

ST JAMES THEATRE CHARITABLE TRUST

ST JAMES THEATRE LIMITED

REPORT NO. 2

**Prepared for Wellington City Council
CCOP Sub-Committee**

**For the 2nd Quarter 2010/2011
1st October - 31 December 2010**

Name **Chris Parkin, Chairman**

Signed _____

Date _____

1. Performances

The second quarter of 2010/11 was very successful for the theatres with three good months in succession. The number of performances is now well above budget at the St James and slightly less than budget at the Opera House (refer KPIs), and trading income is now ahead of budget YTD. While October and the beginning of November is traditionally strong, mid November to end of December is usually a difficult period. This trend for December was reversed with the acquisition of the Rocky Horror Show which produced an unbudgeted windfall for the Trust in terms of both venue hire and food & beverage sales. The quarter also reflected an increase in the number of Joint Ventures the Trust entered into, moving away from the traditional venue hire agreements in an effort to secure acts. These have all proved to be financially successful ventures for the Trust. During the quarter, the main shows at the St James Theatre have been Macbeth, The Nutcracker, and the Rocky Horror Show. At the Opera House, several popular NZ music artists took the stage as well as a number of other one-nighters, including local dance schools prior to Christmas. The Opera House has become a popular venue for NZ and international music acts such as Brooke Fraser and Gin Wigmore (NZ) and Sharon Jones (international) attracting sell out and near sell out audiences including young people and non traditional theatre goers to the Opera House.

A full list of the shows held are as follows:

St James	Macbeth	
	Jan Preston – cabaret (Joint Venture)	
	Isla Grant	
	The Nutcracker	
	Bonnie Tyler (Joint Venture)	
	Gangster Ball (Joint Venture)	
	Arise Church	
	My Dream	
	Rocky Horror Show (Joint Venture)	
	Nota Bene (in Jimmy Café)	
	Opera House	Gleevent
		Antal Szalai (Joint Venture)
		Hip Hop xPosure
Toni Childs (Joint Venture)		
Trinity Roots		
Brooke Fraser		
Heath Franklin (Chopper)		
Peter Powers		
Gin Wigmore (Joint Venture)		
The Lion, Witch & Wardrobe		
Jimeoin		
David Helfgott (Joint Venture)		
Ain't No Mountain High Enough (Charity Concert)		
AotearoaHa		
Sharon Jones & the Dap Kings		
Kaleidascope – Instep Dance		
Wizard of Oz		

2. Food, Beverage & Events

Food & Beverage had a very successful quarter. YTD revenue is well ahead of budget largely due to some in-house catered events which generated large food & beverage sales. Sales also benefitted from a busy and successful performance calendar including Rocky Horror Show. As a result event revenue is 24% above budget and performance related F&B revenue is 22% above budget YTD. Café sales remain steady and are just ahead of budget.

3. Marketing

A season brochure was produced in the first quarter and features acts from September 2010 to March 2011. The next season brochure will be produced in the third quarter.

4. Sponsorship/Grants

The main source of sponsorship during the year is been the annual WCC grant to cover the bank loan on the flying system. No additional funding in the form of sponsorships or grants were received in the quarter.

5. Financials & KPI reporting

The Financials and KPI performance reflects the activity levels of each entity for the quarter. Please see attached reports, as detailed below

Appendices

A – Consolidated Income Statement & KPI's	1 October – 31 December 2010
B – Consolidated Balance Sheet	1 October – 31 December 2010
C – Consolidated Statement of Cash Flows and Reconciliation	1 October – 31 December 2010

Appendix A

St James Theatre Charitable Trust							
Consolidated Income Statement							
For the Period Ended 31 December 2010							
	Q2 YTD Actual	Q2 YTD Budget	Q1 YTD Actual	Q1 YTD Budget	Budget 10/11	YE 2009/10	YE 2008/09
KPIs							
Number of Performances - St James	57	50	26	27	86	76	88
Number of Performances - Opera House	42	45	20	22	108	84	97
Number of Non-Performance Events - St James	101	100	46	50	200	210	
Number of Non-Performance Events - Opera House	10	25	4	13	50	60	
Total Number of Days Utilised (inc café) - St James	165	145	84	75	290	286	218
Total Number of Days Utilised - Opera House	78	80	44	40	160	144	107
Income							
Trading Income	2,006,607	1,829,705	919,665	894,474	3,644,547	\$ 4,280,215	3,651,129
Trust Income (WCC, Sponsorships & Grants)	102,256	132,588	63,712	79,044	284,676	\$ 271,176	423,148
Interest and Investments Income	1,183	102	1,999	951	2,700	\$ 5,169	1,141
Net Income	2,110,046	1,962,395	985,376	974,469	3,931,923	4,556,560	4,075,418
Expenditure							
Employee Costs	962,110	1,000,792	510,472	495,331	1,998,551	\$ 2,014,948	1,989,791
Operating Costs	929,027	890,524	476,203	420,998	1,763,784	\$ 2,145,349	2,070,951
Net Expenditure	1,891,137	1,891,316	986,675	916,329	3,762,335	4,160,297	4,060,742
EBITDA	218,909	71,079	(1,299)	58,140	169,588	396,263	14,676
Depreciation	293,198	287,589	147,184	143,635	576,584	\$ 607,421	604,797
Amortisation	-	-	-	-	-	-	7,570
EBIT	(74,289)	(216,510)	(148,483)	(85,495)	(406,996)	(211,158)	(597,691)
Interest Expense	21,342	22,338	10,574	11,265	45,374	\$ 52,034	57,101
Net Income/(Expenditure) before Tax	(95,631)	(238,848)	(159,057)	(96,760)	(452,370)	(263,192)	(654,792)
Operating Margin	-4.5%	-12.2%	-16.1%	-9.9%	-11.5%	-9.9%	-16.1%
Notes							
1. 2008/09 SJ Performances does not include 87 Terracotta Warriors exhibition days.							

