, two at Belvoir.

The year started with the wonderful Kneehigh Theatre's *Tristan & Yseult* co-presented with the Sydney Festival.

When Fergus Linehan introduced me to Kneehigh, it was like finding a long lost relative. There is such playfulness and joy in their work which made a wonderful synergy with Company B.

The Lonely Hearts' Club, dressed in their parkers and balaclavas, directed by Emma Rice, came to us after huge success across Britain and at the National Theatre in London.

Next was Marion Potts' acclaimed State Theatre Company of SA production of Edward Albee's *The Goat, or Who is Sylvia?*

This play about love, loss, the limits of our tolerance and, well, the human species, is one of the great works of contemporary theatre. There is no point attempting it without a magnificent quartet of actors, and this we were fortunate enough to have in Cameron Goodall, Victoria Longley, Pip Miller and William Zappa.

One of the weird things about growing older is the way that time compresses. And so when it

was suggested to me that we revive Louis Nowra's adaptation of Xavier Herbert's *Capricornia* my first thought was "didn't we just do that a few years ago?" Indeed as Artistic Counsel for Company B in 1988 I had curated our first – what was then called – *subscription season*, and so I had commissioned Kingston Anderson to direct this adaptation which the Bicentenary had assisted in funding. It was a shock to realise it was 18 years ago! Across that time it has become a classic of Australian Theatre and it was wonderful to see Wesley Enoch tackle it in the expanse of the York Theatre transformed into a great sea of white by Brian Thomson's set and Mark Howett's lighting.

A fantastic cast were brilliantly led by Luke Carroll as Norman Shillingsworth and Ursula Yovich as Tocky.

After having had some time out to do the national and international promotional campaigns for my film *Candy*, I returned to Company B to direct the last three shows of the year.

Lope de Vega's *Peribanez*, one of the great classic works of the Golden Age of Spanish Theatre, had fascinated me for some time, and, wanting to go out of the Seymour Centre with a bit of a bang, grabbed that brilliant ensemble cast of 13 and choreographic colleague Kate Champion (in name, in deed!), Alan John's live music and Dale Ferguson's glorious design of earth and wheat and went for it!

It was a huge and exhausting undertaking, but from the very first moment when Leeanna

Walsman leaped from that dizzying height into the loving arms of Socratis Otto there was an audible, collective gasp from the audience who stayed mesmerized for the rest of the rich and passionate journey. Mention must be made of the extraordinary Marton Csokas as the Commendador of Ocaña whose performance ventured into hitherto unknown (to me, at least!) territories of clowning and profound intensity.

After terrifying delays of some weeks, we finally moved back into our beloved home on 4 October, 2006. Before I say anything else, I must commend all the staff of Company B, but especially the production team of Chris Axelsen, Liam Fraser, Sam Richards, Jan Goldfeder, Shaun Poustie and Chris Mercer, Front of House Manager Damien Storer, and Box Office Manager Carly Leonard and their teams, and, well, everyone who got us over the line and got the joint open – even with paint still wet and the toilets backing up!

Fortunately the show was one that I had prepared earlier, as you might say. We'd opened *It Just Stopped* in Melbourne at Malthouse in April which gave us a chance to restudy the production a little, in particular Stephen Sewell was able to rewrite and make the ending even better, including the addition of the now famous jellybean *Gotterdammerung*! Stephen's wonderful play had been a long time coming, having been cancelled from the 2005 Season due to my illness. But it spoke with such prophetic intensity and dazzling comedy, dealing as it does with the meaning of art

and the collapse of Western Civilisation! I am so indebted to that wonderful quartet of performers, Catherine McClements, Kim Gyngell, Rebecca Massey and John Wood. The production, from its Malthouse season, was nominated for six Victorian Green Room Awards and won three: Best Lighting (Paul Jackson), Best Actor (John Wood), Best Actress (Rebecca Massey).

The last show for the year was Casey Bennetto's *Keating!* This show began life as a 60 minute song set performed by The Drowsy Drivers in the 2005 Melbourne Comedy Festival in a tiny room in Trades Hall. I saw a DVD of that award-winning show and spoke to Casey about expanding it into two acts, adding new songs and developing it for production by Company B. From that original Drowsy's show, the irreplaceable Mike McLeish stayed on as Keating, Enio Pozzebon as Gareth Evans and keyboards, and Casey handed over Hawke and Howard for Terry Serio to have his way with while retaining John Hewson and adding an unforgettable Alexander Downer and offstage ghost of Gough to his repertoire. With John 'Cha-Cha' O'Connell joining us as choreographer, the *Stuff Happens* design team of Brian Thomson (set) Jennifer Irwin (costumes) and Damien Cooper (lighting), as well as three brilliant new players completing the band, this was probably the most enjoyable rehearsal room I have ever worked in.

Anyone who was there at that fabulous opening will tell you of the magic in the air that night. Apart from the performance being so tight,

to have the eponymous Paul dance onto the stage at the curtain call and so beautifully draw our attention to the power of art and the brilliance of Casey's songs was very wonderful indeed.

*Keating!* has gone on to be the most successful show in the history of Company B – it has already played a return season at Belvoir and another at Seymour with yet another scheduled later in 2007 after the current box-office breaking season at the Comedy Theatre in Melbourne plays to the limit of its extension! We are truly grateful for the work of this superb ensemble, the crew and all of the administrative and technical support from Company B. Well done team!

And the glorious *Page 8*, David Page's one-man hit from 2004, directed by his brother Stephen, toured again across Australia and on to Britain, leaving a trail of pleasure and satisfaction and understanding in its wake.

That's enough from me, except to say that both Sue Donnelly and John Woodland are to be hugely thanked for their great and devoted work as Acting General Managers during the year – Sue while Rachel had baby Francis and John after Rachel left while we waited for the extraordinary Vicki Middleton to join us as GM at the start of 2007. Welcome Vicki!

And I must also thank all of the staff, our artists, our supporters and sponsors and audience, our Boards, especially the Chairs Louise Herron (B Board) and Andrew Cameron (A Board) who have led this phenomenal campaign to give



Company B the theatre and the rehearsal and administration building it both needs and deserves. And thanks Rachel, again.

**Neil Armfield, Artistic Director**

# GENERAL MANAGER'S REPORT

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Company B's work has made a vital and vibrant contribution to Australia's cultural artistic landscape for over twenty years, and the 2006 productions were no exception. The core artistic program comprised four Australian works; a daring and radical new play by one of Australia's most celebrated playwrights, one contemporary award-winning play, a classic revival of an important Indigenous work and a satirical, political and downright hilarious musical. These works were in good company alongside an adaptation of the wonderfully rich Spanish classic *Peribanez*, and the presentation of a major international work from the UK. Four of the six works were directed by the company's core artists, Artistic Director Neil Armfield and Associate Artistic Director Wesley Enoch.

As reflected in past years, we enjoyed a series of successful co-productions and co-presentations throughout the year. These partnerships are fundamental in allowing us to produce new or risky work through the sharing of costs and resources. In 2006, Company B presented the playful *Tristan & Yseult* by Kneehigh Theatre (UK) in association with the Sydney Festival, *The Goat, or Who is Sylvia?*, a State Theatre Company of South Australia production and co-produced Stephen Sewell's *It Just Stopped* with long standing partners the CUB Malthouse Theatre, Melbourne.

When we moved to the Seymour Centre in 2005, we were nervous that our audiences would not follow us, but how wrong we were! Audience

numbers continued to grow throughout the year. There was a 7.1% increase in Season Ticket Holders (5662 in 2005 to 6066 in 2006), with single ticket sales increasing by 6.8% (33,512 to 35,802). Overall paid attendances increased by 8.7%.

In addition to core activity, the company toured extensively in Australia and overseas. David Page's exuberant *Page 8* (which graced our stage in 2004 and toured in '05) was presented as part of the New Zealand International Arts Festival before the show embarked on a 20 show Australian regional tour of Canberra, Geelong, Lismore, Orange and Wollongong. In February, the show was invited to present a spotlight performance as part of the Australian Performing Arts Market in Adelaide. Additional funding from the Australia Council allowed us to prolong the life of the tour with a six week UK run. The UK tour was successful in promoting Company B as an advocate of new Australian work as well as promoting Indigenous work overseas.

Our Education and Literary programs continued to go from strength to strength throughout the year. In 2006, 5013 high school students attended a Company B production either through our school matinees or evening performances. A number of these students attended performances for free as part of our Priority Funded Schools program, which continued to grow in '06. Our workshop program also continued to grow with a higher number of educational programs being realised than ever before, including a highly successful Youth

Engagement Program. B Sharp also had another wonderful year led by Lyn Wallis and her team.

Self-generated income continued at similar levels to previous years throughout '06, representing 80.2% of total income. Performance fees, touring payments and box office income made up 66.3% of this self-generated income, and we continue to rely heavily on our corporate partnerships and philanthropic fundraising to realise our artistic ambitions. Now in its eighth year, our partnership with Optus is an exceptional example of arts and business coming together. Optus share our artistic ambitions and allow us to continue to challenge the 'norm' by questioning political policy and social consciousness, and we thank them for their continued support. We are delighted that Freehills continues to support our Education program, helping us realise our desire to make theatre accessible to young people by removing the geographical, social and financial barriers they face. Thanks must also go to our media partner The Sydney Morning Herald, Baker & MacKenzie for their invaluable legal expertise (particularly in the middle of a major building redevelopment), Ernst & Young (who take the pain out of annual audit), Getronics, SOS Print & Media and Woolcott Research. Research shows that arts support from the corporate world is growing annually in Australia, and we thank our sponsors for contributing to this trend and paving the way for future partnerships.

