

EMPIRE THEATRES PTY LTD

EMPIRE THEATRES FOUNDATION

EMPIRE THEATRE PROJECTS PTY LTD



EMPIRE

EMPIRE THEATRES

ANNUAL REPORT 2009–2010





EMPIRE

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Corporate Information

As at June 30 2010

Empire Theatres Pty Ltd

ACN: 086 482 288
ABN: 83 086 482 288

Registered Office:

56 Neil St, Toowoomba QLD 4350
PO Box 1227, Toowoomba QLD 4350
Phone: 07 4698 9900
Facsimile: 07 4698 9940
Email: empire@empiretheatre.com.au

Web Page: www.empiretheatre.com.au

Facebook: www.facebook.com/EmpireTheatre

Twitter: @EmpireToowoomba

YouTube: www.youtube.com/EmpireTheatre

Bankers:

Heritage Building Society
Heritage Plaza
Ruthven St, Toowoomba QLD 4350

Auditors:

Queensland Audit Office
Level 11, Central Plaza One
345 Queen St, Brisbane QLD 4000



OUR VISION

VISION STATEMENT

The Empire Theatres will be recognised by our stakeholders as a centre of excellence in practice, program and service.

MISSION STATEMENT

We aim to be recognised as the focal point for the professional presentation of arts, entertainment and corporate events within the region.

GOALS AND OBJECTIVES

Programming

Provide equitable community access that maximises the use of venues and culturally diverse activities that reflect the needs and wants of the community.

Strategic Development

Develop processes for fostering audiences and community involvement in the activities of the Empire Theatres.

Corporate Governance

Provide excellence in management of the Theatres' operations, accountable to the people of the Toowoomba Region.

Communication

Strengthen customer focus, communication and promotion of the Empire Theatres.



EMPIRE THEATRES PTY LTD BOARD and STAFF LISTS

BOARD OF DIRECTORS

Chairman: Professor Peter Swannell, AM

Deputy Chair: Mrs Sheena Liley

Company Secretary: Mr Mervyn Bond

Dr Kate Foy Mr Robert Sellars

Mr Richard Chiverrell Ms Melissa Taylor

Mr Andrew Wielandt Mr Ross Miller

TRUSTEES OF EMPIRE THEATRES FOUNDATION

Chairman: Mr Don Stevens, AM

Mr Mervyn Bond Dr Kate Foy

Mr David Janetzki Mrs Sheena Liley

Mr Thomas Sullivan Ms Janelle Davis

STAFF

General Manager

Deputy General Manager and Technical Manager

Administration Manager

Events Manager

Marketing Manager

Artistic Director

Head of Lighting

Senior Audio Technician

Marketing Officers

Accountant

Finance Officer

Projects and Foundation Officer

Mechanist

Theatre Technician

Management Support Officer

Administration Trainee

Events Trainee

Technical Trainee

Ann-Marie Ryan

Kerry Saul

Helen Oldham

Margaret Turnbull

Kirsten Bartholomew

Lewis Jones

Timothy Panitz

Steve Alexander

Jacques Swanepoel

Josie Townsend

Anthony Nunn

Alison Murrell

Jeanette Wedmaier

Damien Cockburn

Shane Howarth-Crewdson

Lauren Sullivan

Erana Kofe

William Johnson

Matthew Skerman

CASUAL STAFF

Box Office: Lauren Keating

Sally Oldham

Kerry Politch

Ora Whitley

Events: Niamh Gilberd

Andrew Johnson

Michelle Mingay

Sheriden Wright

Marketing: Ciara Ryan

Technicians: Kehan Ryley

Kris Stewart

Approximately 40 other casual staff are employed in the technical and bar service areas. Some 270 active volunteer members of the Friends of the Empire Theatre Inc. perform duties including front of house, ushering, ticket collecting, marketing mail outs, flower arranging, biscuit baking and other services.



Professor Peter Swannell, AM – Chairman

Peter Swannell is a Professor Emeritus and former Vice-Chancellor of the University of Southern Queensland. He is Chair of the Board of The Queensland Museum, a Director of Heritage Building Society and a Fellow of the Institution of Engineers Australia. Peter holds degrees from USQ, Bristol University and Birmingham University and is a Member of the Order of Australia.



Mrs Sheena Liley – Deputy Chair

Sheena Liley is a former lawyer (focus on advocacy and dispute resolution) and a Director of her family's company. She has served as a Director of Empire Theatres Pty Ltd since inception, as Deputy Chair from 2007, chaired the Board's Programming Committee since 2004 and is a Trustee and Deputy Chair of the Empire Theatres Foundation. A member of several community reference groups and the executive of the Toowoomba Branch of Save the Children since 1996, she sings with two local choirs and has always been involved in the performing arts.



Mr Mervyn Bond – Company Secretary

Mervyn Bond is a retired Chartered Accountant and spent the major part of his working life as a partner in professional practice with emphasis on taxation. He is Secretary of the Company and a member of the Audit and Finance Committee. He is a past president of Toowoomba Rotary Club and a Paul Harris Fellow. Mervyn is a former member of the Council of USQ and a former member of the Council of The Glennie School. He has served as Secretary and member of the Local Ambulance Committee. Before retiring he also spent some years on the Committee for the Anglican Church Master Superannuation Fund and Anglican Care of the Aged.



Dr Kate Foy

Kate Foy trained for the theatre in London during the 1960s. She has appeared in over forty professional theatre productions with Queensland Theatre Company, Twelfth Night, New England Theatre Company and Kennedy Theatre (United States). Kate was the inaugural producer of USQ's Shakespeare in the Park Festivals and has directed thirty-five productions for USQ and UNE. At USQ, Kate has been a member of Council, Head of Theatre and Director of the USQ Performance Centre. She is currently the Chairperson of QTC and has been a board member of Empire Theatres Pty Ltd since 2003, also serving as an Empire Theatres Foundation Trustee since 2009. Kate is also an Honorary Professor at USQ.



Mr Richard Chiverrell

Richard Chiverrell is currently a senior architect and project manager with Project Services, previously in private practice with Project Strategies and Solutions Pty Ltd. Most of his professional life has been involved with medical facilities specialising in Scientific Health Services, Forensic Facilities, and Aged Care and Multi-purpose Health Facilities for Queensland Health in outback areas.



Mr Andrew Wielandt

Andrew Wielandt is the managing partner for Toowoomba-based wealth management and wealth protection business, Dornbusch Partners. His community engagement includes serving on the boards of Empire Theatres Pty Ltd, Toowoomba Hospital Foundation and the Faculty of Business Advisory Committee at the University of Southern Queensland. He is an Associate Fellow of the Australian Institute of Management.



Mr Robert (Bob) Sellars

Bob Sellars, a retired pharmacist, is Toowoomba born and educated and joined the original Board when formed in 1999. Since then he has witnessed, and been involved in, the profitable growth and extension of the Empire precinct, serving as a member of the Audit, Finance and Infrastructure Committee. Retiring at the end of this term, Bob hopes to celebrate with others the Empire Theatres' Centenary in 2011.



