

# **ST JAMES THEATRE CHARITABLE TRUST**

## **REVIEW OF 2007/08 ANNUAL REPORT**

The St James presents its Annual Report including audited financial statements and performance measures.

### **Highlights for the year**

- An improved financial performance on the back of a successful International Winter Season sponsored by the Museum Hotel and increased profitability within the Food, Beverage and Events operations
- During the year, a Smoke Extract System was installed, being the first part of a complete upgrade of the fire protection system at the Opera House
- The announcement of Craig Goodall as the new CEO in April 2008 added commercial focus to the Trust whilst simultaneously creating a dedicated role for the critical position of Programming Director.

### **Performance**

#### **1. Financial**

A review of the Trust's financial statements highlights the following points:

- The Trust's full year deficit after depreciation of \$567k was significantly better than the previous year (\$1.3m deficit) and also ahead of budget (\$781k deficit)
- Whilst below target, revenue was up 33% on last year, and expenditure only increasing by 9% resulted in the improved bottom line result
- The Trust achieved its targeted liquidity at year-end of 0.7 : 1; the Trust is able to call upon approved funding of \$2 million from ANZ Bank, should it be required
- No audited cash flow has been provided by the Trust.

#### Statement of Financial Performance

\$ '000	FY Actual	FY Budget	2006/07 Actual
Income	4,887	5,259	3,665
Expenditure	5,454	6,040	5,002
Surplus/(Deficit)	(567)	(781)	(1,338)

#### Statement of Financial Position

\$ '000	FY Actual	FY Budget	2006/07 Actual
Current assets	910	539	1,258
Non current assets	19,647	19,756	20,293
Current liabilities	1,232	725	1,562

Non current liabilities	748	840	845
Equity	18,577	18,730	19,144
Current ratio	0.7 : 1	0.7 : 1	1.5 : 1
Equity ratio	90%	93%	89%

### Statement of Cash Flows

\$ '000	FY Actual	FY Budget	2006/07 Actual
Operating		163	(270)
Investing		(242)	(439)
Financing		(90)	(84)
Net		(169)	(793)
Closing balance		299	964

*Note: the Trust's financial statements have been prepared using NZ IFRS.*

## 2. KPIs

A full report of the 2007/08 audited KPIs for the year is given below:

<b>Performance measure</b>	<b>Target 2007/08</b>	<b>Actual 2007/08</b>
Number of Performances at St James Theatre	115	76
Number of Performances at Opera House	108	115
Total number of days Utilisation at St James Theatre	162	140
Total number of days Utilisation at Opera House	140	131
Average Utilisation of Seats - %	55%	SJT: 54% OH: 61%

Whilst the Trust achieved less than half of its agreed KPIs, the above measures do not take into account the significant number of events that took place in addition to performances.

Including these in the KPIs would give total (OH & SJT) 'performances' of 387, as opposed to the 191 given above, and total 'utilisation days' of 467, compared to 271 above.

Officers will discuss the notion of amending the Trust's KPIs for 2009/10 in order that they better reflect the activities and outcomes being sought.

## 3. Operations

During the year the Trust worked hard to develop new hires and has had some major achievements in this area, developing new genre and markets in new music, bands, comedy and churches in particular.

The Trust successfully collaborated with Council's Events team to help it present several Own Shows, to fill gaps in the booking calendar.

Investigations continued into the development of the Back Lot at the St James. At the time of writing it seems likely that this site is no longer a realistic possibility for a future scoring stage in Wellington.

#### **4. Governance**

The Trustees during the year were:

Chris Parkin (Chair)

Juliet McKee

Ian McKinnon (finished 30 June 2008)

Roger Miller

Carol Stigley (finished 31 December 2007)

Pele Walker

Sam Knowles (appointed 1 July 2007)

Stephanie Cook (Councillor - appointed October 2007)

#### **5. Key issues going forward**

Sustaining the business, through a variety of means, whilst also achieving the core service of delivering high quality experiences (shows) remains the key focus for the Trust.

Depreciation remains a challenge for the Trust, and they continue to work with Council officers to develop an Asset Management Plan which will enable them to better address future, ongoing maintenance issues.

As noted in last year's annual report, on 31 October 2007 Westpac sponsorship of the St James Theatre ended. The Trust will continue to explore other Arts Partnership (sponsorship) options.

The Trust is already planning an International Season in 2009, spreading over the winter and shoulder months, as there will be no Arts Festival in this year.

#### **6. Conclusion**

The Trust had a much better year than in 2006/07 and continues to explore a broad range of revenue opportunities.