Appendix B

St James Theatre Charitable Trust					
Consolidated Balance Sheet					
For the Period Ended 31 December 2010					
Equity	Notes	Q2 YTD Actual	Q1 YTD Actual	YE 2009/10	YE 2008/09
Retained Earnings		15,212,769	15,212,769	15,475,961	16,130,753
Settlers Capital		2,700,000	2,700,000	2,700,000	2,700,000
Prior Period Adjustment					
Current Year Earnings		(95,630)	(159,057)	(263,192)	(654,792)
Total Equity		17,817,139	17,753,712	17,912,769	18,175,961
Assets					
Cash & cash equivalents		340,940	259,984	\$ 319,535	110,668
Trade Receivables		153,209	108,494	\$ 253,317	301,093
Stock		43,192	49,245	\$ 53,283	48,501
Other current Assets		38,511	35,488	\$ 118,220	86,765
Total Current Assets		575,852	453,211	744,355	547,027
Fixed Assets		18,571,125	18,713,284	\$ 18,851,970	19,376,776
Capital Work In Progress		-	-		
Investments		-	-		
Other non-current assets		-	-		
Total Non Current Assets		18,571,125	18,713,284	18,851,970	19,376,776
Total Assets		19,146,977	19,166,495	19,596,325	19,923,803
Liabilities					
Trade Payables		150,632	222,681	\$ 292,786	242,823
GST		66,760	24,590	\$ 65,523	92,254
Other Current Payables		523,488	548,740	\$ 681,263	664,449
Other Non-Current Loans (PAF)					
Current ANZ Loan		115,500	114,000	\$ 112,302	104,592
Non-Current ANZ Loan		473,458	502,772	\$ 531,682	643,724
Total Liabilities		1,329,838	1,412,783	1,683,556	1,747,842
Net Assets		17,817,139	17,753,712	17,912,769	18,175,961
Current Ratio		0.67	0.50	0.65	0.50
Equity ratio (Total Liabs/Equity)		7.5%	8.0%	9.4%	9.6%
Equity ratio (Equity/Total Assets)		93.1%	92.6%	91.4%	91.2%

Appendix C

St James Theatre Charitable Trust				
Consolidated Statement of Cash Flows				
For the Period Ended 31 December 2010				
	Q2 YTD Actual	Q1 YTD Actual	YE 2009/10	YE 2008/09
Operating Cashflow				
Cash Provided From				
Trading Receipts	2,006,607	919,665	4,280,215	3,651,129
Trust Income (Sponsorships & Donations)	102,256	63,712	271,176	423,148
Interest and Investments Income	1,183	1,999	5,169	1,141
Cash Applied To				
Employees	962,110	510,472	2,014,948	1,989,791
Suppliers	1,039,048	447,238	2,067,033	2,150,989
Net GST	(1,237)	40,933	26,731	(27,075)
Other Operating				
Interest Paid	21,342	10,574	52,034	57,101
Total Operating Cash Flow	88,783	(23,841)	395,814	(95,388)
Investing Cashflow				
Cash Provided From				
Sale of Fixed Assets				
Other				
Cash Applied To				
Purchase of Fixed Assets	12,353	8,498	82,615	87,923
Change in Retained Earnings (PPAdj)				
Total Investment Cash Flow	(12,353)	(8,498)	(82,615)	(87,923)
Financing Cashflow				
Cash Provided From				
Drawdown of Loans				
Other				
Cash Applied To				
Repayment of loans	55,026	27,212	104,332	97,411
Other				
Total Investment Cash Flow	(55,026)	(27,212)	(104,332)	(97,411)
Net Increase (Decrease) in cash held	21,404	(59,551)	208,867	(280,722)
Opening Cash Equivalent	319,535	319,535	110,668	391,390
Closing Cash Equivalent	340,939	259,984	319,535	110,668

St James Theatre Charitable Trust				
Reconciliation of Consolidated Statement of Cash Flows				
For the Period Ended 31 December 2010				
	Q2 Actual YTD	Q1 Actual	YE 2009/10	YE 2008/09
Operating Surplus	(95,631)	(159,057)	(263,192)	(654,792)
add back non cash items - Depn & Amort	293,198	147,184	607,421	612,367
add back non cash items - Retained Earnings adj			0	-
(Increase)/ decrease in receivables	100,108	144,823	47,776	43,210
(Increase)/ decrease in other assets	89,800	86,770	(36,237)	39,326
(Increase)/ decrease in fixed assets	(12,353)	(8,498)	(82,615)	(87,923)
Increase/ (Decrease) in AP	(142,154)	(70,105)	49,963	(42,593)
Increase/ (Decrease) in other liabilities	(157,775)	(132,523)	16,814	(119,981)
Increase/ (Decrease) in GST	1,237	(40,933)	(26,731)	27,075
Increase/(Decrease) in Loans	(55,026)	(27,212)	(104,332)	(97,411)
Net Cashflow	21,404	(59,551)	208,867	(280,722)