

# Draft Annual Report 2020-2021

THE GLOBE THEATRE TRUST BOARD  
JUNE 30TH 2021



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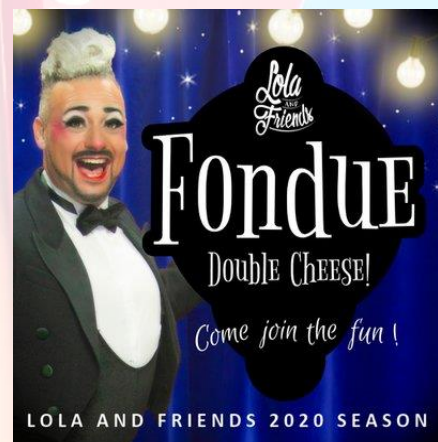
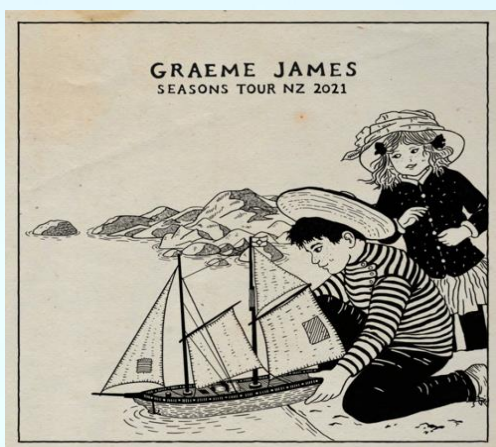
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**SHOWCASING OUR COMMUNITY**



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Trust Details as at 30 June 2020	
<b>Nature of Business</b>	Theatre
<b>Establishment Date</b>	15 April 2002
<b>Trustees</b>	J Adams (Chairperson) M Dale (Chairperson) R Harris G Hudson M May
<b>Treasurer</b>	G Hudson
<b>Secretary</b>	M May
<b>Address</b>	312 Main Street PO Box 132 Palmerston North
	Telephone: (06) 351 4409
<b>Bankers</b>	Bank of New Zealand
<b>Solicitors</b>	Cooper Rapley
<b>Registered Office</b>	C/ Palmerston North City Council Civic Administration Building The Square Palmerston North
<b>Incorporation Number</b>	1206039
<b>Inland Revenue Number</b>	43-006-495



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## CHAIRPERSON'S REPORT

The Globe Theatre Trust Board is pleased to present this annual report to the Council. The year ended June 2021 was another busy period for the theatre, and through the hard work of our Manager Gerry Keating and our staff, we were able to bounce back from the effects of the uncertainty caused by the numerous COVID lockdowns and adverse trading conditions.

The year started on a very positive note with the Manawatu Youth Theatre's production of The Little Mermaid Junior. 13 performances and over 2,400 audience members got us off on the right foot and it is always a joy to see so many young people in the theatre. July was also the month that we took over the operation of the café and another area of the theatre for our manager and staff to look after.

As a Board, we knew the year was always going to have an uncertain feel to it and this was emphasised in August & September 2020 and February & March 2021 when we moved up and down COVID levels. The effort that goes into rescheduling shows and organising communications with hirers and patrons alike, cannot be understated. From transferring tickets to issuing refunds, one would understand it if our staff just threw everything up in the air and walked away. The dedication shown by our Manager Gerry and his staff, goes way and beyond what would normally be expected. This professionalism and commitment are reflected in the thanks from both hirers and patrons alike.

Of particular satisfaction to the Board, is the wide range of shows and events that we are hosting. Other highlights are working with a variety of community groups, including our MOU's, the very positive relationship we have with council officers over any maintenance issues we have at the theatre, and how we are on the touring scene for many musical/theatre performances. Also of note is the consistent positive feedback we are getting from hirers.

We continue to invest in our theatre equipment and recently installed a new projector and screen in Globe 1 courtesy of a kind donation from Pub Charity.

There are far too many highlights of the year to put in my report but most notably were:

- July – Manawatu Youth Theatre's The Little Mermaid Jr
- August – Tofiga "Sorry Bout It"
- September – Aotearoa Country Music Awards, Comedy Hub 3 Day Mini Festival and Rodger Fox/Michael Houstoun. All held under Level 2 restrictions
- November – Manawatu Jazz Festival Decanted and our resident Manawatu Theatre Society's Pirates Of Penzance
- February – Papaioea Festival Of Arts, held under Level 2 restrictions
- March – Alliance Francaise Francophonie Film Festival
- April – Hogsnot Bulldogs Goodtime Band
- May – May Day concert
- June – 54<sup>th</sup> Manawatu Jazz Festival and Smokefree Rockquest

The theatre lost a shining light in July of this year with the passing of our long-serving chair Maxine Dale. Maxine's passion for all aspects of theatre will be impossible to replicate. As a board member and chairperson, she insured she was well informed and ready to act on the issues that mattered. The Globe benefitted from her vision and professional attitude but most of all she cared hugely about people and their well-being and that their voice was heard. Maxine valued and worked on consensus. However, she was never afraid to make