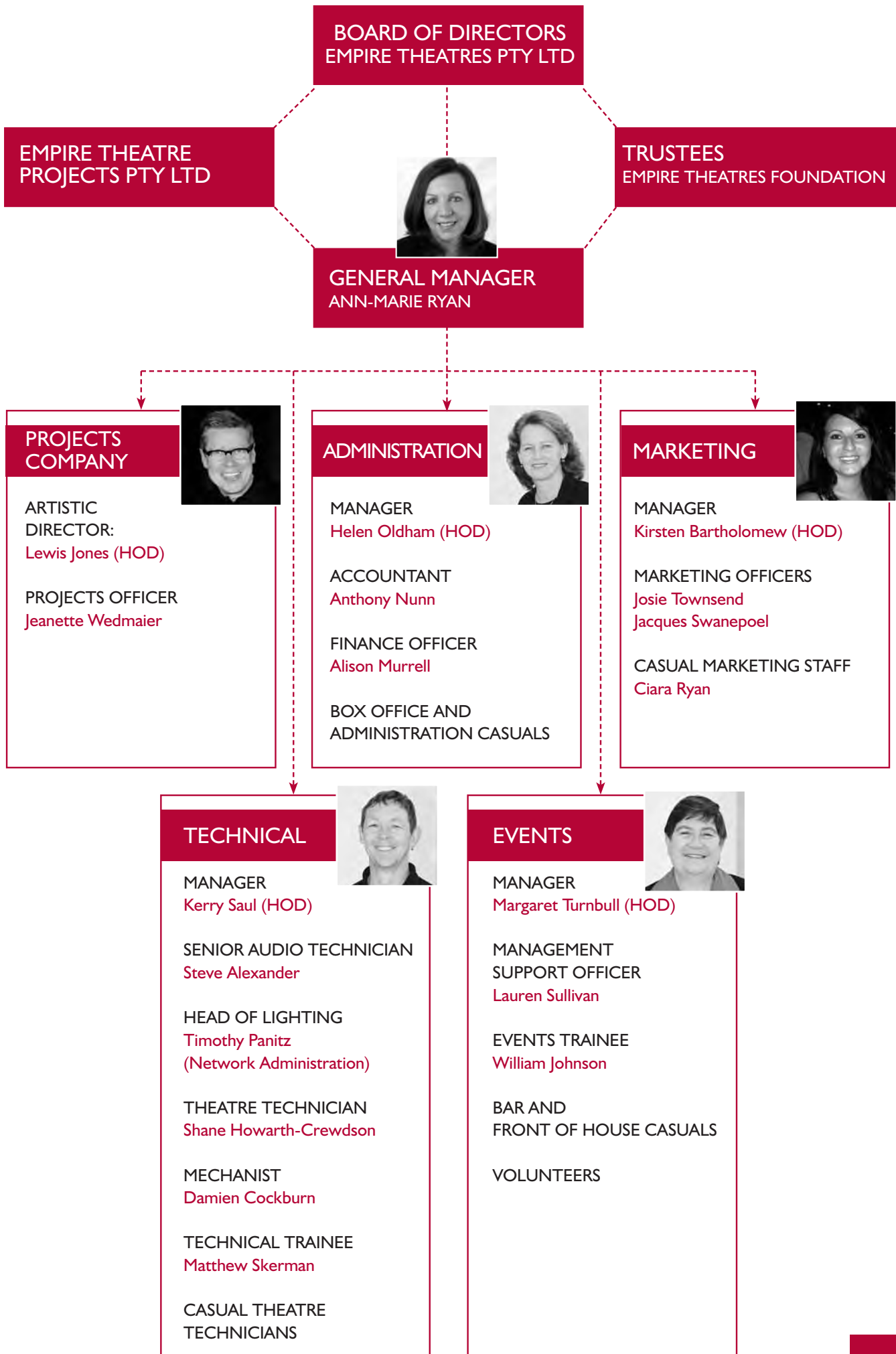
Ms Melissa Taylor

Melissa Taylor completed a Bachelor of Business at USQ with a double major in Economics and Government. As fourth generation of the family, Melissa joined Taylor's Removals and Storage in 2004 and in 2009, became Director of the company. Melissa's other Board appointments include the Queensland Trucking Association (QTA) and the USQ Advisory Board to the School of Management and Marketing.

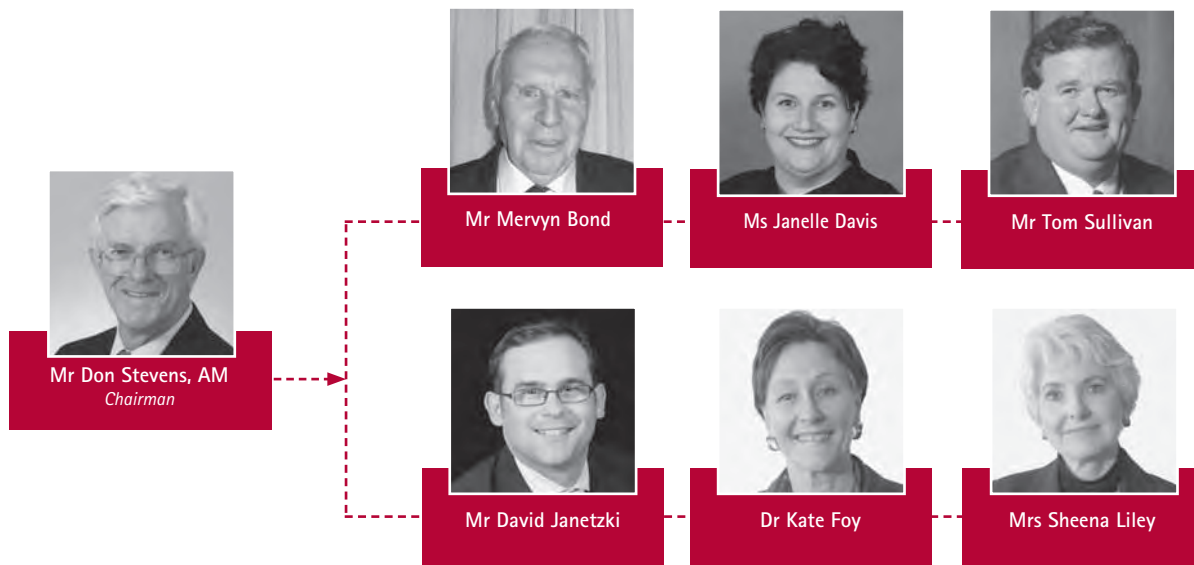


Mr Ross Miller

Ross Miller was born and educated in Toowoomba. He worked for Queensland Trustees for ten years before moving into the investment advisory industry, later managing a share-broking firm. In the early 1970s, Ross was involved in several businesses both local and national. During the 1980s, he was involved with the management of the Carnival of Flowers. Ross served as an Alderman of Toowoomba City Council from 1982 to 1991, then Mayor from 1993 to 1996. As Mayor, he was instrumental in the decision to refurbish the Empire Theatre.



Trustees of Empire Theatres Foundation



The Empire Theatres Foundation was launched in August 2003 by its patron, Mr Geoffrey Rush.

It has three main objectives:

- To provide performing arts opportunities to further the cultural experiences of Toowoomba's youth
- To promote the performing arts for the benefit of the local community
- To preserve the movable cultural heritage associated with the Empire Theatres.

The Empire Theatres Foundation is a registered Deductible Gift Recipient (DGR) under the Australian Tax Office (ATO) Income Tax assessment regulations 1997.

The Empire Theatres Foundation gratefully acknowledges the generous donations from the following people during 2009-2010:

- | | |
|-------------------------------|----------------------|
| Dr Garrett Fitzgerald | Mr Ian Macfarlane MP |
| R.I. Barclay | Ros Scotney |
| Tom and Maree Sullivan | Jill Young |
| Don and Barbara Stevens | Moya Schaffer |
| Noreen Pauli | Essie Thomson |
| Christian and Helle Lundgaard | |

Corporate sector support is critical, not only to program delivery, but also to the cultural dividends achievable for the community to Toowoomba and the Darling Downs.

Empire Theatres Foundation gratefully acknowledge the generous contributions of our corporate partners.

2009 – 2010 Foundation Sponsors



CHAIRMAN'S REPORT

It gives me great pleasure to present this Annual Report for the Financial Year ending 30 June 2010. This is the first year in which the Statements refer both to Empire Theatres Pty Ltd ('the company') itself and to the consolidated accounts for the company and its fully controlled entity, Empire Theatre Projects Pty Ltd ('the projects company').

The projects company was incorporated on 5 March 2009. Its financial performance since that date is reported in these Financial Statements. It will be recalled that the projects company was created to facilitate presentation of the performing arts to audiences across the region.

It similarly provides a mechanism whereby the company can manage the presentation of a diverse range of performing arts experiences within a risk-minimised business structure, including opportunities to seek grants from various governmental and non-governmental sources. The projects company receives no direct income from the Toowoomba Regional Council (TRC).

I am very pleased to report that, as in every year since its creation in 1999, the company has received an unqualified audit. Its present auditors are WHK, who conducted the audit on behalf of the Queensland Audit Office. This is a most satisfying outcome both for the company and the consolidated entity.

I have often emphasised the importance of operating the Theatres within strategic and operational frameworks that encourage artistic and creative opportunities within an appropriate, and appropriately controlled, business culture.

That culture has many of the characteristics of mutuality, placing quality of service to our patrons ahead of profit-making. This does NOT mean that we seek to be other than profitable but the arts industry, by its nature, presents particular challenges as we seek to balance 'investment', 'loss', against 'surplus', 'gain'.

The company does this very successfully. We are the envy of many arts-related organisations.



For those who relish the financial details, I draw attention to the consolidated profit for the year of \$132,942. This profit includes an auditor's requirement that a sum of approximately \$100,000 from grants won by the projects company in 2009/10, but associated with expenses that will be brought to account in 2010/2011, be included as earned income for the 2009/2010 year.

Even non-accountants like me note that this is therefore a 'timing difference' that will be reflected in a reduction of 2010/2011 reported revenue!

I draw attention to Notes 3b and 13 that record the donation of non-current assets to TRC and the return of \$442,122 to TRC by way of rental costs. This sum partially offsets the Community Service Obligation (Note 2) paid to the company by TRC.

I conclude by thanking my Board colleagues for their support and good humour throughout the year. The Board is very aware that we are privileged to have outstanding professional staff, led by a first class General Manager. We are similarly privileged to have the excellent support of the Empire Theatres Foundation under the leadership of Don Stevens, AM.

Also, and in the jargon of the time, we function on the shoulders of an awesome band of the Friends of the Theatre whose ages range from the awesome Gen Ys through to the even more awesome senior citizens.

I commend this Annual Report to you.