The year end financial results reflected an extraordinary year in which season and single

ticket sales grew, but saw the company needing to draw on its reserves to complete the building redevelopment and meet associated costs.

After a long residency at the Seymour Centre, Company B and B Sharp productions finally returned home to our beloved Belvoir St Theatre in October 2006 following a major refurbishment. After years of planning and fundraising, triumphs and disappointments, the renovations were at last complete. The following month staff eagerly packed up their belongings and waved goodbye to friends at the Seymour Centre. After years of being squashed into the nooks and crannies of the old theatre, we now have spacious offices (including an office for Neil) in our new warehouse which also houses the beautiful new rehearsal space. Needless to say we settled in quickly.

The heart of the company in 2006 continued to beat in the form of a wonderful, hard working and dedicated staff. It was not an easy year for core staff and whilst the Seymour Centre, headed up by Ann Mossop then Julie Mullins, were incredibly welcoming throughout our stay, staff suffered from itchy feet and were eager to get home. This was a transitional year full of testing times, and the impact of the move can not be underestimated. Once again the staff rose to the challenge with energy, spirit and resilience.

The Company B board, led by Louise Herron, continued to be a tour de force throughout 2006. Louise's unprecedented commitment and leadership skills steered the ship home in

unstoppable fashion for yet another year.

As the 'new girl' at Company B I can't take the credit for the successes of '06 (considering I only came on board in January '07). This must go to the three General Managers who filled the 'hot seat' during the year. The fabulous Sue Donnelly took her second stint as Acting General Manager from February to July whilst the 'real' GM Rachel Healy took maternity leave. Rachel returned for a short period from August, but after 10 wonderful years at the helm decided it was time to move to pastures new, not a decision taken lightly as you can imagine. After Rachel's departure in November, John Woodland (Artistic Administrator) took up the position of Acting GM to the close of the year. All three did an incredible job of maintaining the status quo when all around was far from it!

Rachel has left me with a very large pair of shoes to fill over the coming years, but has also left an incredible legacy to build on. Alongside Neil, Rachel has been the driving force of the company for over a decade, and in that time it has grown beyond recognition and continues to prosper. It's an understatement to say the company will miss her, but we look forward to seeing her at many an opening night for years to come.

As for me, I am delighted to be here, and look forward to an extraordinary 2007 — if the first three months are anything to go by it's going to be a busy and rewarding one. A colleague, on hearing of my appointment as new General Manager at Company B last year, told me I had the best job in



Australian theatre, and I could not agree more! I have the privilege of joining an incredible staff and I am overwhelmed by their integrity, passion and dedication to the company and its artists. I also get to work with one of Australia's most treasured theatrical talents, Neil Armfield — as if there weren't enough perks to the job already!

**Vicki Middleton, General Manager**

# FAREWELL FROM RACHEL HEALY

---

**In November 2006 Rachel Healy left Company B after ten years as General Manager. Rachel left when she was appointed Director of Performing Arts at Sydney Opera House. Reprinted below is an edited version of her farewell speech to artists, past and present staff, actors, board members and shareholders who gathered at Neil's house for her farewell party.**

Coming to Belvoir was one of the hardest and most stressful beginnings in a job that I could imagine, and leaving Belvoir is providing to be no less painful and difficult. In 1996 I was here touring with the Australian Ballet, on the train going to work at the Opera House as it happens, when Robert Cousins rang me and asked if I might be interested in the job that was going at Belvoir. As most of you know, I grew up in Adelaide and had formative experiences watching performances by Jim Sharman's Lighthouse Theatre. And of all of Lighthouse's shows, Neil's production of *Twelfth Night* remains one of the most extraordinary and exquisite experiences of my life and as a 15 year Adelaide schoolgirl the production was unimaginably thrilling — sad, moving, sexy and so funny and the acting company — John Wood, Geoffrey Rush, Gillian Jones, Alan John and Kerry Walker among them — seemed to just shimmer.

When I did work experience for the company a year later the energy and excitement of the theatre company — even attending the fag ends of a bump

out at the Royal Showgrounds in the mud and the rain, seemed like a really cool way to spend a Monday morning as all the commuters headed towards jobs behind desks. These experiences made me know that I wanted to work in theatre, and here was Bob suggesting I work with the very artists that had made Lighthouse such an important company. I met with Neil at the pub down the road, and later at his house and I liked him, but I had just bought a flat in Melbourne, I had an easy job at the Ballet and I had only been with the company for 6 months. I read the job description for General Manager with Company B and felt so sick that I had to put it in a drawer. It seemed like really, really hard slog, so I told Barbara Tiernan, the then Chair, that I had thought about it a lot, and decided to say no. She told me that I was a stupid girl, that I was going to take this job and that she would be ringing me again after the weekend and expected a different answer. I was 27 and so completely intimidated by her approach that when she rang me on the Monday I meekly agreed

to take the job, hung up the phone, and bust into floods of tears. Standing on one of the platforms of Central Station I rang my Dad sobbing and said "I don't want to do this job!" to which he told me that it was too late now. I was committed. *Thank god for Barbara.*

There was a whole heap of work behind a desk but there was also flying to Melbourne to mediate between two actors in *The Judas Kiss* whose relationship had grown so acrimonious that one had taken the decision to punish the other by walking off stage in the middle of the performance with the words "I'm just going to check something outside". I remember standing in the airport bookshop's self help section leafing through sbooks on conflict resolution for tips.

Alas conflict resolution skills weren't that useful when Samuel Beckett's nephew left the opening night performance of *Waiting for Godot* refusing to applaud, with the British Council emissary to Australia bringing up the rear. What was planned as a major new international production of *Waiting for Godot* to mark 50 years since its opening night in Paris in 1953 quickly turned farcical as Nigel and I crouched in the dark of our office with a flash light to review the license agreement with the estate. We couldn't turn the lights on because all the opening night guests would have seen us in the office checking that we hadn't made a monumental cock-up by neglecting to notice the "no music" clause in the license.

Mercifully, there was no such clause. The fault

lay with the agent — and indeed with Edward Beckett and a debate led by Neil about the rights of a company to keep a playwright's work alive through new interpretations played out on the front pages of the major dailies over the forthcoming days. And the box office went bananas, so all was good.

In ten years of productions, there are so many memories, every show had a series of background stories and its own character, some more colourful than others. I remember Neil and I seeing John Moore's extraordinary performance in a Yirra Yaakin production on stage in Perth and us offering him the lead role of Paul in *My Zinc Bed*. Paul is a beautiful talented young man struggling with alcoholism. Casting a beautiful young man struggling with alcoholism turned out not to be such a good idea and at terrifyingly short notice Ben Mendelsohn stepped in. At the first preview John showed up after a week of unpredictable behaviour and I sat next to him, half prepared to restrain him from rushing on to the stage and decking Ben. As it happened, his loud laughter and supportive comments prompted complaints from the patrons sitting in front of us. John turned his attention to the annoyed couple and told the woman precisely what he thought of her as well as the exact part of her anatomy that she should place all future comments she might like to make. The husband and wife team understandably then chose to leave the theatre, pursued by an undaunted John, and pursued in turn by me as I tried to put as much

space as possible between John and the departing patrons who raced towards the solace of a lockable car. Call me the Kofi Annan of Surry Hills.

Alan and I spent last night talking about these and so many other highlights from a decade in the chair, but the back of house dramas are a sideline to the main game and in the last decade I have been privileged to witness some extraordinary moments that are part of the history of the space and Sydney's cultural history. There are thousands, but without a prompt from our archives, I remember:

- David Page dancing on the kitchen table to the first notes of *I Want You Back* from the Jackson 5;
- The sudden appearance of Wee Thomas at the conclusion of *The Lieutenant of Inishmore*;
- The radiant Deb Mailman falling in love to Alan John's joyful music in *As You Like It*;
- Arky Michael's machiavellian Shane Miller in *The Small Poppies* — or Arky telling Russell Dykstra in *The Underpants* about real men — that they don't think of polka dots, they chop wood and shoot birds in the sky with pellets;
- Ursula and Kris McQuade's mother and daughter team in *The Threepenny Opera*;
- Greg Stone's mesmerising George W Bush in *Stuff Happens*;
- Aimee McKenna's equally mesmerising Young Woman in *Knives in Hens* for B Sharp;
- Beth Buchannan's damaged and angry street perfume-seller in Raimondo Cortese's *Roulette* series; and



- Kevin Smith as the Black Man bringing home an exhausted and overwrought Quick Lamb to his exultant family as he is cuddled into the arms of his brother, Dan Wyllie's Fish.

I want to thank everyone in the company for a decade of hard work, and great love, in rough conditions but with a heart that makes this company the best in the world.

I am grateful to everyone who has been part of this company; the artists, the boards, the shareholders and the creative teams, but there are a few staff I am going to single out because

CLOCKWISE FROM LEFT: KIRSTIE HUTTON & DEBORAH MAILMAN IN *AS YOU LIKE IT*;  
DORIS YOUNANE, STEVE RODGERS & JONATHAN MILL IN *TWELFTH NIGHT*; DAVID PAGE IN *PAGE 8*; BEN MENDELSON IN *MY ZINC BED*;  
DAN WYLLIE IN *CLOUDSTREET*; MAX CULLEN & JOHN GADEN IN *WAITING FOR GODOT*;  
GREG STONE IN *STUFF HAPPENS*

they have been so much part of my life, and the company's success in the last ten years.