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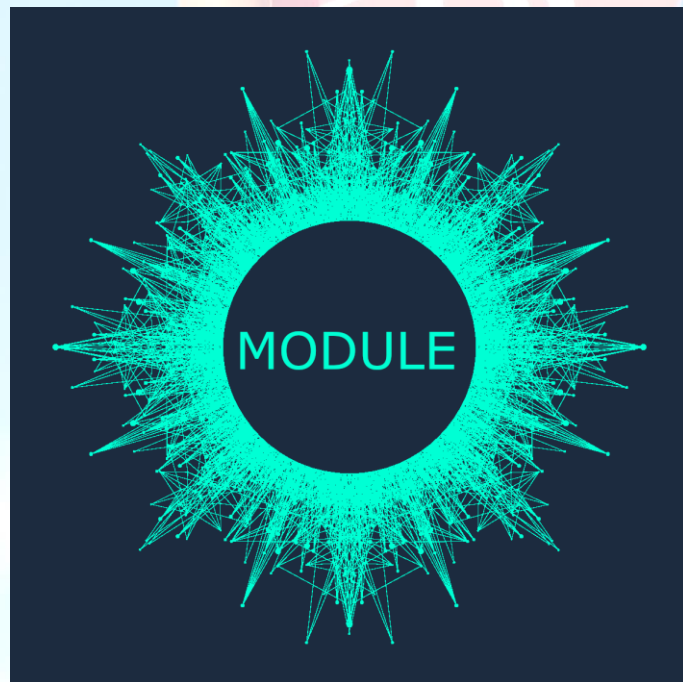
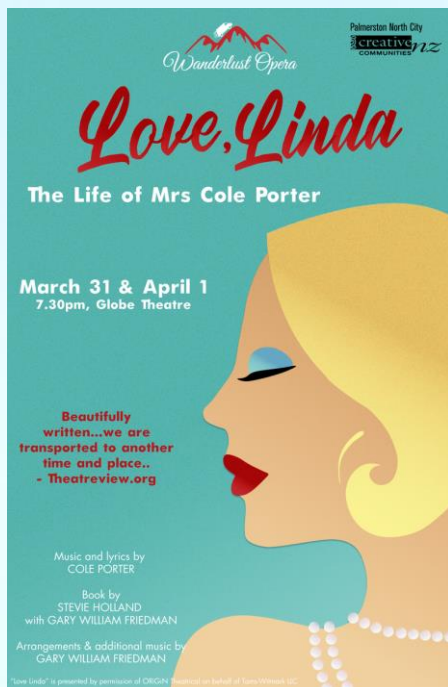
decisions. Her personal values of honesty and reliability were matched with wonderful humour. The Globe Board, the Theatre and the performing arts community will greatly miss her contribution.

Our focus for the coming year will include:

- Working with council officers on the following:
  - the refurbishment of the Globe 1 theatre back stage toilets
  - to develop new performance measures
  - to actively explore a one-stop front of house booking operation
  - to actively explore bringing ticketing functions under one umbrella for city venues
  - to develop Economic Impact reporting for regional/national significant events
- Liaise with our Memorandum of Understanding (MOU) groups at how best to fulfil their needs.
- Increase the promotion of events and the theatre to reach a wider audience within Palmerston North & Manawatu
- Upgrade our equipment to meet industry standards and the needs of our clients.

All in all, a very satisfactory year despite the adverse conditions. The efforts of Gerry Keating, and his staff, along with my fellow trustees are all very much appreciated.

John Adams  
Chairperson  
July 2021



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## MANAGER'S REPORT

What a year 2020/2021 has been. We got through the first 6 months of 2020 with COVID having a huge impact on the theatre, but we faced the new year with excitement and the belief it couldn't get any worse. And thankfully, except for the odd lockdown, the year went to plan.

Starting your financial year in July is always good for the theatre. The July school holidays brings the Manawatu Youth Theatre to the stage with their sold out shows and this year was no different. 8 days, 13 shows and a total audience of 2,492. An average of 192 people per show. We don't get to experience many show seasons and with so many young people in the theatre, the venue just buzzed.

John alluded to it in his Chairperson's Report, and it is worth mentioning again the huge variety of shows and events now taking place at the theatre on a regular basis. We've always said we are a "venue for hire" and the past couple of years has shown how adaptable the theatre really is. From your run of the mill theatre & music shows to presentations, meetings, weddings and 21<sup>st</sup> birthday parties.

We talk a lot about our "capacity" and not in the sense of how many people we can seat in each theatre, but the capacity of the theatre as a whole. We have two theatres, 7 days in the week and 52 weeks in the year. That gives us 728 days where there could be bookings. We know that late December and January are quite times so we can reduce the number of weeks to 46. Shows generally tend to take place from Thursdays to Sundays. We are now down to 368 days for bookings. We can round that up to 460 to allow for the Monday to Wednesday bookings we know we do get. So it is pleasing to see that for the year we had 535 usages at the theatre.

There is no getting away from the dreaded "C" word and the reality that COVID is with us for the foreseeable future. However, I'd like to introduce some other words. "A" for adaptable and "F" for flexible. We know from talking to our hirers and performers that they love how adaptable and flexible the theatre is. There were numerous occasions throughout the year that COVID tried to put a halt on shows. And in some cases, it did. Circumstances completely out of the theatre's and hirer's control led to some postponements and cancellations. But that just forced us to work harder and to think outside the square. And we did that.

A perfect example was the 2020 Manawatu Jazz Festival. Due to take place over Queen's Birthday Weekend in June, COVID played its trump card, and the festival was cancelled. We got into discussions with Rodger Fox and the Manawatu Jazz Club and the Manawatu Theatre Society and the next thing we know, the theatre society kindly gave the first weekend of their November residency to the jazz festival, and we had the Manawatu Jazz Festival Decanted. Maybe not quite as big as the Queen's Birthday festival but still a festival with an audience attendance of over 600.