Peter Swannell

Professor Peter Swannell, AM
Chairman, Empire Theatres Pty Ltd
Chairman, Empire Theatre Projects Pty Ltd

CHAIRMAN'S REPORT

After seven years of awarding youth bursaries, the Foundation Trustees follow, with great interest and satisfaction, the career paths of our past bursary winners. This year, for example, we have been delighted to see Ben Gillespie (2007 WAAPA Music Theatre Bursary), who last year played the lead role of 'Don Lockwood' in *Singin' in the Rain*, accepted into WAAPA's full time Music Theatre course. Paige Gardiner (2004 NIDA Summer Program for Acting Bursary) was accepted into NIDA's full time Acting course, graduated last year, and this year has performed on stage in Queensland Theatre Company's production of *Fat Pig* by Neil LaBute.

Over the year in review, the Theatre's productions of *Cats* and *Disney's High School Musical on Stage* have, between them, involved some twenty-four past bursary winners, including *Cats* musical director Rainer Pollard, thirteen on-stage performers, two backstage singers, five musicians and three backstage crew members. A further twenty-three youth bursaries were awarded this year for a range of courses and workshops in acting, writing, dance, music, film and television.

The continuing development of our bursary winners indicates the success and value of this program, made possible by the ongoing support of our sponsors and donors. Our sincere thanks to the sponsors – The Chronicle, Dornbusch Partners, Ergon Energy, Greenridge Press, Heritage Building Society, Murdoch Lawyers, Queensland Hot Property, Taylor's Removals and Storage, Think Office Technology, and Williamson Brothers, and to our expanding number of donors, whose names appear elsewhere in this Annual Report.

Thanks to the efforts of Trustee, Janelle Davis and Foundation Officer, Jeanette Wedmaier, the range of courses for the next round of Youth Bursaries has been thoroughly reviewed and expanded to include more options. Approved courses have also been tiered according to age and standard of ability. Application forms now list some fifty courses across three tiers, with applicants eligible for one bursary within each tier. Proforma reference forms have also been included to facilitate the provision of information required from teachers and other referees. Feedback to date indicates that these improvements are being favourably received.

After a difficult selection from four gifted finalists, the biennial Brian Boak Outstanding Performer Bursary of \$25,000 was awarded to cellist Martin Smith. Martin began cello at the age of 4, graduated from the



Sydney Conservatorium of Music in 2004, and continued his studies with cellist Peter Horr in Leipzig, Germany. He has appeared as orchestral soloist and recitalist throughout Australia, Europe and North America, including solo recitals as part of the Musica Viva Australia's Country Wide series with the Lyon String Trio. He is using his Brian Boak Bursary to fund his Soloist Diploma at the Scrola di Musica di Fiesole in Florence with renowned tutor and cellist, Natalia Gutman, one of only five carefully selected students in this elite program.

Through the Foundation's minor funding program, the Trustees again gave financial support to the Origin8 Fast Film Festival, and also to the Empire Theatre Projects Company's production of *April's Fool*.

In pursuing its role of 'preserving and promoting the cultural heritage and history of the Empire Theatre', the Foundation successfully applied for funding from the Regional Arts Development Fund to finance significance and preservation needs, assessments of the historic items and records currently held for the Theatre at the Local History Library. This work is currently underway.

The ongoing support received from Empire Theatre's Chairman, Peter Swannell, AM and Board Members, and from General Manager, Ann-Marie Ryan and her staff, is greatly appreciated by the Foundation Trustees, as is the excellent service we have come to expect from our Foundation Officer, Jeanette Wedmaier, over the past five years.

Finally, my personal thanks to all my fellow Trustees for their support, to Sheena Liley as Deputy Chairman, and to the individual contributions of Trustees on particular projects and interview panels during the year. With their expertise and enthusiasm, supported by our sponsors and growing list of donors, I believe the Foundation has a very bright future.

Don Stevens

Mr Don Stevens, AM

Chairman

Empire Theatres Foundation

GENERAL MANAGER'S REPORT

I am delighted to report on the Empire Theatre's eleventh consecutive annual operating surplus and unqualified audit. The consolidated financial result for Empire Theatres Pty Ltd and Empire Theatre Projects Pty Ltd is a surplus of \$132,942 complementing the Empire Theatres Foundation's result of a profit of \$2,875.

This result would not be possible without the contribution of the Theatre's dedicated and professional staff who continue to strive for excellence in everything they do. This Theatre is most fortunate and the envy of the industry to continue to attract the best staff available. I sincerely thank one and all for their contribution during the financial year. I especially thank our technical support department and marketing department who have been particularly stretched over this last year with the introduction of so many new and varied programs through our new Projects Company. These departments have achieved outstanding results for the Company.

Our program continues to be rich and varied with something for everyone and again our audiences turned out in droves to support the Empire. We have experienced phenomenal growth with over 130,000 patrons coming through the doors during the financial year, an increase of 13,000 on last year's total. These patrons are drawn from across the Darling Downs and from as far away as Mackay, Townsville, Ballina, Byron Bay, Sydney, Melbourne and Adelaide to attend performances at the Empire Theatre.

Our children's program was particularly successful this year with capacity audiences for *The Fastest Boy in the World*, *The Gruffalo*, *Fame Theatre Company* and *Festival of Magic*. The Empire Theatre also achieved capacity audiences for The Queensland Symphony Orchestra, who performed twice during the year, Oz Opera, the touring arm of the Australian Opera, and The Ten Tenors. Who could forget the reaction of David Hobson when he turned up to perform in the 'town hall' only to 'discover' Australia's largest regional theatre with a sold out audience waiting for him? As he said many times from the stage that night – he will be back. Jimmy Barnes also performed twice during the year with sell out performances each time.



For the first time the Empire Theatre produced two music theatre productions in the one calendar and financial year. Our target audience of 4,000 for *Cats* was well and truly smashed and it became clear to us that the West End and Broadway hits are just what our audience want to see.

I sincerely thank the Board and Trustees for their ongoing dedication, hard work and support. I am grateful to Council Officers who are only ever a phone call away with invaluable advice and guidance and I would like to especially thank the senior management team, the Heads of Department, for their tremendous efforts once again this year. I particularly thank our new Head of Department and Marketing Manager Kirsten Bartholomew who is a very welcome member of the team and who has certainly brought our marketing department to a new level with her enthusiasm and – dare I say – creativity! I acknowledge the extra business Helen Oldham has brought to the Theatre through external ticketing services. This area has huge potential for the Empire and Helen continues to maximise the services our box office provides.

I thank the Friends of the Empire Theatre for their commitment and ongoing support. Our Friends make a true contribution to the bottom line of our operations.

This has truly been a remarkable year for the Empire Theatre and I look forward to continuing our drive into the regions and providing an expanding range of programs and productions to our audience.

Ann-Marie Ryan

Ms Ann-Marie Ryan

General Manager

Empire Theatres Pty Ltd

Empire Theatre Projects Pty Ltd

Empire Theatres Foundation

ARTISTIC DIRECTOR'S REPORT

In its first twelve months, the Empire Theatre Projects Company has embarked on an ambitious program to fulfil its mission of deepening and broadening our community's engagement with the performing arts.

Over many years now, the Empire Theatre's community musical productions have brought together hundreds of participants as performers, musicians, set builders, costume makers, technical crew and lunch providers. [Thanks to the Friends of the Empire Theatre.]

In October 2009, Andrew Lloyd Webber's hit show *Cats* took to the stage, breaking box office records for an Empire Theatre production. We were delighted that over half of the cast of *Cats* were participating in their first Empire production and our Creative Team were all making their debut for the Empire in new roles – Alison Vallette as Director, Rainer Pollard as Musical Director and Kath Davis as Choreographer.

Disney's High School Musical on Stage came to the Empire in April 2010 and again saw a great number of new participants, as well as giving us the opportunity to welcome Andrew Eunson as Musical Director for the first time.

In late 2009, the Empire Theatre successfully applied to participate in the Regional Stages Program – a joint initiative of Arts Queensland and the Australia Council for the Arts; through which the Company will receive \$100,000 per annum over the next three years to develop the performing arts in the region. These funds have allowed us to undertake a number of initiatives.

2009 saw the establishment of the Empire Youth Theatre. Three strands of workshops, under Youth Theatre Director David Burton saw over fifty young people attend weekly Theatre Workshops and with the program's success it is anticipated that its activities will expand in 2011.

This year also saw the Empire's inaugural community theatre production, with local actors working with a professional creative team. *Cosi* by Louis Nowra, directed by Sam Atwell and designed by Greg Clarke, exceeded box office targets and proved an excellent opportunity for local actors to develop their skills and for local audiences to enjoy a home-grown theatre production at the Empire.



The Origin8 Fast Film Festival was relaunched in August 2009 and successfully established itself as an exciting and innovative event on the Toowoomba cultural calendar, appealing to a diverse cross-section of community members. Plans are in place for the expansion of the Festival both within the Toowoomba region and into other regional areas in 2010 and beyond.

Most significantly, Regional Stages funding gave the Empire Theatre the opportunity to embark on its first fully-professional production, *April's Fool*, for which we commissioned local playwright David Burton to develop a verbatim script, based on events surrounding the death of local teenager Kristjan Terauds in April 2008 and inspired by the journal written by Kristjan's father, David Terauds. [Kristjan died as the result of complications due to excessive illicit drug use.]