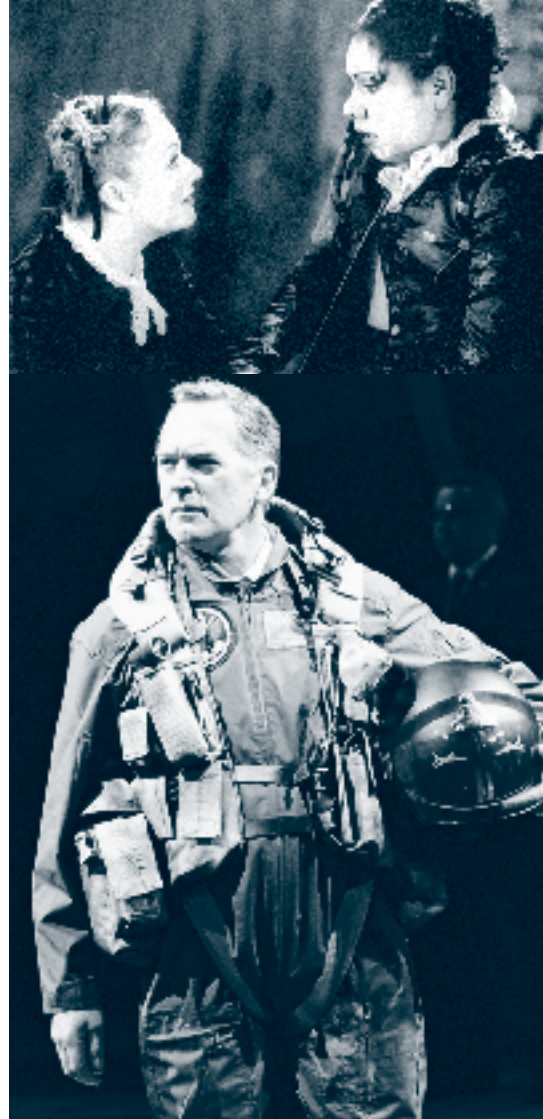
I want to acknowledge the extraordinary contribution that Nigel Smith made to the company, first as Artistic Administrator, and then as Business Manager. He taught me so much, and sharing an office-cum-broom cupboard with him was an unstinting pleasure. I also want to acknowledge Elaine Chia who was a fantastic partner in rebuilding parts of the company's business attributes in the late 90s. Jenni Carbins was a great marketing manager when I first joined the company. She turned Robert Cousins's singular graphic design work for the company into marketing materials that set a benchmark in the industry. Brenna Hobson was a production manager without peer and her capacity to manage both shoe-string budgets and the creative needs of each show's creative team had been tuned to a fine art. Lucy Wirth, Carly Leonard, Mandi Burns and Sarah Birrell were a brilliant and funny asset to box office, and Babs Yabsley contributed her attention to detail and capacity for hard work in both box office and the production department over many years. John Woodland has been a methodical and supremely loyal Artistic Administrator in recent years and the company is lucky that he has agreed to be Acting GM until Vicki starts in January. Jan Goldfeder has literally given more blood, sweat and toil toting sets and running crews than could ever reasonably be asked of one person and we are always in his debt for his

loyalty to the company and for so much hard work. Lyn Wallis, the visionary backbone and founder of B Sharp, is the author of so much that is great about what Company B does and aspires to do and she has been an inspiring colleague and leader. Jane May looking after education is an equally inspiring quiet powerhouse who has led this area of the company with great skill.

I remember when I first met the company staff, two staff really impressed me at that first meeting – Ann Brown was one, and she has continued to impress me with a wit, an undeniable style, an engaged intellect and a warmth that has made the day to day worklife at Belvoir so much fun and so fulfilling. Thank you Ann for so many years of such a fine friendship.

Finally, Neil. Company B is a company that has the capacity to fill your whole life, and my partnership with Neil has been the bedrock of this life. Neil and I worked together to create a particular kind of company, with very particular values as well as ambitions and despite the fact that getting Neil to make a decision was once described to me as akin to teaching a cat to breath underwater, it is frankly impossible to imagine my life without Neil very close to its centre. I want to pay tribute to Neil's generosity, for his constancy and for enabling me to work for a company in Sydney that has embodied all that felt so intuitively right when I was 15.

**Rachel Healy, General Manager 1996–2006**







**SEASON  
2006**

LEFT: MIKE SHEPHERD & TRISTAN STURROCK  
RIGHT: TRISTAN STURROCK & SALLY DEXTER

# TRISTAN & YSEULT

7 JANUARY - 19 FEBRUARY

## WRITTEN BY

**Carl Grose &  
Anna Maria Murphy**  
DIRECTED & ADAPTED BY  
**Emma Rice**

## CAST

**Katy Carmichael  
Sally Dexter  
Simon Harvey  
Craig Johnson  
Giles King  
Mike Shepherd  
Tristan Sturrock  
James Traherne**

## MUSICIANS

**Fiona Barrow  
Dave Brown  
Eddy Jay  
Alex Vann**

## COMPOSER &

**MUSICAL DIRECTOR  
Stu Barker**

## DESIGNER

**Bill Mitchell**  
PRODUCTION MANAGER &  
LIGHTING DESIGNER

## Alex Wardle

## SOUND DESIGNER

**Gregory Clarke**  
PRODUCER

## Paul Crewes

## STAGE MANAGER

## Thomas Vowles

## SOUND TECHNICIAN

## Dominic Bilkey

ASSISTANT STAGE  
MANAGER/WARDROBE

**Ami Mendes-Houlston**

*"...one of the most joyous,  
moving and theatrical  
visits to the loony-bin  
you could wish for...  
Don't miss it"*

THE SUNDAY TELEGRAPH

*"...deliriously joyful  
theatre"*

THE DAILY TELEGRAPH

*"...such theatrical  
ingenuity... left me in  
a child-like state of  
slack-jawed wonder"*

THE SUN-HERALD

TRISTAN & YSEULT WAS A  
COLLABORATION BETWEEN  
KNEEHIGH THEATRE AND THE  
NATIONAL THEATRE PRESENTED BY  
COMPANY B AND SYDNEY FESTIVAL.

## SEASON DETAILS

### NUMBER OF PERFORMANCES

45

### TOTAL AVAILABLE TICKETS

31,140

### TOTAL SOLD TICKETS

17,981

### BOX OFFICE INCOME

\$597,449

LEFT: VICTORIA LONGLEY & WILLIAM ZAPPA

# THE GOAT, OR WHO IS SYLVIA?

1 APRIL – 7 MAY

WRITTEN BY  
**Edward Albee**  
DIRECTED BY  
**Marion Potts**

CAST  
**Cameron Goodall**  
**Victoria Longley**  
**Pip Miller**  
**William Zappa**

DESIGNER  
**Gaëlle Mellis**  
LIGHTING DESIGNER  
**Geoff Cobham**  
COMPOSER  
**Stuart Day**  
STAGE MANAGER  
**Andrew Stewart**  
PRODUCTION COORDINATOR  
**Anneke Harrison**  
ASSISTANT STAGE MANAGER  
**Corinna McLaine**  
ASSISTANT DIRECTOR  
**Jack Sheridan**  
ACCENT COACH  
**Jonathan Mill**  
ACCENT COACH (SYDNEY)  
**John Higgins**

*"Zappa gives an extraordinary portrayal of a decent, pained man... Longley is outstanding and often thrilling as the shattered Stevie... The Goat, or Who is Sylvia? is an engaging and troubling work that replays close attention"*  
THE SYDNEY MORNING HERALD

*"The Goat, or Who is Sylvia? is richly rewarding on so many levels"*  
THE SUNDAY TELEGRAPH

## SEASON DETAILS

NUMBER OF PERFORMANCES

36

TOTAL AVAILABLE TICKETS

16,200

TOTAL SOLD TICKETS

9,343

BOX OFFICE INCOME

\$308,563

THE GOAT, OR WHO IS SYLVIA? WAS A STATE THEATRE COMPANY OF SOUTH AUSTRALIA PRODUCTION PRESENTED BY COMPANY B. THIS PRODUCTION PREMIERED AT THE DUNSTAN PLAYHOUSE, ADELAIDE FESTIVAL CENTRE ON 9 AUGUST 2005.

# CAPRICORNIA

27 MAY – 2 JULY

WRITTEN BY

**Louis Nowra**  
based on the novel by  
**Xavier Herbert**

DIRECTED BY

**Wesley Enoch**

CAST

**Bob Baines**  
**Luke Carroll**  
**Lillian Crombie**  
**Felino Dolloso**  
**Kerri Glasscock**  
**Jason Klarwein**  
**Annie Maynard**  
**Christopher Pitman**  
**Fiona Press**  
**Kyas Sherriff**  
**Ursula Yovich**

SET DESIGNER

**Brian Thomson**

COSTUME DESIGNER

**Alice Babidge**

LIGHTING & VISION DESIGNER

**Mark Howett**

COMPOSER & SOUND DESIGNER

**Steve Francis**

ASSISTANT DIRECTOR

**Matthew Whittet**

STAGE MANAGER

**Jamie Twist**

ASSISTANT STAGE MANAGER

**Anna Reece**

SET DESIGNER'S ASSISTANT

**Michael Agosta**

FIGHT CHOREOGRAPHER

**Lawrence Carmichael**

*"This terrific revival,  
directed by Wesley Enoch,  
establishes the play as  
a classic of Australian  
theatre"*

THE AUSTRALIAN

*"Capricornia... enjoyed  
an acclaimed original  
production by Company B  
Belvoir in 1988. Eighteen  
years later Capricornia  
and Company B triumph  
again... This is mature  
and confident Australian  
theatre-making"*