With the financial implications of COVID facing us, we pulled back on our planned theatre equipment upgrade. It didn't feel right to apply to external funders when the country was still reeling from the COVID pandemic. However, we did apply to Pub Charity for a small grant of \$25,000 to enable us to purchase a new screen & projector for Globe 1 and I am happy to say the application was approved.

The theatre went through a slight restructuring in staffing with assistant manager Jaye Lincoln saying farewell in October and Matt Kilsby-Halliday joining the team in January.

### **What other wonderful things have happened throughout the year?**

With over 280 performances throughout the year, there are far too many to mention but as with previous years, some do deserve their chance to shine.

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Manawatu Theatre Society and their wonderful production of The Pirates of Penzance. Absolutely brilliant show. The Manawatu Youth Theatre and The Little Mermaid Jr. To see so many young people, not just in the cast but backstage and in the technical department, was just astounding. Tofiga and his two sold out shows in one evening. Eljon Fitzgerald and his Four Friends and a Funeral. From a chance conversation in the foyer to two sold out shows in October followed by a return sold out performance in November. The wonderful and local musician Carson Taare who performed to a packed Globe 1. Renee Strawbridge and the Aotearoa Country Music Awards which went ahead in September under Level 2 restrictions. The wonderful Kodama Drum Team from IPU who along with their Wellington counterparts, put on an exhilarating show in December. And of course, the year cannot go past without a mention to the wonderful Ian Harmen. His Lola & Friends and Boom Boom Room Burlesque shows are the talk of the town, and it is a joy to see the smiles on the faces of everyone who attends his shows.

We were very pleased to be a part of the inaugural Papaioea Festival of Arts. While the festival lost several shows due to COVID, we showed how adaptable & flexible we were by facilitating 6 shows from 3 different performers over three nights, with 3 shows performed on the final night. All with the cloud of COVID upon us.

We continue to offer our performer/venue split which was welcomed by 18 different performing groups and produced 22 performances in both theatres. This split allows touring groups to add Palmerston North to their tours. While we can't guarantee them a sold-out theatre, the split removes some of the risk associated with touring. Most of these groups are professionals and having to pay the professional hireage fee immediately means they have to sell a certain number of seats to cover the theatre hire. When you are a touring group with potentially not a large fan base in the area, this can be hard to achieve. Our performer/venue split encourages them to include Palmerston North on their tour which helps us bring wide and varied acts to our city.

A huge shout out must go to our Memorandum of Understanding (MOU) groups. Nine MOU groups view the Globe Theatre as their home. These groups, along with the numerous repeat groups that we have, form the backbone of the theatre calendar. Every year, when we start planning our schedule for the following year, these groups are the first ones to be booked in. Once we have them confirmed in our schedule, the work starts on filling up the remaining available theatre spots. It is encouraging to note that the number of returning groups increases every year.

It has been a pleasure, once again, to work with the PNCC Facilities Management Officers. Any issues that were brought to their attention were rectified quickly. An air conditioning unit has been installed in the rehearsal room and the Globe 1 backstage toilets renovations are scheduled for January – March 2022.

### **What's next for the Globe Theatre?**

Looking ahead to 2021/2022, our bookings are healthy, and we have compiled a list of theatre equipment that we will investigate funding options for.

My personal outlook on life has always been positive. And I believe I bring that outlook to the Globe Theatre. COVID is amongst us, and we must learn to live with it. To that end, we will continue to provide a safe and welcoming theatre to all who use it, both hirers and patrons.

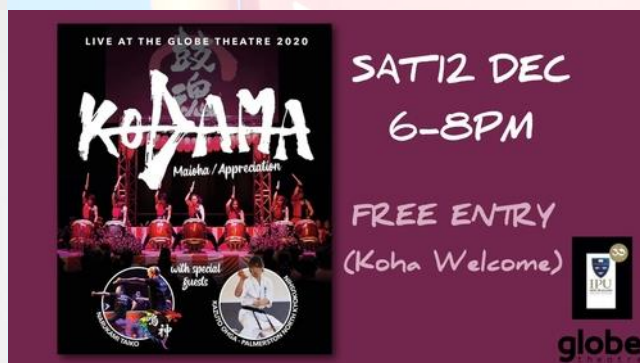
A huge thank you to our Board of Trustees, Maxine, John, Margaret, Gerard & Russell, who have been there to offer their expertise, knowledge, and support throughout the year.

To the team here at the Globe Theatre, Matt, Jaye, Brayden, Emily & Lillian, thank you for all your support and hard work throughout the year. I look forward to another exciting 12 months.

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I finish my report with a bow to the wonderful Maxine Dale who sadly passed away in July. Maxine had a fantastic knack of knowing when to pop in and see how things were going and when to just let us be. She had an incredible knowledge of people, business and theatre and was always there with a friendly piece of advice when needed. She will be sadly missed by the arts community and everyone who knew her.