Following a series of three Creative Development workshops in the first half of 2009 – in which local artists had the opportunity to experience theatre making at a professional level – the production will premiere in August at the Oakey Cultural Centre and then tour to Chinchilla, Dalby, Ipswich and the Judith Wright Centre in Brisbane and will represent a major milestone in the development of the performing arts in the Toowoomba region.

April's Fool has been made possible through the support of the Arts Queensland through its Development and Presentation Grant Program, Black Toyota and the Western Downs Regional Council.

In conclusion, I want to acknowledge the Empire Board, Management and Staff and for their support of The Projects Company. I also wish to acknowledge the people of the Toowoomba region for the unbridled enthusiasm with which they have embraced the possibilities that exist within the performing arts to enrich our community.

Lewis Jones

Mr Lewis Jones

Artistic Director

Empire Theatre Projects Pty Ltd

PRESIDENT'S REPORT

The entertainment industry is indeed a volatile one with many and varied forms competing for the patron's available dollar. With this in mind, it is with confidence that the Friends of the Empire Theatre Inc. continue to operate in the stable environment provided by our Theatre.

The year ending June 2010 has been another successful one for our organisation. Our volunteers continue to provide quality front of house service and are our most visible presence in the public eye. However, the provision of flowers, mail out services, and welcoming, home-made delicacies for visiting artists, are other examples of the talents of our volunteers.

The Morning Melodies series is still a most popular mid-week event and the Friends' morning tea service continues to add to the attraction.

The Friends catered for rehearsal lunches and afternoon teas for the casts of the Theatre's musical productions of *Cats* and *Disney's High School Musical on Stage*.

Our membership numbers are healthy. At end of year, we had 660 members with approximately 270 of these as active volunteers within the Theatre. The members who do not volunteer still play an important role in our organisation as enthusiastic ambassadors in the community.

I am pleased to report that the Friends were able to make significant donations to the Theatre this year.

The list includes:

1 single and double Piano Stool	\$ 850
60 Burgundy and Gold Function Chairs	\$10,100
8 Folding Tables	\$ 440
2 Folding Round Tables	\$ 100
34 Vests and 10 Bow Ties (Ushers)	\$ 2,900
Logo Embroidery on Vests	\$ 160
Floral Arrangement Supplies	\$ 50
1 Toyota Workmate Utility	\$10,100
Total donations to Theatre Services:	\$24,700

This year's contribution brings the total donated amount, since inception, to \$453,088.41.



Congratulations to the volunteers and fundraisers who made this possible.

From an administrative aspect, the major changes to our format this year were the alteration of our monthly meeting from a Monday evening to a lunchtime meeting at noon, and the update of our Constitution. I see the meeting time continuing, but could be reviewed if it is detrimental to the make-up of our management committee. We have adapted the model rules into a constitution which pertains directly to our business. My thanks go to Richard Chiverrell for leading the review.

In the past year we have sadly lost two of our most loyal supporters. Len Clyde's passing in December 2009 marked the end of his long association with the Empire Theatre.

In July 2010, we lost our valued secretary of ten years, Barry Vettiger. We shall miss Barry's honesty and integrity and remember him for his love of the theatre.

I would like to thank our most diligent Treasurer, Noreen Pauli, for the manner in which she maintained our finances.

My sincere appreciation goes to:

- My very able Committee, for their dedication
- The Toowoomba Regional Council, for the services of auditor, Mr Jai Ram and provision of our insurance sponsorship.
- Peter Swannell and the Board for their support
- Ann-Marie Ryan and Theatre staff, for allowing the Friends to live their passion.

I wish the Board of Management a prosperous year ahead.

Colin Muller

Mr Colin Muller

President

Friends of the Empire Theatre Inc.

EMPIRE THEATRES' BUSINESS PARTNERS

The Empire Theatres' Business Partners are like-minded organisations with a shared commitment towards quality, innovation and inspiration in delivering their own customer focused performance within our community.

These mutually beneficial partnerships enable the Empire Theatre to expand its programming diversity and support the Empire Theatres Foundation in providing invaluable opportunities to the youth of the region and work towards preserving important historical elements of the Theatre.

Empire Theatres Production of **CATS**, 16 – 24 October 2009



The Chronicle

Empire Theatres Production of **DISNEY'S HIGH SCHOOL MUSICAL ON STAGE** 28 April – 2 May 2010



The Chronicle

Morning Melodies series



Origin8 Fast Film Festival 2009



Performance Partners



Government



Media Supporters



The Chronicle





MAJOR PERFORMANCES AT THE EMPIRE THEATRE 2009–2010

Total

Bands

Lazyeye Productions – Hereafter	60
Leon Carlisle Rock Bands Event	70
Amber Calling and The Invitation	21
Pacha Mamma Creations	60

Children

Dorothy The Dinosaur	569
The Kindom Of Paramithi	133
Fastest Boy in the World	1673
The Fairies	966
Hi-5 Tour	795
The Gruffalo	1907
Fame Theatre Company	1270
Festival Of Magic	1200

Classical

Oz Opera – Madame Butterfly	876
The Queensland Orchestra – Last Night of the Proms.....	1338
Queensland Symphony Orchestra	1161
Toowoomba Concert Orchestra	163
Camerata of St John’s – Mystical Cathedral.....	169
Camerata of St John’s – Around the World in 75 Minutes	83
Camerata of St John’s – Piers to Perfection.....	258
Camerata of St John’s – Viva Violin! Viva Viola!	213
The Ten Tenors.....	1237
Swingers and Sopranos.....	86
USQ Big Band with Rhonda Burchmore	920
David Helfgott	586
Musica Viva – David Hobson	1446

Comedy

Arj Barker	1276
Puppetry of the Penis	970
Jimeoin.....	1116

Community

Toowoomba Eisteddfod – August 2009 Instrumental	4574
Toowoomba Eisteddfod – May 2010 Vocal	4945
Q150 Film Festival.....	50
Toowoomba Community Performing Arts Project	500
New Hope Church.....	4600
Easter Praise.....	670
Sing Out – 2010.....	5385
McGregor Summer School Concert – 2010	420

Country

Bush Ballads Concert.....	235
Lee Kernaghan.....	1532

Dance

The Dancers Company – Triple Bill.....	748
Russian Ballet – Swan Lake.....	904
Graeme Isaako Dance Workshop.....	94
Rhythms of Ireland.....	1337
Construct.....	276
Dance North – Night Café.....	347
The Rock Show – Regurgitator.....	238

Drama

Waltzing My Matilda.....	140
Steel Magnolias.....	1210
Sadako and The Thousand Paper Cranes.....	1461
Shakespeare In The Empire.....	1769
Fall To Earth.....	100
Shape of a Girl.....	387
The Age I'm In.....	159
Dirty Dusting.....	1107

Local Dance

A Christmas Wish.....	1736
Darling Downs School of Excellence in Dance.....	528
Dance Central – Charlie and the Chocolate Factory.....	2096

Music Theatre

Menopause The Musical.....	3413
Toowoomba Youth Choral Society	
– ‘Goldilocks and the Three Bears’.....	956
Toowoomba Choral Society	
– ‘Les Misérables’.....	3938

Other

Charmaine Wilson.....	324
Wakakirri.....	1601
H-Tel Darling Downs – Variety Concert.....	800
Rockwiz.....	1456
Circus Quirkus.....	1050

Popular Music

ABBA Live.....	498
Jimmy Barnes – September 2009.....	1514
Jimmy Barnes – June 2010.....	1504
The Cool Change Tour.....	546
Suzi Quatro.....	1559

Debra Byrne.....	1977
David Campbell.....	714
The Searchers.....	809
Marina Prior.....	1405
Toni Childs.....	511
The Eagles Experience.....	295
Foster and Allen.....	925
Elvis Meets Buddy.....	818
ABBA Mania.....	570
Doug De Vries Trio.....	68
Pete Murray and Busby Maroo.....	798

School Productions

The Glennie School – Speech Day.....	500
Toowoomba Grammar School – ‘Jesus Christ Superstar’.....	4805
Harristown State High School – Awards Night.....	1200
Rangeville Centenary Concert.....	367
Rangeville Showcase.....	1049
Toowoomba Grammar School – Speech Day.....	1500
The Glennie School – Speech Day.....	1700

Seniors

Morning Melodies – Debra Byrne.....	1073
Morning Melodies – Back to the Tivoli.....	1069
Morning Melodies – Swingers and Sopranos.....	929
Morning Melodies – Celtic Whispers.....	1104
Morning Melodies – Back to the Tivoli.....	1161
Morning Melodies – Back to the Tivoli.....	1069

Community Engagement

Cosi – In-School Workshops.....	60
High School Musical Audition Workshops.....	57
Tertiary Audition Workshops.....	11
School Holiday Drama Workshops.....	37
Term 1 2010 – Drama Workshops.....	57
Term 2 2010 – Drama Workshops.....	42
Circus Skills – In-School Workshops.....	100
The Age I'm In Workshops.....	15

Productions

2009 Origin8 Top 8 Screening and Presentation.....	278
The Kursk.....	362
Cats.....	8115
Disney's High School Musical on Stage.....	6050
Cosi.....	1134

Functions.....	10837
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TOTAL.....	130,903
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EMPIRE THEATRES PTY LTD

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2010

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EMPIRE THEATRES PTY LTD

ABN 83 086 482 288

DIRECTORS' REPORT

Your directors present their report on the company and its controlled entity for the year ended 30 June 2010.