THE SYDNEY MORNING HERALD

## SEASON DETAILS

NUMBER OF PERFORMANCES

40

TOTAL AVAILABLE TICKETS

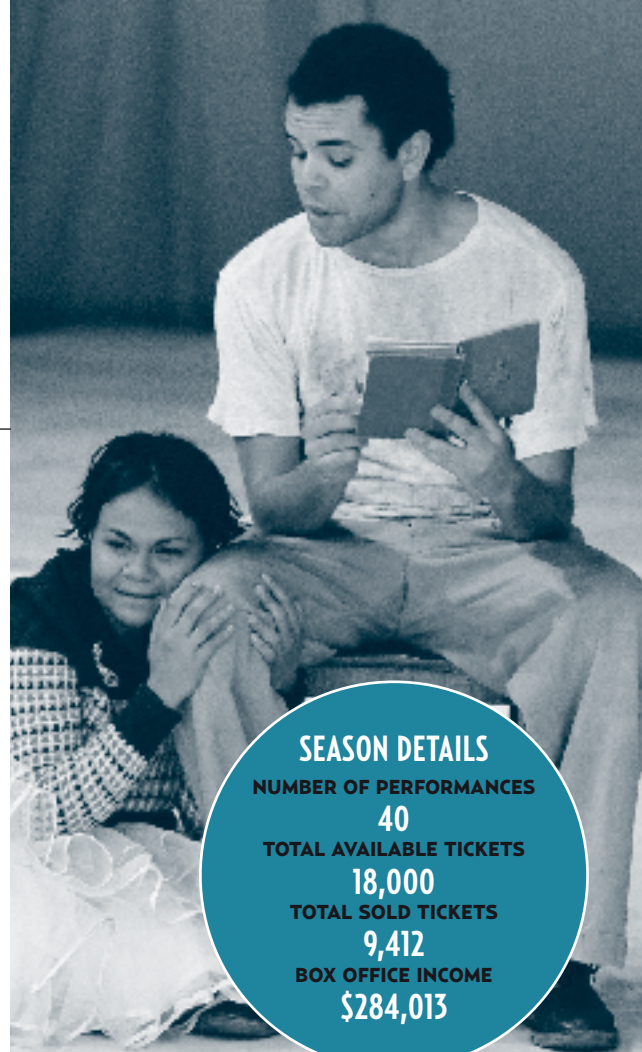
18,000

TOTAL SOLD TICKETS

9,412

BOX OFFICE INCOME

\$284,013



LEFT: LEEANNA WALSMAN

## SEASON DETAILS

NUMBER OF PERFORMANCES

39

TOTAL AVAILABLE TICKETS

17,550

TOTAL SOLD TICKETS

9,560

BOX OFFICE INCOME

\$302,037

WRITTEN BY

**Lope de Vega**

TRANSLATED BY

**Tanya Ronder**

DIRECTED BY

**Neil Armfield**

CAST

**Paula Arundell**

**Marton Csokas**

**Nathaniel Dean**

**Alan Flower**

**Stefan Gregory**

**Sacha Horler**

**Bogdan Koca**

**Joe Manning**

**Toby Moore**

**Socratis Otto**

**Nathan Page**

**Hazem Shammam**

**Leeanna Walsman**

# PERIBANEZ

15 JULY – 20 AUGUST

CHOREOGRAPHER

**Kate Champion**

DESIGNER

**Dale Ferguson**

LIGHTING DESIGNER

**Damien Cooper**

MUSIC

**Alan John**

SOUND DESIGNER

**David Gilfillan**

ASSISTANT DIRECTOR

**Patrick Brammall**

STAGE MANAGER

**Kylie Mascord**

ASSISTANT STAGE MANAGER

**Stewart Luke**

SPANISH ADVISOR

**John Brotherton**

FIGHT CHOREOGRAPHER

**Lawrence Carmichael**

*"A gloriously theatrical production... sexy and passionate... playful, serious and stirring"*

THE AUSTRALIAN

*"Neil Armfield's super-heated production is impossible to fault, and literally bursts from the stage... the Golden Age here is Armfield's: once again he's delivered an outstanding production"*

THE SUN-HERALD

# IT JUST STOPPED

30 SEPTEMBER – 5 NOVEMBER

WRITTEN BY

**Stephen Sewell**

DIRECTED BY

**Neil Armfield**

CAST

**Kim Gyngell**

**Catherine McClements**

**Rebecca Massey**

**John Wood**

MUSIC PERFORMERS

(pre-recorded music)

**Gary Costello**

**Andrew Gander**

**Paul Grabowsky**

**Scott Tinkler**

SET & COSTUME DESIGNER

**Stephen Curtis**

LIGHTING DESIGNER

**Paul Jackson**

ASSOCIATE LIGHTING DESIGNER

**Adam Bowring**

COMPOSER

**John Rodgers**

SOUND DESIGNER

**Russell Goldsmith**

DIALECT CONSULTANT

**Tyler Copin**

ASSISTANT DIRECTOR

**Sarah McCusker**

STAGE MANAGER

**Kylie Mascord**

ASSISTANT STAGE MANAGER

**Velalien**

*"...a whimsical, argumentative, satirical and deeply serious play – among Sewell's finest... For Company B, the production marks a triumphant return to its renovated home in Belvoir Street"*

THE SYDNEY MORNING HERALD

IT JUST STOPPED WAS A COMPANY B AND MALHOUSE THEATRE PRODUCTION. THIS PRODUCTION WAS ALSO PRESENTED AT THE CUB MALHOUSE THEATRE 1 – 30 APRIL 2006.

## SEASON DETAILS

### NUMBER OF PERFORMANCES

40

### TOTAL AVAILABLE TICKETS

12,800

### TOTAL SOLD TICKETS

9,198

### BOX OFFICE INCOME

\$299,970



LEFT: MIKE MCLEISH

# KEATING!

11 NOVEMBER – 23 DECEMBER

WRITTEN BY

**Casey Bennetto**

DIRECTED BY

**Neil Armfield**

CAST

**Casey Bennetto**

**Alon Ilsar**

**Mike McLeish**

**Eden Ottignon**

**Enio Pozzebon**

**Terry Serio**

**Guy Strazz**

**Mick Stuart**

MUSICAL DIRECTOR

**Casey Bennetto**

SET DESIGNER

**Brian Thomson**

COSTUME DESIGNER

**Jennifer Irwin**

LIGHTING DESIGNER

**Damien Cooper**

CHOREOGRAPHER

**John O'Connell**

SOUND DESIGNER

**Steve Francis**

STAGE MANAGER

**Jeff Stein**

ASSISTANT STAGE MANAGER/

OCCASIONAL PERFORMER

**Suzanne Large**

SOUND OPERATOR

**Michael Toisuta**

FOLLOW SPOT OPERATOR

**Kate Conson**

**"10/10 It's a triumph"**

THE SUN-HERALD

**"The show, and Armfield's joyous, faultless production, are, like its subject, replete with a gleeful panache and pizzazz"**

THE SYDNEY MORNING HERALD

**"...rollicking political satire... stellar production team... dazzling libretto..."**

THE AUSTRALIAN

## SEASON DETAILS

NUMBER OF PERFORMANCES

**46**

TOTAL AVAILABLE TICKETS

**14,720**

TOTAL SOLD TICKETS

**12,775**

BOX OFFICE INCOME

**\$456,319**

# PAGE 8

TOURING 2006

WRITTEN BY

**Louis Nowra &  
David Page**

BASED ON AN ORIGINAL  
CONCEPT BY

**David Page**  
DIRECTED BY  
**Stephen Page**

PERFORMER

**David Page**

SET DESIGNER

**Robert Cousins**

COSTUME DESIGNER

**Jodie Fried**

LIGHTING DESIGNER

**Mark Howett**

SOUND DESIGNER

**Steve Francis**

STAGE MANAGER

**David Koumans**

ASSISTANT STAGE MANAGER

**Natasha Hill**

## DATES

### NEW ZEALAND

NEW ZEALAND INTERNATIONAL  
ARTS FESTIVAL 8-12 MARCH

### AUSTRALIA CANBERRA

THE PLAYHOUSE, CANBERRA  
THEATRE CENTRE 21-25 MARCH

### GEELONG

BLAKISTON THEATRE, GEELONG  
PERFORMING ARTS CENTRE  
28 MARCH-1 APRIL

### LISMORE

NORPA PRESENTS AT  
LISMORE CITY HALL 6-7 APRIL

### ORANGE

ORANGE CIVIC THEATRE  
11-12 APRIL

### WOLLONGONG

IMB THEATRE, ILLAWARRA  
PERFORMING ARTS CENTRE  
28-29 APRIL

## UK

### MANCHESTER

LIBRARY THEATRE 10-13 MAY

### EASTLEIGH

THE POINT 16 MAY

### NEWBURY

THE CORN EXCHANGE 22 MAY

### GLASGOW

TRON THEATRE 26-27 MAY

### SALISBURY

SALISBURY PLAYHOUSE  
29-31 MAY

### NEWCASTLE UPON TYNE

LIVE THEATRE 6-10 JUNE

PAGE 8 WAS ORIGINALLY PRESENTED  
IN ASSOCIATION WITH THE 2004  
ENERGEX BRISBANE FESTIVAL  
AND WAS PERFORMED AT THE  
FESTIVAL 23 - 26 SEPTEMBER 2004.

# TOURING

## SEASON DETAILS

NUMBER OF PERFORMANCES

41

TOTAL AUDIENCE

12,775





# B SHARP

DOWNSTAIRS THEATRE, SEYMOUR CENTRE: 4 MAY – 22 AUGUST  
BELVOIR ST DOWNSTAIRS THEATRE: 11 OCTOBER – 23 DECEMBER

B Sharp is a unique partnership between Company B and small independent theatre companies that aims to support developing theatre practice and showcase fantastic theatrical work in a nurturing mainstream environment. B Sharp productions reflect the diversity of this sector, presenting new Australian works, re-invented classics and the best of contemporary international writing.