Gerry Keating, Manager, July 2021



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## PERFORMANCE MEASURES - 12 MONTHS TO 30 JUNE 2021

### DEFINITIONS

#### USER GROUPS

**MOU** – has a Memorandum of Understanding arrangement with the Globe Theatre, is performance-based, may be a community group or professional group

**Community** – the hirer is a community organisation, may or may not be performance based

**Professional** – the hirer is a professional performing arts practitioner, a private individual or a commercial company, may or may not be performance based

**School** – is recognised as a primary, intermediate or secondary educational facility, may or may not be performance based

#### USAGE AND PERFORMANCE

**Usage** – A space in the theatre is set aside for a specific event, activity or exclusive use by a hirer.

**Performance** – The “usage” involves an audience of any description

**Note:** The Theatre has two auditoria, a foyer and a rehearsal room which are all available for hire. Thus, there may be multiple uses, both across hireable spaces and of single hire spaces – for example morning and evening use in the same space - in any one day

#### PERFORMANCE BASED USAGE:

**Theatre** – a dramatic performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

**Music** – a musical performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

**Film** – a film shown to an audience, open to the public, may be ticketed or not

**Dance** – a dance performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

**Comedy** – a comedy performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

#### NON-PERFORMANCE BASED USAGE:

**Conference** – a presentation on stage to an audience, may be open to the public or may be pre-registered delegates, may be ticketed or not

**Celebration** – a ceremony, party, or other festive event, may be open to the public or not, may involve a performance to an audience, may be ticketed or not

**Other** – anything else



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### Strategic priorities and performance monitoring for 2020/21

In consultation with PNCC staff, SOI targets were significantly reduced for the year 2020/2021 due to the uncertainty of COVID and the adverse effects associated with the pandemic. 2019/2020 SOI targets in brackets for comparison.

STRATEGIC PRIORITY 1: ENSURE THAT THERE ARE MORE, AND MORE VISIBLE, ARTS AND ACTIVITIES AT THE GLOBE THAT CONTRIBUTE TO THE COUNCIL'S ASPIRATIONS AS AN ARTS POWERHOUSE.		
Outcomes	Outputs (KPIs)	
	Target 2020/2021 SOI	Result at 30 June 2021
<b>Number of usages</b> Result at 31 Dec 2019: 383 Result at 30 June 2020: 534 Result at 31 Dec 2020: 309	<b>380 (550)</b>	<b>Achieved: 535</b>
<b>Number of performances</b> Result at 31 Dec 2019: 190 Result at 30 June 2020: 215 Result at 31 Dec 2020: 151	<b>190 (185)</b>	<b>Achieved: 285</b>
<b>Hours of use by hirers</b> Result at 31 Dec 2019: 1,436 Result at 30 June 2020: 1,988 Result at 31 Dec 2020: 1,295	<b>2,200 (1,436)</b>	<b>Achieved: 2,207</b>
<b>Participants</b> Result at 31 Dec 2019: 1,156 Result at 30 June 2020: 1,785 Result at 31 Dec 2020: 1,970	<b>1,156 (1,400)</b>	<b>Achieved: 3,351</b> Organiser/Performer/Speaker/Backstage/Technician *Elevated total can be partly explained by the Manawatu Jazz Festival Decanted taking place in November 2020 as opposed to June 2020 due to COVID 19 Pandemic
<b>Audience</b> Result at 31 Dec 2019: 12,635 Result at 30 June 2020: 15,487 Result at 31 Dec 2020: 13,079	<b>12,635 (22,000)</b>	<b>Achieved: 23,225</b> *Elevated total can be partly explained by the Manawatu Jazz Festival Decanted taking place in November 2020 as opposed to June 2020 due to COVID 19 Pandemic
<b>Maintain or improve satisfaction ratings of hirers</b> Result at 31 Dec 2019: 86% (n=28) Result at 30 June 2020: 94% (n=36) Result at 31 Dec 2020: 100% (n=16)	<b>Result maintained or improved</b>	<b>Achieved:</b> 100% rate the Globe Theatre as an Excellent or Good venue Surveys responded (n=18) *Getting hirers to complete surveys continues to be an issue. Only 18 surveys were completed over the year which presents us from showing a true result

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**STRATEGIC PRIORITY 1: ENSURE THAT THERE ARE MORE, AND MORE VISIBLE, ARTS AND ACTIVITIES AT THE GLOBE THAT CONTRIBUTE TO THE COUNCIL'S ASPIRATIONS AS AN ARTS POWERHOUSE.**

Outcomes	Outputs (KPIs)	
	Target 2020/2021 SOI	Result at 30 June 2021
<b>Maintain or improve satisfaction ratings of audience</b> Result at 31 Dec 2019: 83% (n=51) Result at 30 June 2020: 93% (n=119) Result at 31 Dec 2020: 100% (n=114)	<b>Result maintained or improved</b>	<b>Achieved:</b> 91% rate the Globe Theatre as an Excellent or Very Good venue 94% rated the performances they attended as Excellent or Very Good Survey sent to 3,936 audience members of which 179 responded (5%).
<b>Number of national and international visiting productions performing at the Globe</b> Result at 31 Dec 2019: 11 Result at 30 June 2020: 22 Result at 31 Dec 2020:11	<b>11 (10)</b>	<b>Achieved:</b> 17 organisations/groups classed as national or international were brought to the theatre - Chamber Music NZ - Tofiga - Aroha String Quartet - Houstoun/Fox Project - Manawatu Jazz Festival Decanted - Darren Watson - Simon O'Neill/Rodger Fox - Jan Preston Trio - Dauphin of Mississippi - Manawatu Jazz Festival - Angie Farrow - Dusty Room Productions - Albi & the Wolves - You, Me, Everybody - Wanderlust Opera - Wellington Light Opera - Hogsnot Bulldogs Goodtime Band