The directors holding office during the year and at the date of this report are:

Prof P Swannell AM (Chairman)
Mrs S Liley (Deputy Chair)
Mr R Sellars
Mr M Bond (Company Secretary)
Mr R Miller
Dr K Foy
Ms M Taylor
Mr A Wielandt
Mr R Chiverrell

The principal activity of the company has been to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with Toowoomba Regional Council.

The consolidated profit of the consolidated group during the financial year was \$132,942 (2009: \$21,833). The group donated non-current assets to the value of \$19,946 to Toowoomba Regional Council. The consolidated group is exempt from income tax.

Empire Theatre Projects Pty Ltd was incorporated on 5 March 2009. As a controlled entity of Empire Theatres Pty Ltd, its financial results are incorporated into this financial report. There were no other significant changes in the state of affairs of the company during the financial year.

A review of the operations of the group during the financial year shows the results of those operations as follows:

- Community Service Obligation subsidies from the Toowoomba Regional Council totalled \$1,057,500 (2009: \$1,038,329) during the financial year.
- Gross income from Productions for the financial year totalled \$516,949 (2009: \$433,288), whilst gross income from Hires and Functions totalled \$926,320 (2009: \$1,016,239).
- Hires and Functions generated net income of \$420,303 (2009: \$473,648) during the financial year, whilst Productions generated net income of \$56,083 (2009: \$17,385 net expenditure).

No matters or circumstances have arisen since the end of the financial year that 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.

No final ordinary dividend (2009: \$nil) was recommended or paid during the year.

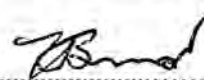
The future operations of the company are expected to relate to the principal activity outlined above.

Signed in accordance with a resolution of the Board of Directors:

16th August 2010
Toowoomba



Peter Swannell AM
Chairman



Mervyn Bond
Company Secretary

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated		Company	
		2010	2009 \$	2010	2009 \$
Revenue	2	2,347,344	1,861,046	1,896,195	1,861,046
Cost of sales	3	<u>(1,519,249)</u>	<u>(1,126,369)</u>	<u>(1,104,841)</u>	<u>(1,126,369)</u>
Gross profit		828,095	734,677	791,354	734,677
Other revenue	2	1,307,450	1,165,210	1,148,830	1,165,210
Marketing expenses		(249,874)	(169,382)	(219,311)	(169,382)
Occupancy expenses		(420,000)	(420,000)	(420,000)	(420,000)
Administration expenses		(806,769)	(630,909)	(704,680)	(630,909)
Buildings maintenance expenses		(355,824)	(378,262)	(355,824)	(378,262)
Other expenses	3	<u>(170,136)</u>	<u>(279,501)</u>	<u>(166,455)</u>	<u>(279,501)</u>
Profit for the year		<u>132,942</u>	<u>21,833</u>	<u>73,914</u>	<u>21,833</u>
Profit attributable to members of the entity		<u>132,942</u>	<u>21,833</u>	<u>73,914</u>	<u>21,833</u>
Total comprehensive income attributable to members of the entity		<u>132,942</u>	<u>21,833</u>	<u>73,914</u>	<u>21,833</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	Consolidated		Company	
		2010 \$	2009 \$	2010 \$	2009 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	11 (a)	1,307,427	1,223,313	1,221,308	1,223,313
Trade and other receivables	5	125,666	150,847	178,875	150,847
Inventories	6	9,196	10,961	9,196	10,961
TOTAL CURRENT ASSETS		<u>1,442,289</u>	<u>1,385,121</u>	<u>1,409,379</u>	<u>1,385,121</u>
TOTAL ASSETS		<u>1,442,289</u>	<u>1,385,121</u>	<u>1,409,379</u>	<u>1,385,121</u>
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	7	610,769	701,002	636,887	701,002
Short term provisions	8	99,018	-	99,018	-
TOTAL CURRENT LIABILITIES		<u>709,787</u>	<u>701,002</u>	<u>735,905</u>	<u>701,002</u>
NON-CURRENT LIABILITIES					
Long-term provisions	8	17,333	101,892	17,333	101,892
TOTAL NON-CURRENT LIABILITIES		<u>17,333</u>	<u>101,892</u>	<u>17,333</u>	<u>101,892</u>
TOTAL LIABILITIES		<u>727,120</u>	<u>802,894</u>	<u>753,238</u>	<u>802,894</u>
NET ASSETS		<u>\$ 715,169</u>	<u>\$ 582,227</u>	<u>\$ 656,141</u>	<u>\$ 582,227</u>
EQUITY					
Issued capital	12	1	1	1	1
Retained earnings		715,168	582,226	656,140	582,226
TOTAL EQUITY		<u>\$ 715,169</u>	<u>\$ 582,227</u>	<u>\$ 656,141</u>	<u>\$ 582,227</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

	Note	<u>Issued Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
		Ordinary		
<i>Consolidated</i>				
Balance at 1 July 2008		1	560,393	560,394
Profit attributable to members of the entity		-	21,833	21,833
Total other comprehensive income for the year		-	-	-
Dividends paid		-	-	-
Balance at 30 June 2009		<u>1</u>	<u>582,226</u>	<u>582,227</u>
Profit attributable to members		-	132,942	132,942
Total other comprehensive income for the year		-	-	-
Dividends paid		-	-	-
Balance at 30 June 2010		<u>1</u>	<u>715,168</u>	<u>715,169</u>
<i>Company</i>				
Balance at 1 July 2008		1	560,393	560,394
Profit attributable to members		-	21,833	21,833
Total other comprehensive income for the year		-	-	-
Dividends paid		-	-	-
Balance at 30 June 2009		<u>1</u>	<u>582,226</u>	<u>582,227</u>
Profit attributable to members		-	73,914	73,914
Total other comprehensive income for the year		-	-	-
Dividends paid		-	-	-
Balance at 30 June 2010		<u>1</u>	<u>656,140</u>	<u>656,141</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated		Company	
		2010 \$	2009 \$	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		2,563,092	2,229,990	2,030,734	2,229,990
Community service obligations received		1,163,250	1,142,162	1,163,250	1,142,162
Payments to suppliers and employees		(3,705,392)	(3,469,164)	(3,256,059)	(3,469,164)
Interest received		63,163	72,379	60,070	72,379
Net cash provided by (used in) operating activities	11 (b)	<u>84,113</u>	<u>(24,633)</u>	<u>(2,005)</u>	<u>(24,633)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from shares issued		<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		84,114	(24,633)	(2,005)	(24,633)
Cash at the beginning of the financial year		<u>1,223,313</u>	<u>1,247,946</u>	<u>1,223,313</u>	<u>1,247,946</u>
Cash at the end of the financial year	11 (a)	<u>\$ 1,307,427</u>	<u>\$ 1,223,313</u>	<u>\$ 1,221,308</u>	<u>\$ 1,223,313</u>

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

The financial statements cover the consolidated financial statements and notes of Empire Theatres Pty Limited and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Empire Theatres Pty Limited as an individual parent entity ('Parent Entity').

Note 1: Summary of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Funding

The group is dependent upon continued funding by way of Community Service Obligation contributions from Toowoomba Regional Council for a major portion of the company's income (\$1,057,500 for the year ended 30 June 2010). The Operating Agreement with Toowoomba Regional Council ensures that funding will be provided to the company until at least 2014. This ensures that the company is a going concern.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Empire Theatres Pty Ltd at the end of the reporting period. A controlled entity is any entity over which Empire Theatres Pty Ltd has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. Empire Theatres Projects Pty Ltd was incorporated on 5th March 2009, and was the only controlled entity of Empire Theatres Pty Ltd from this date.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated Statement of Financial Position and Statement of Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(c) Income Tax

The group has been advised by the Australian Taxation Office that it is exempt from income tax.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: Summary of Significant Accounting Policies (continued)

(e) Property, Plant & Equipment

In accordance with the Operating Agreement between the company and Toowoomba Regional Council (dated 20th April 2009), all items of non-technical property, plant and equipment valued in excess of \$5,000 vest in the Toowoomba Regional Council. Items of technical property, plant and equipment valued in excess of \$3,000 vest in Toowoomba Regional Council.

All other items of property, plant and equipment are treated as an expense in the year of acquisition.

(f) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Classification and subsequent measurement

Financial instruments are subsequently valued at fair value, amortised cost, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value.