The 2006 season book featured an optical theme 'focussing in' on eight unique independent productions. Due to the Belvoir St renovations, the season was once again split between two venues, Downstairs Theatre, Seymour Centre and Belvoir St Downstairs Theatre. Delays meant that the first production scheduled for Downstairs Belvoir was postponed until 2007.

B Sharp's residence at the Seymour in 2006 gave five companies the opportunity to learn from the experiences of the Seymour companies in 2005 in developing independent work on a larger scale. Being away from 'home' for most of the year was a big test for both these B Sharp artists and audiences, but ultimately the experience of meeting greater production and design challenges was valuable and rewarding. The remaining 2006 B Sharp companies enjoyed the benefits of a

slightly re-oriented Downstairs Belvoir stage, as well as fantastic new backstage facilities.

## 2006 PROGRAMMING

In 2005 B Sharp developed the Boiler Room, an initiative designed to better resource some talented and experienced B Sharp directors with a growing and impressive body of work behind them. As anticipated, Boiler Room projects became the focus of core programming for 2006. This was complimented by a new approach to submission programming, 'Open Pitch', which gave the independent sector the opportunity to 'pitch' their projects to B Sharp year-round. Greater regulation of general submissions meant staff were able to concentrate more on Boiler Room collaborations – four of these productions were planned for 2006, with three realised and one (*The Small Things*) rescheduled to 2007, a result of building development delays. *Now that Communism is Dead my Life Feels Empty* was included in the Melbourne International Arts Festival, *Pan* became the subject of an ABC documentary and *Love* was nominated for a Sydney Theatre Award as best independent production of 2006.

### THE PHILIP PARSONS YOUNG PLAYWRIGHT'S AWARD AND MEMORIAL LECTURE

Film and television producer Sandra Levy delivered the 2006 Philip Parsons Memorial Lecture on 5 November in Belvoir St's Upstairs Theatre. Entitled *Report Card for the Small Screen*, the speech was delivered on the 50th anniversary of television broadcast. Ms Levy's intelligent and highly detailed critique of television examined its cultural legacy and posed the question "has television failed the arts?"

The 2006 finalists for The Philip Parsons Young Playwright's Award were Chris Aronsten, Caleb Lewis and as a writing team, Patrick Brammall and John Leary. The judging panel (Neil Armfield, Wesley Enoch, Eamon Flack and Lyn Wallis) selected the writing team of Brammall and Leary for the Award for their proposed play *Vital Organs*. This work will form part of B Sharp's 2007 season.

**Lyn Wallis, Downstairs Theatre Director**

### SEYMOUR CENTRE

**Silence**  
QUEENSIZ PRODUCTIONS  
4-28 MAY

**7 Blowjob**  
FROGBATTLESHIP  
1-18 JUNE

**Duck**  
SIREN THEATRE CO.  
22 JUNE-9 JULY

**Now that Communism Is Dead  
my Life Feels Empty**  
KITCHEN SINK  
13-30 JULY

**Pan**  
THE WORKING GROUP  
3-27 AUGUST

**BELVOIR ST THEATRE**  
**Checklist for an Armed Robber**  
J A SYMES PRODUCTIONS  
11-29 OCTOBER

**Love**  
THEATRELAB  
1-26 NOVEMBER

**The Golden Ass**  
FLIGHTPATH THEATRE  
25 AUGUST-18 SEPTEMBER

### SEASON DETAILS

NUMBER OF PERFORMANCES

155

TOTAL AVAILABLE TICKETS

14,240

TOTAL SOLD TICKETS

5,285

BOX OFFICE INCOME

\$88,507



# EDUCATION

## Company B recognises the role that theatre plays for high school students; not only as part of their education but so they might engage as current and life-long participants in the arts.

In 2006 we had continued support from our Education Partner Freehills.

Company B aims to give students as much access to our productions, both on stage and behind the scenes, as possible. This aim is delivered through the following strategies:

### SCHOOL ATTENDANCE AT PERFORMANCES

Up to three schools' performances were scheduled mid-week during each production season. Tickets were sold as single tickets or through a mini subscription.

Teacher's notes were distributed to all participating schools and were also available online. Teacher's notes were sent out to more than 142 schools. 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.

**"The kids were euphoric, basically. It was such a joyous production and we are all truly appreciative of this fine program. Thank you, thank you, thank you."**

A TEACHER WHOSE STUDENTS ATTENDED *TRISTAN & YSEULT* UNDER OUR PRIORITY FUNDED SCHOOLS PROGRAM.

In 2006, 3568 students attended a schools matinee performance. A school matinee performance was also held for *Checklist for an Armed Robber*, a B Sharp production.

Many schools also book evening performances. Schools take out an evening season package or book one or two performances during the year. More than 1445 high school students attended an evening performance in 2006.

### PRIORITY FUNDED SCHOOLS PROGRAM

Thanks to the support of Freehills, our Priority Funded Schools program continued in 2006. This program provides free tickets to our school matinee performances for students who would otherwise not be able to attend due to socio-economic circumstance or the distance they live from Sydney. In 2006, 1011 students from 22 different high schools attended a Company B matinee under our Priority Funded Schools program or with the support of a travel subsidy. Funding from Arts NSW made travel subsidises and, where necessary, additional tickets available for regional schools. Students from Manilla, San Remo and Beresfield were able to travel to Sydney to attend a Company B production thanks to this travel subsidy.

### IN SCHOOL WORKSHOPS

In 2006 Company B continued its In School Workshop Series. Fourteen workshops were held at schools throughout Sydney. Workshops in playwriting, costume design and lighting design were offered. Workshops ran for two hours and were conducted by artists associated with Company B and B Sharp.

Additional support from Arts NSW allowed five In School Workshops to be held at Dubbo College Senior Campus in the state's central west. This gave 122 students in Dubbo and the surrounding district access to Company B's workshops. Students travelled from Bathurst, Baradine and Narromine to attend.

Company B also ran four workshops for students at our temporary home, the Seymour Centre. Workshops were held in playwriting, costume and lighting design.

### PROFESSIONAL DEVELOPMENT WORKSHOPS FOR TEACHERS

In 2006 Company B ran two professional development workshops for teachers. Workshops in Teaching Lighting and Lighting Design in the Classroom (37 teachers attended) and Teaching Costume Design in the Classroom (35 teachers attended) were held. Teachers travelled from as far away as Wingham, Dubbo and Canberra to attend our lighting workshop and from as far away as Tamworth, Albury and Queanbeyan to attend our costume workshop.

## E-NEWSLETTERS

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 479 teachers receiving our email newsletter.

## WEBSITE

In 2006 Company B continued to develop the comprehensive education section of its website which includes our innovative resource The Creative Process which takes students behind-the-scenes of the set construction process.

## WORK EXPERIENCE PROGRAM

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 2006, 12 students completed one week of work experience and three students completed a work placement as part of their VET Entertainment Certificate. Company B also had two students from Key College (a school in Surry Hills for chronically homeless and drug addicted young people) participate in on-going work experience and clerical skill development at our administration offices.

## ADDITIONAL PROJECTS

**Youth Engagement Program** At the end of 2005 Company B received additional funding from Freehills, The Leroy & Joy Brauer Perpetual Charitable Trust (through Perpetual) and the Teen Spirit Charitable Foundation (through Perpetual) for our Youth Engagement Program.

The program ran from February to December 2006. Forty young people from two organisations supporting young people at risk (Key College and POEM Rozelle) took part in the program.

The aim of the program was to provide disadvantaged young people with access to a professional theatre company and its artists with the purpose of helping participants to develop communication and coping skills to improve their lives.

Participating young people took part in a 12 week series of drama workshops (led by directors James Winter and Julian Louis) culminating in a public performance of a self-devised piece of theatre. The young people from Key College performed their self-devised piece of theatre in front of an audience of 65 people in the Sound Lounge at the Seymour Centre on Friday 23 June, 2006.

The young people of POEM performed at the Learning Choice Expo in Maroochydhore, Queensland on 24 May, 2006. The young people performed twice to an audience of 40 people for each performance.

The young people also participated in work experience at Company B and attended our school matinee performances.

**Theatre Enrichment Project** In 2006 Company B secured the support of the Matana Foundation for Young People, The Ian Potter Foundation and the Creatorex Foundation for a pilot Theatre Enrichment Project. The aim of this program was to develop a series of resources and experiences to provide senior English students (and their teachers) with little or no experience of theatre the tools to engage with live theatre in a meaningful way. Sixty students and their teachers participated in this program which included attendance at school matinee performances, specially designed teaching resources, a pre-show visit to the theatre and a post-show visit to each school by the actors.

Late in 2006, Company B received advice from the Westpac Foundation that it had been successful securing funds to give students in regional NSW access to our in school workshop program. Company B will take its workshops in lighting, set design, costume design and playwriting to schools in regional and rural New South Wales. The project includes a professional development component for teachers. This project will commence in 2007.

**Jane May, Education Officer**



# ADDITIONAL

## **COMMUNITY ACCESS**

Company B aims to give access to the company's work by minimising or eliminating the financial and 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:

**Community Access Program** The Community Access Program, sponsored by Company B's corporate partner Optus since the beginning of 2006, is made up of two key components: Company B's established Unwaged Performance Program and a Charitable Tickets Program.