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STRATEGIC PRIORITY 2: SUPPORT THE LOCAL PERFORMING ARTS COMMUNITY TO SHOWCASE THEIR DIVERSE TALENTS AT THE GLOBE, AND WORKING TO ENSURE OUR USERS REPRESENT THE DIVERSITY OF THE PALMERSTON NORTH COMMUNITY		
Outcomes	Outputs (KPIs)	
	Target 2020/2021 SOI	Result at 30 June 2021
<b>Proportion of use that is driven through MOU arrangements and is performance based</b> Result at 31 Dec 2019: 63% Result at 30 June 2020: 54% Result at 31 Dec 2020: 35%	63%	<b>Not Achieved: 36%</b> Nine MOU arrangements are currently in place: Alliance Francaise, Michelle Robinson School of Dance, MTS (including MYTH), Sunday Matinee Series, Tall Poppies, The Rose Academy, The Comedy Hub, Equippers Church and DIY Comedy. *This measure to be reviewed for 2022/2023
<b>Proportion of MOU-driven use that is performance-based</b> Result at 31 Dec 2019: 98% Result at 30 June 2020: 45% Result at 31 Dec 2020: 53%	95%	<b>Not Achieved: 56%</b> *This measure to be reviewed for 2022/2023  For example, the Comedy Hub run several workshops during the year. This counts towards usage but is not a performance. Likewise with dance and drama groups. They may perform 5 times but have used the theatre for rehearsals 20 times. The number of usages is always going to far outweigh the number of performances.
<b>Proportion of overall usage from established community groups</b> Result at 31 Dec 2019: 20% Result at 30 June 2020: 31% Result at 31 Dec 2020: 52%	Result maintained or improved	<b>Not Achieved: 48%</b> 256 uses out of 535 total usages from Community group (does not include MOU/Professional Groups hiring the venue)
<b>Proportion of overall usage from new community groups</b> Result at 31 Dec 2019: 3.5% Result at 30 June 2020: 8.8% Result at 31 Dec 2020: 7.1%	Result maintained or improved	<b>Achieved: 7.5%</b> 28 new hirers identify as a Community group. These 28 new hirers used the Globe 40 times and performed 21 times.

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**STRATEGIC PRIORITY 3: MAINTAIN AND DEVELOP FACILITIES THAT ENABLE OUR COMMUNITIES TO PRODUCE AND ENJOY THE VERY BEST PERFORMING ARTS THAT CAN BE OFFERED, ENSURING THAT THE GLOBE REMAINS A CUTTING EDGE, VISIBLE AND RESILIENT CULTURAL INSTITUTION/FACILITY.**

Outcomes	Outputs (KPIs)	
	Target 2020/2021 SOI	Result at 30 June 2021
<b>Carry out capital development programme</b>	Globe 1: New projector & screen	<b>Achieved:</b> Projector & screen installed August 2021 *This measure to be reviewed for 2022/2023
<b>Funding capital renewal programme from depreciation fund</b> Result at 30 June 2020: 50%	67% depreciation costs available for capital renewal	<b>Achieved:</b> 100% depreciation funded *This measure to be reviewed for 2022/2023



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## THE GLOBE THEATRE TRUST FINANCIAL STATEMENTS FOR THE 12 MONTHS ENDED 30 JUNE 2021

### Statement of Responsibility

We are responsible for the preparation of the Globe Theatre Trust's financial statements and statement of performance, and for the judgements made in them. We are responsible for any end-of-year performance information provided by the Globe Theatre Trust under section 19A of the Public Finance Act 1989. We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Globe Theatre Trust for the 12 months ended 30 June 2021.

Signed on behalf of the Board:

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### Entity Information For 12 Months To 30 June 2021

#### LEGAL NAME, TYPE OF ENTITY AND LEGAL BASIS

The Globe Theatre Trust (the Trust) is a trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council (PNCC) and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002, by the Council's right to appoint the Board of Trustees.

#### THE TRUST'S PURPOSE OR MISSION

The primary objective of the Trust is to promote the arts within Palmerston North by catering for a variety of local and touring arts and cultural events such as drama, comedy, musical theatre, dance and musical recitals, public artistic competitions, conferences and seminars, rather than making a financial return.

#### STRUCTURE OF THE TRUST'S OPERATIONS, INCLUDING GOVERNANCE ARRANGEMENTS

The Globe Theatre is a Council-owned venue that is managed by a Trust Board comprising 5 Council-appointed trustees and up to 2 trustees co-opted by these appointees.

#### MAIN SOURCES OF THE TRUST'S CASH AND RESOURCES

The Trust Board manages the theatre complex as multi-purpose venues for hire. Principally, the venues are for the performing arts with two theatres: one a 206 tiered-seat theatre and one a flat-floor performance space with an option of up to 105 tiered-seat layouts. The Trust Board also hires the foyer/cafe area and rehearsal room separately as required. The Trust Board maintains an asset register of equipment.

The Globe Theatre complex primarily serves the community performing arts in Palmerston North with an operating subsidy from the City Council which ensures that the complex is affordable for amateur and community arts groups. Particularly, the Theatre was developed in 1982 as a partnership project between the City Council and the Manawatu Theatre Society and this relationship remains enshrined on the Board's Trust Deed.

The theatre provides a quality experience that is also available to professional organisations for hire.

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Finally, the Trust Board raises funds to maintain its equipment and asset register to ensure that it can continue to offer that quality experience to all its clients. As part of this, the Trust Board also promotes shows to raise funds for this purpose.