Amortised cost is calculated as (a) the amount at which the financial asset or financial liability is measured at initial recognition; (b) less principal repayments; and (c) less any reduction for impairment.

(i) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other receivables are classified as non-current assets.)

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

(iii) Financial Liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: Summary of Significant Accounting Policies (continued)

(h) Impairment of Assets

At the end of each reporting period, the group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, the impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(i) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within the borrowings in current liabilities on the statement of financial position.

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k) Employee Benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(l) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods (such as merchandise and drinks) is recognised upon delivery of goods to customers.

Interest revenue is recognised on a time proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: Summary of Significant Accounting Policies (continued)

(m) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing, which are disclosed as operating cash flows.

(o) Comparative Figures

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

When the group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(p) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. There are no key estimates. The directors believe that all receivables will be collected in full, and therefore no provision for impairment has been made.

(q) Adoption of New and Revised Accounting Standards

During the current year, the Group has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Empire Theatres Pty Ltd.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the group's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: Summary of Significant Accounting Policies (continued)

(q) Adoption of New and Revised Accounting Standards (continued)

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement - the statement of comprehensive income, or two statements - a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The group's financial statements now contain a statement of comprehensive income.

Other comprehensive income - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(r) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory application dates for future periods and which the Group has decided not to adopt early. A discussion of those future requirements and their impact on the Group is as follows:

- AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013). These Standards are applicable retrospectively and amend the classification and measurement of financial assets. No changes are expected to materially affect the Group.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011). This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, and clarifies the definition of a 'related party' to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Group.

The group does not anticipate early adoption of any of the above Australian Accounting Standards.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated		Company	
	2010	2009	2010	2009
	\$	\$	\$	\$
Note 2: Revenue				
Operating activities				
Sale of goods	145,542	114,650	145,542	114,650
Rendering of services	1,684,853	1,587,575	1,233,704	1,587,575
Productions	516,949	158,821	516,949	158,821
	<u>2,347,344</u>	<u>1,861,046</u>	<u>1,896,195</u>	<u>1,861,046</u>
Other revenue				
Interest - other persons	63,163	72,379	60,070	72,379
Community Service Obligation - Toowoomba Regional Council	1,057,500	1,038,329	1,057,500	1,038,329
Donations	24,700	51,830	24,700	51,830
Grants and subsidies	142,759	-	-	-
Sponsorships	10,000	-	-	-
Other revenue	9,328	2,672	6,560	2,672
	<u>1,307,450</u>	<u>1,165,210</u>	<u>1,148,830</u>	<u>1,165,210</u>
Total Revenue	<u>\$ 3,654,794</u>	<u>\$ 3,026,256</u>	<u>\$ 3,045,025</u>	<u>\$ 3,026,256</u>

Note 3: Profit for the Year

(a) Expenses:

Cost of Sales	1,519,249	1,126,369	1,104,841	1,126,369
Remuneration of the auditor - auditing the financial report	17,804	13,600	14,704	13,600
Rental expense on operating leases - minimum lease payments	420,000	420,000	420,000	420,000

(b) Significant Revenue and Expenses:

The following revenue and expense items are relevant in explaining the financial performance.

Donation of non-current assets to Toowoomba Regional Council	<u>24,552</u>	<u>19,887</u>	<u>24,552</u>	<u>19,887</u>
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EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated		Company	
	2010	2009	2010	2009
	\$	\$	\$	\$
Short-term employee benefits	496,300	423,340	496,300	423,340
	<u>496,300</u>	<u>423,340</u>	<u>496,300</u>	<u>423,340</u>

Note 4: Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the group during the year are as follows:

Short-term employee benefits	496,300	423,340	496,300	423,340
	<u>496,300</u>	<u>423,340</u>	<u>496,300</u>	<u>423,340</u>

Note 5: Trade And Other Receivables

Trade receivables	88,510	66,605	141,719	66,605
Less: Provision for impairment of debtors	-	-	-	-
	<u>88,510</u>	<u>66,605</u>	<u>141,719</u>	<u>66,605</u>
Other receivables	37,156	84,242	37,156	84,242
	<u>\$ 125,666</u>	<u>\$ 150,847</u>	<u>\$ 178,875</u>	<u>\$ 150,847</u>

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the group's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining insolvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

The balances of receivables that remain within initial trade terms are considered to be of high credit quality.

	Gross Amount \$	Past Due and Impaired \$	< 30 \$	31 - 60 \$	61 - 90 \$	Within Initial Trade Terms \$
<i>Consolidated</i>						
2010						
Trade receivables	88,510	-	46,854	37,777	3,879	88,510
Other receivables	37,156	-	37,156	-	-	37,156
	<u>125,666</u>	<u>-</u>	<u>84,010</u>	<u>37,777</u>	<u>3,879</u>	<u>125,666</u>
2009						
Trade receivables	66,605	-	53,575	6,974	6,056	66,605
Other receivables	84,242	-	84,242	-	-	84,242
	<u>150,847</u>	<u>-</u>	<u>137,817</u>	<u>6,974</u>	<u>6,056</u>	<u>150,847</u>

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 5: Trade And Other Receivables (continued)

	Gross Amount \$	Past Due and Impaired \$	< 30 \$	31 - 60 \$	61 - 90 \$	Within Initial Trade Terms \$
<i>Company</i>						
2010						
Trade receivables	141,719	-	100,063	37,777	3,879	141,719
Other receivables	37,156	-	37,156	-	-	37,156
	<u>178,875</u>	<u>-</u>	<u>137,219</u>	<u>37,777</u>	<u>3,879</u>	<u>178,875</u>
2009						
Trade receivables	66,605	-	53,575	6,974	6,056	66,605
Other receivables	84,242	-	84,242	-	-	84,242
	<u>150,847</u>	<u>-</u>	<u>137,817</u>	<u>6,974</u>	<u>6,056</u>	<u>150,847</u>

The group does not hold any financial assets whose terms have been renegotiated and would otherwise be past due or impaired.

	Consolidated		Company	
	2010 \$	2009 \$	2010 \$	2009 \$
Note 6: Inventories				
Bar Stocks - at cost	<u>\$ 9,196</u>	<u>\$ 10,961</u>	<u>\$ 9,196</u>	<u>\$ 10,961</u>

Note 7: Trade and Other Payables - Current

	Consolidated		Company	
	2010 \$	2009 \$	2010 \$	2009 \$
Unsecured Liabilities				
Trade payables	224,025	90,385	224,025	90,385
Security deposits - hires	32,428	37,395	32,428	37,395
Box office ticket prepayments	243,084	370,153	243,084	370,153
Sundry payables and accrued expenses	71,864	158,911	97,982	158,911
Unearned income	-	-	-	-
Employee benefits	39,368	44,158	39,368	44,158
	<u>\$ 610,769</u>	<u>\$ 701,002</u>	<u>\$ 636,887</u>	<u>\$ 701,002</u>

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated		Company	
	2010 \$	2009 \$	2010 \$	2009 \$
Note 8: Provisions				
Long-term Employee Benefits				
Opening balance at 1 July 2009	101,892	99,144	101,892	99,144
Additional provisions	14,459	2,748	14,459	2,748
Amounts used	-	-	-	-
Balance at 30 June 2010	<u>\$ 116,351</u>	<u>\$ 101,892</u>	<u>\$ 116,351</u>	<u>\$ 101,892</u>
<u>Analysis of provisions</u>				
Current	99,018	-	99,018	-
Non-current	17,333	101,892	17,333	101,892
	<u>\$ 116,351</u>	<u>\$ 101,892</u>	<u>\$ 116,351</u>	<u>\$ 101,892</u>

A provision has been recognised for non-current employee benefits relating to long-service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

Note 9: Remuneration And Retirement Benefits

(a) Remuneration of Directors

Remuneration received or receivable by all directors of the company from the company or any related party in connection with the management of the company

\$ 24,000	\$ 23,400	\$ 21,600	\$ 23,400
-----------	-----------	-----------	-----------

The names of directors who have held office during the financial year:

Peter Swannell AM (Chairman)
 Sheena Liley (Deputy Chair)
 Robert Sellars
 Mervyn Bond (Company Secretary)
 Ross Miller
 Kathryn Foy
 Melissa Taylor
 Andrew Wielandt
 Richard Chiverrell

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated		Company	
	2010	2009	2010	2009
	\$	\$	\$	\$

Note 10: Contingent Liabilities and Contingent Assets

There were no known material contingent liabilities or contingent assets at balance date.

Note 11: Cash Flow Information

(a) Cash and Cash Equivalents

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	5,331	5,331	5,331	5,331
- Cash at bank	626,996	344,171	540,877	344,171
- Short term notes	25,100	-	25,100	-
- Short term deposit	650,000	873,811	650,000	873,811
	<u>\$ 1,307,427</u>	<u>\$ 1,223,313</u>	<u>\$ 1,221,308</u>	<u>\$ 1,223,313</u>

The effective interest rate on short-term bank deposits was 5.5% (2008: 7.25%). This deposit matures in 43 days.