One mid-week matinee performance of each show is performed free-of-charge for unwaged members of the community. Entry is via display of an individual's health care card. This unique initiative has been in place for twenty years and ensures that the most financially disadvantaged members of the community are still able to attend live theatre performances. These performances are promoted via Avantcards and posters, provided by Optus, to a comprehensive mailing list of community organisations.

The Charitable Tickets Program provides 600 tickets per annum to Optus to be distributed to its nominated community groups and charitable organisations. Company B also fulfils around 50

LEFT: TERRY SERIO IN KEATING!

# ACTIVITIES

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ticket requests per year from various charitable organisations for fundraising events, in most cases giving a double pass or even a double Season Ticket where appropriate.

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

## LITERARY DEVELOPMENT

**Writers' Commissions** For the last few years, Company B has run a commissioning program designed to support the development of new Australian plays. It seeks to produce original, high quality work that could potentially be programmed in a Company B season.

In the last twelve months we haven't tendered commissions for the mainstage; we have, however, commissioned several writers with whom we have a significant history of collaboration. These projects were commissioned with a view to funneling work into production, and our commitment to production of these works is very high. A schedule of development and workshop is built into the commissioning process. Some of our commissioned plays are given rehearsed readings by professional actors. This process enables the playwright to approach

subsequent drafts with a clear idea of audience perception of the work. Writers currently under commission for the mainstage include Ian David, Dallas Winmar and Casey Bennetto.

We also have an annual commission for Downstairs, the Philip Parsons Young Playwright's Award, in partnership with the NSW Ministry for the Arts, as a result of which co-writers Patrick Brammall and John Leary were commissioned in 2006. Commissions delivered in 2006 include Brendan Cowell, Kate Mulvany and Ian David. Kate Mulvany's play will be produced Downstairs in 2007, as will Patrick Brammall and John Leary's. The latter play will be developed in collaboration with the Literary Manager, and is a concerted effort to explore a less script-based approach to the creation of new work.

**Unsolicited Script Assessments** Company B continued its commitment to the development of new plays and the unearthing of fresh writing talent, demonstrated in our script reading policy. For a small fee, any unsolicited script that is submitted to the literary department will be forwarded to a theatre professional and read. Readers' comments are then synthesised into a letter that is returned to the writer. The feedback provided offers practical and honest dramaturgical analysis and advice. If a play is considered to be of

interest we may enter into dialogue with the writer about the work or keep their play in our library for future reference.

## Dramaturgical Support for Boiler Room Process

B Sharp has recently assumed a more proactive role in assisting artistic teams with the production of projects to be presented in the Downstairs season. In the Boiler Room, the Literary Manager helps directors search for texts and is there as someone for directors to bounce ideas of.

In 2006 the Literary Manager collaborated with three new Boiler Room directors to select a play each for production in 2007. The process has been highly individual. In two cases, the aim was for Company B to make an artistic investment in developing the skills of directors bringing new work to the stage for the first time; this will result in the 2007 premiere of one commission (Kate Mulvany's *The Seed*) and of an award-winning first play from a poet. In the third case, the aim was to explore the importance of classic work to the contemporary stage and as a vital part of the development of emerging theatre makers, and the Literary Manager is working closely with the director in an exploration of Shakespeare's *The Merchant of Venice*, which will be produced in 2007.



# 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 in Sydney, 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 (5)  
Robert & Libby Albert  
Gil Appleton  
Artwise Amazing Paper  
Phil & Beverley Birnbaum  
Max Bonnell  
Denise & Neil Buchanan  
Brian Burfitt  
Andrew Cameron  
Louise Christie  
Peter Cudlipp &  
Barbara Schmidt  
Suzanne & Michael Daniel  
Ian Darling  
Peter Fay  
Margaret Fink  
Jennifer Glasson  
Peter Graves  
David Haertsch  
Erica Hahn

Andrew & Wendy Hamlin  
Marion Heathcote  
Louise Herron  
Michael & Doris Hobbs  
Sue Hunt  
Peter Ingle  
Anita Jacoby  
Shirley Jarzabek  
Avril Jeans  
Margaret Johnston  
The Kelly family  
Sue Kennedy  
Ian & Nan Landon-Smith  
Jennifer Ledger & Bob Lim  
Stephanie Lee  
Atul Lele  
Hilary Linstead  
Peter & Carolyn Lowry  
Mary Jane McKerihan  
Professor Elizabeth More

Rae & Peta Morris  
Dr David Nguyen  
Timothy & Eva Pascoe  
Bob, Sheila & Katie Pitts  
Judy Ralston  
Greg & Nikki Roger  
Geoffrey Rush  
Emile Sherman  
Edward Simpson  
John L. Sharpe  
Judith & Howard Smith  
Julie & Rob Smith  
Victoria Taylor  
Brian Thomson &  
Budi Hernowibowo  
Hilary Vallance  
Mary Vallentine  
Orli Wargon  
Paul & Jennifer Winch  
Iain & Judy Wyatt

## BEQUESTS AND DONATIONS

Company B is grateful to accept all bequests, donations and legacies of support. Your gift can be directed towards our foundation which will be used to further the artistic goals and provide opportunities for the artists of Company B. Donations over \$2 are tax deductible. If you would like to consider making a bequest or donation, or would like further information about becoming a B Keeper, please call our Philanthropy Manager Christine Sammers on (02) 8396 6219 or email [christine@belvoir.com.au](mailto:christine@belvoir.com.au)

CLOCKWISE FROM TOP LEFT: VICTORIA LONGLEY & WILLIAM ZAPPA IN *THE GOAT, OR WHO IS SYLVIA?*; KYAS SHERRIFF, KERRI GLASSCOCK, URSULA YOVICH & LILLIAN CROMBIE IN *CAPRICORNIA*; REBECCA MASSEY IN *IT JUST STOPPED*; ALAN FLOWER, MARTON CSOKAS, TOBY MOORE, NATHANIEL DEAN, LEEANNA WALSMAN, NATHAN PAGE & HAZEM SHAMMAS IN *PERIBANEZ*; TRISTAN STURROCK & KATY CARMICHAEL IN *TRISTAN & YSEULT*.

# 2006 PARTNERS

## CORPORATE PARTNER

'yes'  
OPTUS

## EDUCATION PARTNER

Freehills

## MEDIA PARTNER

The Sydney Morning Herald

## IT PROJECTS PARTNER

Getronics

## MAJOR SPONSORS

BAKER & MCKENZIE

ERNST & YOUNG

SOS print+media

WOOLCOTT RESEARCH

## ASSOCIATE SPONSORS

OH

PALACE THEATRE

QANTAS

VINI

FINCH & PARTNERS

[yellow tail]  
by Casella Wines

## GOVERNMENT PARTNERS

Australian Government

arts|nsw

CITY OF SYDNEY

undergrowth

ARTS

ARTS

## SUPPORTERS

3 AM Wigs, 3 Arts Hair and Make Up, Alex Craig Photography, Avant Card, Boomerang One to One, Buds & Bowers, Coopers, Culla Change, Digital Eskimo, Duck & Swan, El Bulli, Fiji Water, Head Over Heals, HPM, iMedia, Jazushi, LJ Hooker, Silver Spoon Caterers, Sound Moves Travel Group, Stage and Screen Travel Services, Thomas Creative, The Greatorex Foundation, The Ian Potter Foundation, The Leroy & Joy Brauer Perpetual Charitable Trust through Perpetual, Matana Foundation for Young People, Teen Spirit Charitable Foundation through Perpetual, Vincent Fairfax Family Foundation.

For more information on corporate partnership opportunities please contact our Partnerships Managers on (02) 8396 6209 or email [development@belvoir.com.au](mailto:development@belvoir.com.au)

# KEY PERFORMANCE INDICATORS

## ARTISTIC VIBRANCY

## ACCESS

PROFILE OF WORKS	UPSTAIRS SEASON	B SHARP	PLAY READINGS
- New	4	1	1
- Existing	2	7	-
<b>PROFILE OF WORKS</b>			
- Australian – new	2	1	1
- Australian – existing	1	2	-
- Overseas – new	2	-	-
- Overseas – existing	1	5	-
<b>PROFILE OF PRODUCTIONS</b>			
- New	4	8	n/a
- Existing	2	-	n/a

	PAID ATTENDANCES MAINSTAGE	PAID ATTENDANCES NON-MAINSTAGE	TOTAL PAID ATTENDANCES	NO. OF PERFORMANCES
<b>SELF-ENTREPRENEURED</b>				
- Home city	68,269		68,269	246
- International	1,509		1,509	21
<b>SOLD OFF</b>				
- Regional	3,440		3,440	14
- Other capital city	1,324		1,324	6
<b>OTHER</b>				
B Sharp		5,285	5,285	155
<b>FREE CONCERTS</b>				
No. attendances	1,326			
No. performances				6
<b>EDUCATIONAL</b>				
No. attendances	5,407			
No. performances				15
No. workshops				18

# KEY PERFORMANCE INDICATORS

## FINANCIAL VIABILITY

	2005	2006
<b>STRENGTH OF RESERVES</b>		
Net assets/total assets:	\$1,400,490 / \$4,306,153 (32.5%)	\$947,427 / \$4,452,085 (21.28%)
<b>PROFITABILITY</b>		
Total income minus expenditure	\$1,556	(\$453,063)
<b>EARNED INCOME GENERATING ABILITY</b>		
<b>- Total</b>		
Total earned income/total income	\$3,795,031 / \$4,637,934 (81.8%)	\$3,696,616 / \$4,607,951 (80.2%)
<b>- Box Office</b>		
Total box office/total income	\$2,073,945 / \$4,637,934 (44.7%)	\$2,274,038 / \$4,607,951 (49.3%)
<b>- Private Sector</b>		
Total private sector/total income	\$657,193 / \$4,637,934 (14.2%)	\$554,807 / \$4,607,951 (12%)
<b>- Other income</b>		
Total other income/total income	\$1,063,893 / \$4,637,934 (22.9%)	\$867,771 / \$4,607,951 (18.8%)
<b>Cost/revenue dynamic</b>		
Earned income minus expenditure	(\$841,347)	(\$1,364,399)
<b>Government funding contribution</b>		
Government funding/total income	\$842,903 / \$4,637,934 (18.2%)	\$911,335 / \$4,607,951 (19.8%)

# DIRECTOR'S REPORT

The directors of Company B Limited submit herewith the annual financial report for the financial year ended 31 December 2006. 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 AO  
Anne Britton  
Michael Coleman  
APPOINTED 1 MAY 2006  
Russell Dykstra  
Rachel Healy  
RESIGNED 3 NOV 2006  
Louise Herron

John Kitney  
RESIGNED 14 MAY 2006  
Samantha Meers  
RESIGNED 19 OCT 2006  
Brian Thomson AM  
Mary Vallentine AO  
RESIGNED 27 MARCH 2006  
Orli Wargon  
Peter Watts AM

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 52 members of the Company as at 31 December 2006 (2005: 65).