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## Statement Of Financial Performance For 12 Months To 30 June 2021

	Note	Actual 2021	SOI Budget 2021	Actual 2020
Revenue				
Donations, fundraising and other similar income	2	32,655	45,000	120,387
COVID-19 Wage Subsidy		11,230	11,230	26,202
Council funding	3	116,855	116,905	115,748
Investment income		259	300	375
Sales of Goods and Services	4	190,411	55,077	71,463
<b>Total Revenue</b>		<b>351,410</b>	<b>228,512</b>	<b>334,175</b>
Expenditure				
Costs related to providing goods and services	5	45,213	8,341	13,670
Employee, Trustee and Contractor Costs	6	128,350	125,595	132,195
Administration and Overhead Costs	7	26,755	52,038	27,880
Other Expenses	8	21,915	21,253	39,575
Asset Write offs		0	0	0
Depreciation		55,268	66,748	47,432
<b>Total Expenditure</b>		<b>277,501</b>	<b>273,975</b>	<b>260,752</b>
<b>Net surplus/(Deficit)</b>		<b>73,909</b>	<b>-45,463</b>	<b>73,423</b>

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## Statement Of Financial Position As At 30 June 2021

	Note	Actual 2021	SOI Budget 2021	Actual 2020
<b>Current Assets</b>				
Bank accounts and cash	9	185,581	31,850	104,362
Debtors and prepayments	10	3,991	18,200	978
<b>Total Current Assets</b>		<b>189,572</b>	<b>50,050</b>	<b>105,340</b>
<b>Non Current Assets</b>				
Property, Plant and Equipment	11	302,497	265,172	349,240
<b>Total Non Current Assets</b>		<b>302,497</b>	<b>265,172</b>	<b>349,240</b>
<b>Total Assets</b>		<b>492,069</b>	<b>315,222</b>	<b>454,580</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Creditors and Accrued Expenses	12	20,467	17,000	48,871
Employee Costs Payable	13	14,064	1,199	9,971
Unused Grants and Donations with Conditions	14	0	0	12,104
<b>Total Current Liabilities</b>		<b>34,532</b>	<b>18,199</b>	<b>70,946</b>
<b>Non-Current Liabilities</b>				
Non-Current Liabilities		0	0	0
<b>Total Non Current Liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>		<b>34,532</b>	<b>18,199</b>	<b>70,946</b>
<b>Net Assets</b>		<b>457,537</b>	<b>297,023</b>	<b>383,634</b>
<b>Trust Equity</b>				
Contributed Capital		100	100	100
Retained Surpluses	15	457,437	296,923	383,529
<b>Total Retained Equity</b>		<b>457,537</b>	<b>297,023</b>	<b>383,629</b>

## Statement Of Changes In Accumulated Funds For 12 Months To 30 June 2021

	Note	Actual 2021	SOI Budget 2021	Actual 2020
Opening balance as at 1 July		383,629	353,715	310,206
Current Period Surplus /(Deficit)		73,908	-56,693	73,423
<b>Balance at 30 June</b>		<b>457,537</b>	<b>297,022</b>	<b>383,629</b>

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## Statement Of Cash Flows For 12 Months To 30 June 2021

	Note	Actual 2021	SOI Budget 2021	Actual 2020
<b>Cash Flows from Operating Activities</b>				
Receipts from Council grants		116,855	116,905	115,748
Donations and Fundraising		33,475	45,000	115,632
Receipts from sale of goods and services		367,900	55,077	86,555
COVID-19 Wage Subsidy		11,230	0	37,432
Interest Received		259	300	375
Payments to Suppliers & staff		-442,521	-207,227	-225,056
Goods and Services Tax (net)		2,549	0	208
<b>Net Cash Flows from Operating Activities</b>		<b>89,747</b>	<b>10,055</b>	<b>130,894</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Fixed Assets/Renewals		-8,527	-30,000	-97,331
Sales of Fixed Assets		0	0	0
<b>Net Cash Flow from Investing Activities</b>		<b>-8,527</b>	<b>-30,000</b>	<b>-97,331</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>81,219</b>	<b>-19,945</b>	<b>33,563</b>
Cash and Cash Equivalents at the start of the Year		104,362	51,795	70,799
<b>Cash and Cash Equivalents at the End of the Year</b>		<b>185,581</b>	<b>31,850</b>	<b>104,362</b>

## Notes To The Financial Statements

### 1 Statement of Accounting Policies

#### REPORTING ENTITY

The financial statements for the Trust are for twelve months ended 30 June 2021 and were approved by the Board of Trustees on 20<sup>th</sup> September 2021.

#### BASIS OF PREPARATION

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that it does not have public accountability as defined and has total annual expenses of equal to or less than \$2,000,000. All transactions in the performance report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### Statement of compliance

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

#### Measurement base

The financial statements have been prepared on a historical cost basis.

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## ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

### ***Changes in Accounting Policies***

There have been no changes to accounting policies this year.

### ***GST***

The Trust is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

### ***Sale of goods***

Revenue from the sale of goods is recognised when the goods are sold to the customer.

### ***Sale of services***

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

### ***Theatre Hire***

Charges for Theatre Hire are recognised when the Theatre is hired to the customer.

### ***Interest Revenue***

Interest revenue is recorded as it is earned during the year.

### ***Grants***

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Council, government, and non-government grants are recognised as revenue when they are received unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### ***Fundraising and Donations***

Fundraising and donations are recognised as revenue when cash is received, unless the donations have a "use or return" condition attached. If there is such a condition, then the donation is initially recorded as a liability on receipt and recognised as revenue when conditions of the donation are met.