(b) Reconciliation of cash flow from operations with profit for the year

Profit for the year	132,942	21,833	73,914	21,833
Changes in assets and liabilities:				
(Increase) / decrease in trade debtors	(99,899)	74,944	(75,114)	74,944
(Increase) / decrease in inventory	1,765	(353)	1,765	(353)
Decrease in other debtors	47,086	(71,774)	47,086	(71,774)
Increase / (decrease) in trade and other payables	133,640	(161,722)	133,640	(161,722)
Increase in employee entitlements	9,669	15,210	9,669	15,210
Increase / (decrease) in sundry payables	(141,090)	97,229	(192,965)	97,229
	<u>\$ 84,113</u>	<u>\$ (24,633)</u>	<u>\$ (2,005)</u>	<u>\$ (24,633)</u>

(c) Credit Stand-by Arrangements and Loan Facilities

Empire Theatres Pty Ltd has a \$6,000 overdraft facility, with interest charged at 12.7% per annum.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated		Company	
	2010	2009	2010	2009
	\$	\$	\$	\$
Note 12: Issued Capital				
1 (2009: 1) fully paid ordinary share	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

The group has authorised share capital amounting to 1 ordinary share of no par value.

Note 13: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

- (a) The parent entity is wholly owned by Toowoomba Regional Council.
- (b) During the financial year, Toowoomba Regional Council contributed \$1,057,500 (2009: \$1,038,329) to the company as a Community Service Obligation of the Council.
- (c) During the financial year, the company paid \$420,000 (2009: \$420,000) to Toowoomba Regional Council as rent for 56 Neil Street, Wesley Church and City Hall Theatre, Toowoomba.
- (d) During the financial year, the company paid \$22,122 (2009: \$18,825) to Toowoomba Regional Council for the rent of 2 motor vehicles (2009: 2 motor vehicles).
- (e) Empire Theatres Projects Pty Ltd is a controlled entity of Empire Theatres Pty Ltd.

Note 14: Events After the Reporting Period

The directors are not aware of any events after the balance sheet date that will have a material impact on this financial report.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 15: Financial Risk Management

a. Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, local money market instruments, and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated		Company	
	2010 \$	2009 \$	2010 \$	2009 \$
Financial Assets				
Cash and cash equivalents	1,307,427	1,223,313	1,221,308	1,223,313
Receivables	125,666	150,847	178,875	150,847
Total Financial Assets	<u>\$ 1,433,093</u>	<u>\$ 1,374,160</u>	<u>\$ 1,400,183</u>	<u>\$ 1,374,160</u>
Financial Liabilities				
Trade and other payables	610,769	701,002	636,887	701,002
Total Financial Liabilities	<u>\$ 610,769</u>	<u>\$ 701,002</u>	<u>\$ 636,887</u>	<u>\$ 701,002</u>

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations. The group does not have any derivative instruments at 30 June 2010.

Specific Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Depending on the division within the group, credit terms are generally 14 to 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the directors have otherwise cleared as being financially sound.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 15: Financial Risk Management (continued)

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The group has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables is provided in Note 5.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 5.

Credit risk related to balances with banks and other financial institutions is managed by the directors. Such policy requires that surplus funds are only invested with counterparties with a high credit rating.

b. Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities.
- monitoring undrawn facilities
- maintaining a reputable credit profile.
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions.

The tables on the following page reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the following table to settle financial liabilities reflects the earliest contractual settlement dates.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 15: Financial Risk Management (continued)

	Within 1 Year		Totals	
	2010	2009	2010	2009
	\$	\$	\$	\$
<i>Consolidated</i>				
Financial Liabilities due for payment				
Trade and other payables (excluding est. annual leave)	571,401	656,844	571,401	656,844
Total expected outflows	<u>571,401</u>	<u>656,844</u>	<u>571,401</u>	<u>656,844</u>
Financial Assets - cash flows realisable				
Cash and cash equivalents	1,307,427	1,223,313	1,307,427	1,223,313
Receivables	125,666	150,847	125,666	150,847
Total anticipated inflows	<u>1,433,093</u>	<u>1,374,160</u>	<u>1,433,093</u>	<u>1,374,160</u>
Net inflow on financial instruments	<u>861,692</u>	<u>717,316</u>	<u>861,692</u>	<u>717,316</u>
<i>Company</i>				
Financial Liabilities due for payment				
Trade and other payables (excluding est. annual leave)	597,519	656,844	597,519	656,844
Total expected outflows	<u>597,519</u>	<u>656,844</u>	<u>597,519</u>	<u>656,844</u>
Financial Assets - cash flows realisable				
Cash and cash equivalents	1,221,308	1,223,313	1,221,308	1,223,313
Receivables	178,875	150,847	178,875	150,847
Total anticipated inflows	<u>1,400,183</u>	<u>1,374,160</u>	<u>1,400,183</u>	<u>1,374,160</u>
Net inflow on financial instruments	<u>802,664</u>	<u>717,316</u>	<u>802,664</u>	<u>717,316</u>

c. Market risk

i. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect the future cash flows or the fair value of fixed rate financial instruments.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 15: Financial Risk Management (continued)

Sensitivity Analysis

The following table illustrates sensitivities to the group's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in interest rates that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Consolidated

	Profit \$	Equity \$
Year Ended 30 June 2010		
+ / - 2% in interest rates	+ / - 25,000	+ / - 25,000
Year Ended 30 June 2009		
+ / - 2% in interest rates	+ / - 24,000	+ / - 24,000

Company

	Profit \$	Equity \$
Year Ended 30 June 2010		
+ / - 2% in interest rates	+ / - 24,000	+ / - 24,000
Year Ended 30 June 2009		
+ / - 2% in interest rates	+ / - 24,000	+ / - 24,000

Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 16: Company Details

The registered office and principal place of business of the company is:

Empire Theatre
 56 Neil Street
 Toowoomba Qld 4350

The principal activity of the group is to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with Toowoomba Regional Council.

EMPIRE THEATRES PTY LTD
ABN 83 086 482 288

DIRECTORS' DECLARATION

The directors of the company declare that:

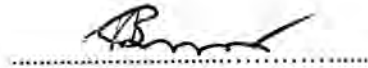
1. the financial statements and notes, as set out on pages 2 to 20 present fairly the company's financial position as at 30 June 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

16th August 2010
Toowoomba



Peter Swannell AM
Chairman



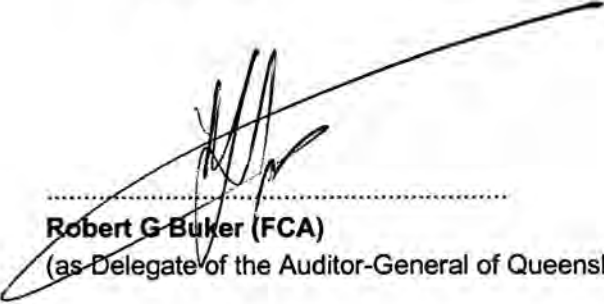
Mervyn Bond
Company Secretary

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

**Empire Theatres Pty Ltd
ABN 83 086 482 288**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


.....
Robert G Baker (FCA)
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane

Dated: 16 August 2010

INDEPENDENT AUDITOR'S REPORT

To the Members of Empire Theatres Pty Ltd

Matters relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Empire Theatres Pty Ltd for the financial year ended 30 June 2010 included on Empire Theatres' website. The directors are responsible for the integrity of the Empire Theatres' website. I have not been engaged to report on the integrity of the Empire Theatres' website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Empire Theatres, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the Financial Report

I have audited the accompanying financial report of Empire Theatres Pty Ltd, which comprises the statement of financial position as at 31 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

Independence

The Auditor-General Act 2009 promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

In conducting the audit, the independence requirements of the Corporations Act 2001 have been complied with. I confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Empire Theatres Pty Ltd on 16 August 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In my opinion –

- (a) the financial report of Empire Theatres Pty Ltd is in accordance with the Corporations Act 2001, including –
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2010 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

.....
R G Buker (FCA)
 (as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
 Brisbane