## OPERATING AND FINANCIAL REVIEW

The operations of the Company during the financial year were the operations of a live theatre, production of live theatrical performances and hire of the theatre to external hirers.

The net loss of the Company for the financial year was \$(453,063) (2005: net surplus of \$1,556).

## SIGNIFICANT 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.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the financial statements

## SIGNIFICANT EVENTS AFTER BALANCE DATE

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 AO** 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 four 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. In 2005, Neil co-wrote and directed the film *Candy* which premiered in competition at the 2006 Berlin International Film Festival prior to its Australian and international release. In 2007, Neil was awarded Officer of the Order of Australia on Australia Day. The award was given in recognition of his service to the arts, nationally and internationally, as a director of theatre, opera and film, and as a promoter of innovative Australian productions including Australian Indigenous drama.

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**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 media policy. She is currently a Deputy President of the Administrative Decisions Tribunals and an arbitrator with the Worker Compensation Commission. She is on the Board of the Legal Aid Commission of NSW.

**MICHAEL COLEMAN** has been a partner with KPMG since 1981. He is currently their Head of Risk & Regulation in Australia and the Asia Pacific region, Chairman of the Australian firm's Audit Committee Institute, which he helped establish in 2002, and lead partner for a large audit client. Michael is a member of the Financial Reporting Council which is responsible for providing broad oversight of the process for setting accounting and auditing standards in Australia and providing reports and advice to Government on these matters. Michael is Chair of the Reporting Committee of the Australian Institute of Company Directors and Chair of the Advisory Board of the Centre for Accounting and Assurance Services Research at the University of New South Wales. He is a Board Member/Treasurer of Osteoporosis Australia. Michael joined the Board at Company B as Treasurer in May 2006 and currently chairs the Finance Committee.

**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.

**LOUISE HERRON** has been a director of Company B since 2 February 2001 and Chairman since 2002. 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 and a Trustee of Sydney Grammar School.

**JOHN KITNEY** was a director of Company B from 20 August 2001 to 14 May 2006. He also chaired Company B's Finance committee. His current position is Chief Financial Officer of Defense 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** was a director of Company B from May 2005 to 19 October 2006; 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 received an Order of Australia (AM) in 2005 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 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 conjoint associate professor in paediatric dermatology in the School of Women’s and Children’s Health at the University of NSW and Sydney Children’s Hospital. She has been involved in post graduate teaching, examination and curriculum development for the Australasian College of Dermatologists’ Board of Censors. 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 Bundanon property of the Bundanon Trust. She has been involved in fund raising for equipment and research at both Children’s Hospital Westmead and Sydney Children’s Hospital.

**PETER WATTS AM** has been a director since 20 August 2001. Peter is an architect and landscape architect by training and has been Director of the Historic Houses Trust of New South Wales since 1981. In this capacity he has brought together many different art practices into the many museums and programs of the Trust. 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. In 2007 he received an award in the Order of Australia.

**MEETINGS OF DIRECTORS**

**Board Meetings**

During the financial year, 8 meetings of directors were held. Attendances were as follows:

DIRECTOR	NO. ELIGIBLE TO ATTEND	NUMBER ATTENDED
NEIL ARMFIELD AO	8	6
ANNE BRITTON	8	6
MICHAEL COLEMAN	4	4
RUSSELL DYKSTRA	8	4
RACHEL HEALY	2	2
LOUISE HERRON	8	7
JOHN KITNEY	3	0
SAMANTHA MEERS	6	4
BRIAN THOMSON AM	8	3
MARY VALLENTINE AO	1	1
ORLI WARGON	8	8
PETER WATTS AM	8	7

**Finance Committee Meetings**

The Finance Committee is a sub-committee of the Board. During the financial year, 8 meetings of directors were held. Attendances were as follows:

MEMBERS	NO. ELIGIBLE TO ATTEND	NUMBER ATTENDED
LOUISE HERRON	8	8
RACHEL HEALY	2	2
MICHAEL COLEMAN	5	5

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## **INDEMNIFICATION AND INSURANCE 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 45 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  
21 March 2007

## **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 2006 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  
21 March 2007

# INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006	NOTE	2006(\$)	2005(\$)
<b>REVENUE</b>	2		
Production income		2,494,387	2,512,089
Grants received		911,335	842,903
Other income		1,202,229	1,282,941
		<b>4,607,951</b>	<b>4,637,933</b>
<b>EXPENSES</b>	2		
Production expenses		2,729,224	2,256,118
Employee expenses		1,129,934	1,166,197
Marketing and promotions expenses		334,901	399,566
Occupancy expenses		158,762	203,558
Fundraising expenses		11,947	35,964
Administration expenses		696,247	574,974
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>(453,063)</b>	<b>1,556</b>
Income tax expense		-	-
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(453,063)</b>	<b>1,556</b>
<b>PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS</b>		<b>(453,063)</b>	<b>1,556</b>

# BALANCE SHEET

## AS AT 31 DECEMBER 2006

	NOTE	2006(\$)	2005(\$)
CURRENT ASSETS			
Cash and cash equivalents	13(a)	3,174,493	3,671,898
Receivables	3	940,613	460,543
Inventories	4	6,194	14,990
Other current assets	5	229,391	61,066
<b>TOTAL CURRENT ASSETS</b>		<b>4,350,691</b>	<b>4,208,497</b>
NON-CURRENT ASSETS			
Intangible assets		-	20,547
Plant and equipment	6	101,394	77,109
<b>TOTAL NON-CURRENT ASSETS</b>		<b>101,394</b>	<b>97,656</b>
<b>TOTAL ASSETS</b>		<b>4,452,085</b>	<b>4,306,153</b>
CURRENT LIABILITIES			
Payables	7	556,557	1,134,719
Deferred revenue	8	2,864,772	1,716,657
Provisions	9	72,485	30,456
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,493,814</b>	<b>2,881,832</b>
NON-CURRENT LIABILITIES			
Provisions	9	10,844	23,831
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,844</b>	<b>23,831</b>
<b>TOTAL LIABILITIES</b>		<b>3,504,658</b>	<b>2,905,663</b>
<b>NET ASSETS</b>		<b>947,427</b>	<b>1,400,490</b>
EQUITY			
Retained profits	12	947,427	1,400,490
<b>TOTAL EQUITY</b>		<b>947,427</b>	<b>1,400,490</b>

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

NOTE

2006(\$)

2005(\$)

## CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from patrons, customers and grant providers		4,657,547	4,812,930
Payments to suppliers and employees		(4,148,060)	(3,858,269)
Interest received		148,478	198,466
Net cash flows from operating activities	13(c)	<b>657,965</b>	<b>1,153,127</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of plant and equipment		(40,147)	(31,775)
Proceeds from sale of plant and equipment		—	—
Purchase of floating rate note		—	—
Net cash used in investing activities		<b>(40,147)</b>	<b>(31,775)</b>

## CASH FLOWS FROM FINANCING ACTIVITIES

Funding of building redevelopment		(1,115,223)	(5,659,493)
Net cash flows used in financing activities		<b>(1,115,223)</b>	<b>(5,659,493)</b>

## Net increase/(decrease) in cash held

**(497,405)** **(4,538,141)**

## Cash at the beginning of the financial year

**3,671,898** **8,210,039**

## Cash at the end of the financial year

13(a) **3,174,493** **3,671,898**

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2006

RETAINED EARNINGS (ACCUMULATED LOSSES) \$

TOTAL \$

## ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

1 January 2005	1,398,934	1,398,934
Profit for the year	1,556	1,556
Total income/expense for the year	1,400,490	1,400,490
At 31 December 2005	1,400,490	1,400,490
(Loss) for the year	(453,063)	(453,063)
<b>At 31 December 2006</b>	<b>947,427</b>	<b>947,427</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A) BASIS OF PREPARATION

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 Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

### 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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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.

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

#### (iii) Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### (iv) Recoverable Amount of Non-Current Assets

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 historical cost less accumulated depreciation and any accumulated impairment losses.

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

Plant and equipment	3 -7 years
Motor vehicles	6-7 years
Furniture and fittings	5 -10 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

#### (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.

#### (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

Trade payables and other payables are carried at cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect to the purchase of these goods and services.

#### **(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.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at balance date. 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. 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 benefits include wages and salaries, annual leave, and long service leave.

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

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

as possible, the estimated future cash flows.