### ***Donated assets revenue***

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

### ***Advertising, marketing, administration, overhead and fundraising costs***

These are expensed when the related service has been received.

### ***Bank Accounts and Cash***

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

### ***Debtors and other receivables***

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### ***Investments***

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

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### *Property, plant, and equipment*

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

### *Depreciation*

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows

- Theatre Equipment 10 years (10%)
- Computer Equipment 5 years (20%)
- Furniture & Fittings 10 years (10%)

### *Creditors and other payables*

Creditors and accrued expenses are measured at the amount owed.

### *Employee and contractor costs*

Wages, salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements. Independent contractor costs are also included where at the discretion of management these services could equally have been delivered by an employee.

Performance payments are recorded when the employee has been notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

### *Employee Costs Payable*

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

### *Provisions*

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation because of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### *Income Tax*

The Trust has been granted Charitable Status by the Inland Revenue Department and therefore is exempt from income tax.

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### *Accumulated Funds*

Accumulated Funds are measured through the following components:

- Retained Earnings
- Contributed Capital

### *Budget figures*

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

### *Tier 2 PBE Accounting Standards applied*

The Trust has applied the following Tier 2 Accounting Standards in preparing its financial statements.

### *Grant expenditure*

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Globe Theatre Trust has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Grants Approval Committee and the approval has been communicated to the applicant. The Globe Theatre Trust's grants awarded have no substantive conditions attached.

## **2 Donations, Fundraising and Other Similar Revenue**

	Note	Actual 2021	Actual 2020
Donations and Fundraising		2,442	2,029
Other		30,212	118,358
<b>Total Donations and Fundraising Revenue</b>		<b>32,654</b>	<b>120,387</b>

"Other" fundraising comprises:

	Actual 2021	Actual 2020
Central Energy Trust	0	64,633
Eastern and central Community Trust	0	24,000
Community Organisation Grant Scheme	5,000	5,000
Lottery Community Fund	0	0
Mainland Foundation	0	10,000
Pub Charity Ltd	25,212	9,725
NZCT	0	5,000
The Lion Foundation	0	0
<b>Total "Other"</b>	<b>30,212</b>	<b>118,358</b>

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### 3 Council Funding

	Note	Actual 2021	Actual 2020
PNCC Grant		116,855	115,748
<b>Total Donations and Fundraising Revenue</b>		<b>116,855</b>	<b>115,748</b>

### 4 Sales of Goods and Services

	Note	Actual 2021	Actual 2020
Café Sales		55,022	486
Donations for Venue Hire		2,379	0
Foyer Rental		330	3,270
Theatre Hire		76,648	51,082
Recoverable Income		3,734	3,428
Sales		0	0
Ticket Sales (commission and shows)		52,298	13,197
<b>Total Sales of Goods and Services</b>		<b>190,411</b>	<b>71,463</b>

### 5 Costs relating to Providing Goods and Services

	Note	Actual 2021	Actual 2020
Café Expenses		29,909	0
Project Expenses		0	256
Recoverable Expenses		3,575	4,267
Show Expenses		11,672	9,147
<b>Total Costs of Goods Sold</b>		<b>45,156</b>	<b>13,670</b>

### 6 Employee and Contractor Related Costs

	Note	Actual 2021	Actual 2020
Salaries, Wages and Employment Related Costs		108,404	119,291
Contractor Costs		13,268	6,014
Trustee Remuneration		3,655	3,400
KiwiSaver Employer Contributions		3,024	3,490
<b>Total Employee Related Costs</b>		<b>128,351</b>	<b>132,195</b>

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## 7 Administration and Overheads

	Note	Actual 2021	Actual 2020
Advertising		81	0
Cleaning		4,718	3,836
Hire of Plant & Equipment		90	235
Light, Heating & Power		11,475	13,388
Marketing		5,000	4,502
Office Costs		1,248	1,001
Postage, Printing & Stationery		1,179	1,118
Telephone & Internet		2,964	3,800
<b>Total Sales of Goods and Services</b>		<b>26,755</b>	<b>27,880</b>

## 8 Other Expenses

	Note	Actual 2021	Actual 2020
Audit Fees		9,035	9,033
Bank Charges		918	90
Consulting & Accountancy		851	844
General Expenses		841	3,421
Insurance		2,821	2,824
Legal Expenses		0	0
Professional Development		750	597
Repairs & Maintenance		3,680	17,029
Security		731	572
Subscriptions & Compliance Costs		878	3,688
Travel - National		0	193
Waste Disposal		1,410	1,284
<b>Total Sales of Goods and Services</b>		<b>21,915</b>	<b>39,575</b>

## 9 Bank Accounts and Cash

	Note	Actual 2021	Actual 2020
Cash on Hand		658	658
Non Profit Current		68,546	57,745
Rapid Save (donations)		116,377	45,960
<b>Total Cash and Cash Equivalents</b>		<b>185,581</b>	<b>104,363</b>

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## 10 Debtors and Prepayments

	Note	Actual 2021	Actual 2020
Accounts receivable		3,991	820
GST Receivable		0	158
<b>Total Debtors and Prepayments</b>		<b>3,991</b>	<b>978</b>

## 11 Creditors and Accrued Expenses

	Note	Actual 2021	Actual 2020
Accrued Expenses		9,034	11,826
PAYE Payable		1,839	1,868
Creditors		7,095	31,749
GST Payable		2,499	0
Income in Advance		0	3,140
Unpaid Expense Claim		0	288
<b>Total Creditors &amp; Other Payables</b>		<b>20,467</b>	<b>48,871</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

## 12 Employee and Contractor Related Costs Payable

	Note	Actual 2021	Actual 2020
Holiday Pay Liability		9,486	5,005
Wages Accrual		4,578	4,966
<b>Total Employee Costs Payable</b>		<b>14,064</b>	<b>9,971</b>

## 13 Unused Donations and Grants with Conditions

	Note	Actual 2021	Actual 2020
Lions Club of Middle Districts		0	500
Donations for future Matiness		0	374
NZCT		0	0
<b>Total Unused Grants and Grants with Conditions</b>		<b>0</b>	<b>874</b>

Grants received in advance relate to funding received for the provision of specific development where conditions of the grant have not yet been satisfied, and conditions include a “use or return” clause.