Dated: 23 August 2010



EMPIRE THEATRES FOUNDATION

FINANCIAL STATEMENTS
For the year ended 30 June 2010

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EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	2	71,590	83,881
Administration expenses		(22,223)	(16,440)
Bursary expenses		(28,250)	(39,338)
Course expenses		(6,961)	(13,537)
Sponsorship expenses		(8,781)	(7,621)
Travel and accommodation costs		<u>(2,500)</u>	<u>(2,200)</u>
Profit for the year		<u>\$ 2,875</u>	<u>\$ 4,745</u>
Profit attributable to members of the entity		<u>\$ 2,875</u>	<u>\$ 4,745</u>
Total comprehensive income attributable to members of the entity		<u>\$ 2,875</u>	<u>\$ 4,745</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash assets	6 (a)	493,335	485,887
GST receivable		1,814	2,798
Sponsorships receivable		<u>1,500</u>	<u>2,750</u>
TOTAL CURRENT ASSETS		<u>496,649</u>	<u>491,435</u>
TOTAL ASSETS		<u>496,649</u>	<u>491,435</u>
CURRENT LIABILITIES			
Trade and other payables	4	<u>3,889</u>	<u>1,550</u>
TOTAL CURRENT LIABILITIES		<u>3,889</u>	<u>1,550</u>
TOTAL LIABILITIES		<u>3,889</u>	<u>1,550</u>
NET ASSETS		<u>\$ 492,760</u>	<u>\$ 489,885</u>
EQUITY			
Retained earnings		<u>492,760</u>	<u>489,885</u>
TOTAL EQUITY		<u>\$ 492,760</u>	<u>\$ 489,885</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2008		485,140	485,140
Profit attributable to the Foundation		4,745	4,745
Total other comprehensive income for the year		-	-
Balance at 30 June 2009		<u>\$ 489,885</u>	<u>\$ 489,885</u>
Profit attributable to the Foundation		2,875	2,875
Total other comprehensive income for the year		-	-
Balance at 30 June 2010		<u><u>\$ 492,760</u></u>	<u><u>\$ 492,760</u></u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, sponsorships and raffles		50,785	67,669
Interest received		22,055	27,212
Payments for courses, travel and accommodation, hospitality and sponsorships		<u>(65,392)</u>	<u>(86,366)</u>
Net cash provided by operating activities	6 (b)	<u>7,448</u>	<u>8,515</u>
Net increase in cash held		7,448	8,515
Cash at the beginning of the financial year		<u>485,887</u>	<u>477,372</u>
Cash at the end of the financial year	6 (a)	<u>\$ 493,335</u>	<u>\$ 485,887</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

The financial statements cover the Empire Theatres Foundation as an individual entity.

Note 1: Summary of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The foundation has been advised by the Australian Taxation Office that it is exempt from income tax.

(b) Cash

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less.

(c) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donation and Sponsorship revenue is recognised when a pledge has been confirmed in writing.

(d) Provisions

Provisions are recognised when the Foundation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 1: Summary of Significant Accounting Policies (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing, which are disclosed as operating cash flows.

(f) Comparative Figures

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

(g) Adoption of New and Revised Accounting Standards

During the current year, the foundation has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Empire Theatres Foundation.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101. Below is an overview of the key changes and the impact on the company's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement - the statement of comprehensive income, or two statements - a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements contain just a statement of comprehensive income.

Other comprehensive income - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 2: Revenue

	2010	2009
Operating activities	\$	\$
Donations	6,680	10,370
Sponsorships	39,405	46,000
Interest	22,055	27,212
Other revenue	3,450	299
Total Revenue	\$ 71,590	\$ 83,881

Note 3: Profit From Ordinary Activities

(a) Expenses:

Remuneration of the auditor		
- auditing the financial report	2,015	1,565

Note 4: Trade and Other Payables

Current

Unsecured Liabilities

Accounts payable	1,889	-
Accrued expenses	2,000	1,550
	\$ 3,889	\$ 1,550

Note 5: Remuneration And Retirement Benefits

(a) Remuneration of trustees of the foundation

Remuneration received or receivable by all trustees of the foundation.	\$ 3,150	\$ 2,400
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The names of trustees who have held office during the financial year:

Mr Mervyn Bond
 Mr Don Stevens AM
 Mr Tom Sullivan
 Mrs Sheena Liley
 Dr Kathryn Foy
 Mr David Janetzki
 Mrs Janelle Davis

EMPIRE THEATRES FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Note 6: Cash Flow Information		
(a) Cash and Cash Equivalents		
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 at bank	13,335	16,053
- Short term deposits	480,000	469,834
	\$ 493,335	\$ 485,887
The effective interest rate on short-term bank deposits was 5.50% (2009: 7.23%),		
(b) Reconciliation of Cash Flow from Operations with Profit from ordinary activities		
Profit from ordinary activities	2,875	4,745
Changes in assets and liabilities:		
Decrease (increase) in pledges receivable	-	13,750
Decrease (increase) in sponsorships receivable	1,250	(2,750)
Increase (decrease) in GST receivable	984	(2,435)
Increase (decrease) in payables	2,339	(4,795)
	\$ 7,448	\$ 8,515
(c) Credit Stand-by Arrangements and Loan Facilities		
The foundation has no credit stand-by arrangements or financing facilities in place.		

Note 7: Events After the Balance Date

The trustees are not aware of any events after the balance date that will have a material impact on this financial report.

Note 8: Related Party Transactions

The foundation's operations are governed by Empire Theatres Pty Ltd, but it is not a controlled entity of Empire Theatres Pty Ltd.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 9: Financial Risk Management

a. Financial Risk Management

The foundation's financial instruments consist mainly of deposits with banks, local money market instruments, and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2010	2009
	\$	\$
Financial Assets		
Cash and cash equivalents	493,335	485,887
Receivables	3,314	5,548
Total Financial Assets	\$ 496,649	\$ 491,435
Financial Liabilities		
Trade and other payables	3,889	1,550
Total Financial Liabilities	\$ 3,889	\$ 1,550

Financial Risk Management Policies

The trustees' overall risk management strategy seeks to assist the foundation in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the trustees on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for foundation operations. The foundation does not have any derivative instruments at 30 June 2010.

Specific Financial Risk Exposures and Management

The main risks the foundation is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the foundation.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Depending on the division within the foundation, credit terms are generally 14 to 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the trustees have otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

EMPIRE THEATRES FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 9: Financial Risk Management (continued)

The foundation has no significant concentration of credit risk with any single counterparty or foundation of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the trustees. Such policy requires that surplus funds are only invested with counterparties with a high credit rating.

b. Liquidity risk

Liquidity risk arises from the possibility that the foundation might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The foundation manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities.
- monitoring undrawn facilities
- maintaining a reputable credit profile.
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Within 1 Year		Totals	Totals
	2010	2009	2010	2009
	\$	\$	\$	\$
Financial Liabilities due for payment				
Trade and other payables (excluding est. annual leave)	3,889	1,550	3,889	1,550
Total expected outflows	<u>3,889</u>	<u>1,550</u>	<u>3,889</u>	<u>1,550</u>
Financial Assets - cash flows realisable				
Cash and cash equivalents	493,335	485,887	493,335	485,887
Receivables	3,314	5,548	3,314	5,548
Total anticipated inflows	<u>496,649</u>	<u>491,435</u>	<u>496,649</u>	<u>491,435</u>
Net inflow on financial instruments	<u>492,760</u>	<u>489,885</u>	<u>492,760</u>	<u>489,885</u>

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 9: Financial Risk Management (continued)

c. Market risk

i. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect the future cash flows or the fair value of fixed rate financial instruments.

b. **Sensitivity Analysis**

The following table illustrates sensitivities to the foundation's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in interest rates that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 30 June 2010		
+ / - 2% in interest rates	+ / - 10,000	+ / - 10,000
Year ended 30 June 2009		
+ / - 2% in interest rates	+ / - 10,000	+ / - 10,000

Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 10: Foundation Details

The principal place of business of the foundation is:

c/- Empire Theatre
 56 Neil Street
 Toowoomba Qld 4350

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

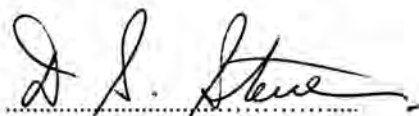
TRUSTEES' CERTIFICATE

The trustees of the foundation declare that:

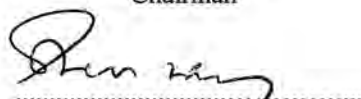
1. the financial statements and notes, as set out on pages 1 to 11 present fairly the foundation's financial position as at 30 June 2010 and its performance for the year ended 30 June 2010 in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and
2. In the trustees' opinion, subject to ongoing financial support from Empire Theatres Pty Ltd, there are reasonable grounds to believe that the foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the trustees.

12th August 2010
Toowoomba



Donald Stevens AM
Chairman



Sheena Liley
Trustee

INDEPENDENT AUDITOR'S REPORT

To the Trustees and Members of Empire Theatres Foundation

Matters relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Empire Theatres Foundation for the financial year ended 30 June 2010 included on Empire Theatres' website. The trustees are responsible for the integrity of the Empire Theatres' website. I have not been engaged to report on the integrity of the Empire Theatres' website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Empire Theatres, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the Financial Report

I have audited the accompanying financial report of Empire Theatres Foundation, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows [for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the trustees

The Trustees' Responsibility for the Financial Report

The trustees are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the

assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The Auditor-General Act 2009 promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's Opinion

In accordance with the provisions of the trust deed of the Empire Theatres Foundation dated 24 April 2001, I have audited the financial report of the Empire Theatres Foundation and –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the financial report presents fairly, in all material respects, the financial position of Empire Theatres Foundation as at 30 June 2010, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including Australian Accounting Interpretations).

.....
R G Buker (FCA)
 (as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
 Brisbane

Dated:..... 16.8.10.....





Annual General Meeting
Monday 18 October 2010

56 Neil Street, Toowoomba Qld 4350