#### **(xi) 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.

#### **(xii) 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 part of operating cash flows.

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

#### **(xiii) Revenue Recognition**

Revenue is recognised and measured at the fair value of the consideration received or receivable 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.

#### **Sponsorship and Donations Revenue**

**Sponsorship:** Commitments are brought to account as income in the year in which sponsorship benefits are bestowed.

**Donations:** All donations are brought to account as received.

#### **(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. Funding revenue is received from the government for specific activities. The funding is received based on payment schedules contained in the funding agreement between the funding bodies and the Company. The funding is recognised in the calendar year for which it is intended under the terms of the agreement due to the conditional nature of the funding.

#### **(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 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 2006 box office income is recorded as deferred revenue and transferred to income when the respective show commences.

## 2. REVENUE & EXPENSES

	2006 (\$)	2005 (\$)
<b>REVENUE</b>		
Production income	2,494,387	2,512,089
Sale of goods – bar	112,643	147,337
Rental revenue – theatre and venue	63,290	120,667
Sponsorship income	342,120	424,640
B Keepers	97,450	110,200
Fundraising and donations	117,405	124,825
Grants received:		
Australia Council – Major Performing Arts Board – project grants	59,218	39,000
Australia Council – Major Performing Arts Board – base grant	383,139	374,525
Arts NSW – base grant	383,139	374,525
Other project grants	85,839	54,853
Other	320,845	237,118
Interest income	148,478	118,154
<b>TOTAL REVENUE</b>	<b>4,607,952</b>	<b>4,637,933</b>
<b>EXPENSES</b>		
Production expenses	2,729,224	2,256,118
Cost of sales – bar	64,679	99,376
Operating lease rental expense – minimum lease payments	80,000	80,701
Depreciation of non-current assets:		
Plant and equipment	10,263	9,789
Furniture and fittings	45	85
Motor vehicle	5,482	5,482
Net bad and doubtful debts from other entities	–	3,765

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### 3. RECEIVABLES

	2006 (\$)	2005 (\$)
Trade receivables	312,976	171,402
Allowance for doubtful debts	(2,714)	(4,178)
	310,262	167,224
Goods and Services Tax (GST) receivable	22,897	14,047
Interest receivable	4,515	10,772
Amounts receivable from Belvoir St Theatre Limited	602,739	266,912
Other	200	1,588
	<b>940,613</b>	<b>460,543</b>

### 4. INVENTORIES

Consumables	<b>6,194</b>	<b>14,990</b>
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### 5. OTHER CURRENT ASSETS

Prepayments	<b>229,391</b>	<b>61,066</b>
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## 6. PLANT AND EQUIPMENT

2006	PLANT AND EQUIPMENT	MOTOR VEHICLES	FURNITURE & FITTINGS	TOTAL
<b>GROSS CARRYING AMOUNT</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Balance at 31 December 2005	84,814	36,544	27,856	149,214
Additions	32,300	-	7,847	40,147
Disposals	-	-	-	-
Balance at 31 December 2006	117,114	36,544	35,704	189,361
<b>ACCUMULATED DEPRECIATION</b>				
Balance at 31 December 2005	(29,726)	(15,760)	(26,620)	(72,105)
Disposals	-	-	-	-
Depreciation expense	(10,263)	(5,482)	(116)	(15,861)
Balance at 31 December 2006	(39,990)	(21,241)	(26,736)	(87,967)
<b>NET BOOK VALUE As at 31 December 2006</b>	<b>77,124</b>	<b>15,303</b>	<b>8,967</b>	<b>101,394</b>
2005	PLANT AND EQUIPMENT	MOTOR VEHICLES	FURNITURE & FITTINGS	TOTAL
<b>GROSS CARRYING AMOUNT</b>				
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
<b>ACCUMULATED DEPRECIATION</b>				
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)
<b>NET BOOK VALUE As at 31 December 2005</b>	<b>55,088</b>	<b>20,784</b>	<b>1,237</b>	<b>77,109</b>

<b>7. PAYABLES</b>	<b>2006 (\$)</b>	<b>2005 (\$)</b>
Trade payables	383,891	306,134
Sundry payables	138,687	41,798
Accrued expenses	33,979	7,387
Amounts payable to Belvoir St Theatre Limited	-	779,400
	<b>556,557</b>	<b>1,134,719</b>

<b>8. DEFERRED REVENUE</b>		
Advance ticket sales	2,154,912	1,114,517
Grants in advance	709,860	602,140
	<b>2,864,772</b>	<b>1,716,657</b>

<b>9. PROVISIONS</b>	<b>ANNUAL LEAVE (\$)</b>	<b>LONG SERVICE LEAVE (\$)</b>	<b>TOTAL (\$)</b>
At 1 January 2006	28,267	26,020	54,287
Arising during year	54,645	1,544	56,189
Utilised during year	(27,147)	-	(27,147)
<b>At 31 December 2006</b>	<b>55,765</b>	<b>27,564</b>	<b>83,329</b>
Current 2006	55,765	16,720	72,485
Non-current 2006	-	10,844	10,844
	<b>55,765</b>	<b>27,564</b>	<b>83,329</b>
Current 2005	28,267	2,189	30,456
Non-current 2005	-	23,831	23,831
	<b>28,267</b>	<b>26,020</b>	<b>54,287</b>

	<b>2006</b>	<b>2005</b>
Number of permanent employees at end of financial year	23	18

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## 10. REMUNERATION OF AUDITORS

	2006 (\$)	2005 (\$)
Auditing of the financial report	40,000	30,000
Ernst & Young sponsors Company B Limited to the same value as the audit fee.		

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## 11. DIRECTOR AND EXECUTIVE DISCLOSURES

### (a) Details of Key Management Personnel

**(i) Directors:** Neil Armfield (executive) [Artistic Director](#), Anne Britton (non-executive), Michael Coleman (non-executive) [Treasurer](#), Russell Dykstra (non-executive), Rachel Healy (executive) [General Manager](#) 1.1.06–29.1.06 and 29.7.06–3.11.06, Louise Herron (non-executive) [Chairperson](#), John Kitney (non-executive) Resigned 14.5.06, Samantha Meers (non-executive) Resigned 19.10.06, Brian Thomson (non-executive), Mary Vallentine (non-executive) Resigned 27.3.06, Orli Wargon (non-executive), Peter Watts (non-executive) [Deputy Chairperson](#), John Woodland (executive) [Secretary](#)

**(ii) Executives:** Sue Donnelly [Acting General Manager](#) 30.1.06–28.7.06, John Woodland [Acting General Manager](#) 4.11.06–7.1.07

Note that the position of General Manager was permanently filled 8 January 2007 by Vicki Middleton

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### (b) Compensation of Key Management Personnel

Short-term	159,581	158,888
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.

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## 12. RETAINED PROFITS

Balance at the beginning of financial year	1,400,490	1,398,934
Net profit/(loss)	(453,063)	1,556
<b>Balance at end of financial year</b>	<b>947,427</b>	<b>1,400,490</b>

### 13. NOTES TO THE STATEMENT OF CASH FLOWS

2006 (\$)

2005 (\$)

**(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	11,454	4,400
Cash at bank and short-term deposits	3,163,039	3,667,498
	<b>3,174,493</b>	<b>3,671,898</b>

#### **(b) Cash held in Escrow**

Funds received under the Australia Council and Arts NSW's 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 Arts NSW 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, 2006, the Company is holding \$152,740 (2005: \$147,738).

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

Profit/(loss) from ordinary activities	(452,994)	1,556
Non-cash flows in operating profit:		
Depreciation of non-current assets	15,790	15,355
Changes in net assets and liabilities:		
(Increase)/decrease in assets:		
Current receivables	(144,242)	(28,729)
Current inventories	8,796	5,960
Other current assets and intangibles	(147,779)	34,830
Increase/(decrease) in liabilities:		
Current payables	201,238	726,131
Deferred revenue	1,148,115	416,239
Provisions	29,041	(18,215)
Net cash from operating activities	<b>657,965</b>	<b>1,153,127</b>

#### 14. COMMITMENTS AND CONTINGENCIES

2006 (\$)

2005 (\$)

##### (a) Lease Commitments

Non-cancellable operating leases	-	-
Not longer than 1 year	-	6,800
Longer than 1 year and not longer than 5 years	4,309	5,977
	<b>4,309</b>	<b>12,777</b>

An operating lease for renting the warehouse and theatre is currently under negotiation with Belvoir St Theatre Limited.

##### (b) Contingent Liabilities

There were no contingent liabilities for the year ended 31 December 2006.

##### (c) Commitment

Throughout 2006 a major redevelopment of the Belvoir St Theatre and acquired warehouse was undertaken by Belvoir St Theatre Limited (BSTL). At the time of producing this report, costs associated with this redevelopment significantly exceeded funds raised by BSTL. Company B Limited has indicated, within the limits of its financial capability, to provide a mortgage to BSTL, secured over the warehouse to assist with BSTL short-term cash difficulties. While the extent of the cash deficiency has not yet been determined, it is expected in excess of \$1 million cash will be required.

#### 15. 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 \$3,174,493 (2005: \$3,671,498). These are earning interest at market rates. The average effective interest rate was 4.96% (2005: 4.9%).

##### (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.

#### 16. 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.

#### 17. 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 11.

#### 18. 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 2006 there were 52 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 \$1,040.

#### 19. 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:

25 Belvoir Street

Surry Hills NSW 2010

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 2006, 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.

**Ernst & Young**



**D Simmonds**  
**Partner, Sydney**  
**3 April 2007**

## 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 2006.

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 2006 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**  
**3 April 2007**



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Front cover image Heidrun Löhr:  
Mike McLeish and Casey Bennetto in *Keating!*