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#### 14 Accumulated Surpluses

	Note	Actual 2021	Actual 2020
Balance at 1 July		383,529	310,106
Current Period Surplus/(Deficit)		73,908	73,423
<b>Balance at 30 June</b>		<b>457,437</b>	<b>383,529</b>

#### 15 Capital Commitments and Operating Leases

The Trust has no capital commitments and no operating lease commitments (2020 \$nil).

#### 16 Contingencies

##### CONTINGENT LIABILITY

The Trust has no contingent liabilities (2020 \$nil).

##### CONTINGENT ASSETS

The Trust has no contingent assets (2020 \$nil).

#### 17 Related Party Transactions

The Trust was settled by the Palmerston North City Council and receives a significant amount of operating grants from the Council to deliver its objectives as specified in the Trust Deed. In addition, the Trust does not pay a lease to use the Council building. The Palmerston North City Council is the ultimate controlling party of the Trust.

The following transactions were carried out with related parties during the year:

##### PALMERSTON NORTH CITY COUNCIL

The total amount of operating grants received from the Council is disclosed in the statement of financial comprehensive income, being \$116,855 (2020 \$115,748). No other grant funding was received from Council in 2021 (2020 \$nil). There is no outstanding balance at balance date (2020 \$nil).

No capital contributions were received from Council (2020 \$nil).

Good and services of \$3,880.60 (excl GST) (2020 \$4,096.43) were purchased from the Council relating to gas, insurance, rates, telephone service, food registration fee, bar licence renewal & bar manager's licence fee. At balance date the amount outstanding is \$364.18 (2020 \$645.15).

Goods and services of \$1,863.21 (excl GST) (2020 \$1,605.87) were supplied to the Council on normal commercial terms. At balance date the amount outstanding was \$nil (excl GST) (2020 \$nil).

The Trust did not provide any free venue to PNCC during the year (2020 \$nil).

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## KEY MANAGEMENT PERSONNEL

Goods and services of \$3027.70 (excl GST) (2020 \$2,816.80) were supplied to the Manawatu Theatre Society, a society in which Trustee M. Dale is a member, on normal commercial terms. At balance date there was nil owing (2020 \$nil).

Goods and services (booking fees/ticketing commissions/bar sales) of \$1,342.61 (excl GST) (2020 \$7,824) were purchased from the Manawatu Theatre Society, a society of which Trustee M. Dale is a member, on normal commercial terms. At balance date there was nil owing (2020 \$nil). The Trust has no outstanding accruals owing to the Manawatu Theatre Society, a society of which Trustee M. Dale is a member (2020 \$nil).

No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2020 \$nil).

During 2020/2021, Trustees were paid a meeting fee of \$85 for each Board meeting attended. All remuneration paid to the staff is disclosed in Note 6. No other benefits were provided.

The Key Management Personnel is made up of six Trustees, including the Chairperson, Treasurer and Secretary, 1 full time Manager and 1 assistant manager.

## 18 Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Trust deed requires the Board of Trustees to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the Trust's equity is to ensure that the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

## 19 Explanation of major variances against budget

### REVENUE

Donations & Fundraising Income: The final total for 2020/2021 includes \$11,230 received as part the Government Wage Subsidy to support businesses through the COVID-19 pandemic. A total of \$37,432 was received as part of the Wage Subsidy with \$11,230 carried over to July 2020. Due to the COVID-19 pandemic, only \$5,000 was budgeted for Project Grants. However, a successful application to Pub Charity for a new projector and screen for Globe 1 was successful.

Sales of Goods & Services: Café Sales of \$55,022 was 14% up on budget. Globe 1 theatre hire of \$49,752 was 25% up on budget and Globe 2 theatre hire of \$26,896 was 32% up on budget.

### EXPENDITURE

25% increase in Café Expenses includes stock on hand.

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## BALANCE SHEET

Variance for cash balance is due to the following:

- (a) Increased income for ticket sales for shows
- (b) Increased income from theatre hire
- (c) Successful first year of café operations

Creditors and accrued expenses include ticketing money held on behalf of hirers for shows in late June or early July. The amount is unknown at year end so cannot be confidently predicted in the budget.

## COVID-19 VIRUS IMPACT

The Trust is ever mindful of the impact the COVID pandemic is continuing to have on society and the arts community. The various lockdowns and changes to alert levels throughout the year had a minor impact on the theatre's performance due to the nature of the shows/events due to take place and the ability to reschedule those shows/events.

The Trust has reviewed its operating plans for the coming year. It is expected that the Theatre's Council grant funding and reserves will be adequate to maintain operations throughout this period.

### 20 Events after Balance Date

There were no events after balance date that require disclosure.

### 21 Ability to continue operating

The Trust intends to continue operating in future periods.

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