

globe t h e a t r e

Six month report to
Palmerston North City Council from the
Globe Theatre Trust Board

December 2017



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CHAIRPERSON'S REPORT

Our SOI for this year focussed on establishing the Globe as the vibrant hub for performing arts in the City. We committed ourselves to:

1. Extend collaborative and partnership programmes with local community, education and business organisations to increase use of both auditoria and the foyer.
2. Increase marketing to the database of theatre-goers that our ticketing system has captured to encourage and support a theatre-going culture in the City.
3. Enter into more co-sponsorship agreements with professional companies to bring their performances to our City.
4. Provide drive and leadership to a co-operative approach with the City's other cultural organisations to complement each other and grow the vibrancy of the arts sector in the City.
5. Bring other services and activities into the Theatre complex, so increasing the foot traffic into the precinct of Te Manawa, the Rugby Museum and the Globe Theatre (initially though opening the café during the day-time as well as during evening shows).

I am pleased to report that there has been significant progress in all these areas – this is detailed below and in the report from our Manager.

During the first six months, the Globe was again delighted to host a number of new and returning hirers to one of our two auditoria. Regular users such as the Manawatu Performing Arts Competition Society and the Michelle Robinson Dance School in July, the monthly Sunday Matinee Series of concerts organised by Guy Donaldson, the Manawatunes' Music and Magic Show in November and Tall Poppies Drama Collective senior production/end of year show and the Manawatu Theatre Society's Christmas show, *Are you being served?* in November/December.

Three other exciting opportunities were for the Globe Theatre to sponsor the Latin America and Spain Film Festival through October, to partner with Boom Events NZ to trial school holiday programmes in performing arts (due to take place in January 2018) and to negotiate an MOU with the Rose Academy for Dance and Performing Art to establish as a resident dance school at the Globe.



In addition, highlights were hosting the Chinese Language Competition and the ETC Graduation Ceremony – both events secured through a new commitment to improve the diversity of the community groups that benefit from this amazing community theatre. This will remain a focus for the second half of 2017/18.

Irish folk group, An Deise attracted a near full house in Globe 2 in August, as did Angela Ayres/Vicki Lee in Globe 1 over two days in early September. Importantly, the first Chamber Music New Zealand concert was also a full house. This means that the four bookings for Chamber Music New Zealand have been confirmed for 2018. It was also our pleasure to host Dance Unlimited for their first end-of-year show at the Globe and to welcome music legend, Roy Phillips, to an intimate show in Globe 2 just before the Christmas shutdown.



The opening of the café is another exciting development and it has been great to see Councillors and Council staff as well as the other CCOs and cultural organisations rally round the Encore Café team to ensure that it is possible for them to take on the challenge. The café is a fabulous asset to the theatre daytime operation and in 2018, the services will be extended to evenings and also to ticket sales – extending box office to a seven-day operation.

The theatres benefited from a number of capital grants. The sound system in Globe 1 has been completely revamped and updated. Thanks to the Central Energy Trust for their support for this project and to Audio Progress for undertaking the installation.

The second projector was purchased with funds from Pub Charity Ltd and the Mainland Foundation and installed by Lamberts. This means that both auditoria now have fixed projection facilities – this has enabled us to promote the venues much more widely for conferences, film shows and presentations.

I would like to thank the Palmerston North City Council for its ongoing support for the fabric of the building. Particularly, the Council's Asset Managers have worked with our staff to address urgent and immediate health and safety issues in Globe 1 and to complete the fit out of the café to enable the café to be fully functional.

I would also like to thank COGS for their support for the Board's strategic planning and outreach project. The Manager's report below contains more details. The Lottery Community Fund has provided funding for 2018 to implement some of the outcomes of this through subsidising hire and/or promotion costs for new groups.

The opportunity provided by the initiative from Te Manawa, TM2025, is for the City to rethink how it relates to culture and how the organisations that contribute to the City's culture relate to each other. The Globe Theatre Trust Board is keen to be a major player in shaping the cultural future for our City and to working collaboratively with all stakeholders in creating this future.

I am fully anticipating that the next six months will enable us to consolidate the gains from the past six months. I look forward to Council's continued and increased support as the benefits that the Board is bringing - through its improved operational and governance processes – are accrued to the Palmerston North community.

Maxine Dale, February 2018

TRUST DETAILS AS AT 31 DECEMBER 2017

Nature of Business	Theatre
Establishment Date	15 April 2002
Trustees	M Dale (Chairperson) R Harris G Hudson M May P Monk D Servante (until 26 November 2017)
Treasurer	G Hudson
Secretary	M May
Address	312 Main Street PO Box 132 Palmerston North Telephone: (06) 351 4409
Bankers	Bank of New Zealand
Solicitors	Cooper Rapley
Registered Office	C/ Palmerston North City Council Civic Administration Building The Square Palmerston North
Incorporation Number	1206039
Inland Revenue Number	43-006-495



MANAGER'S REPORT

The focus for the first six months of 2017/18 has been to lay the groundwork to deliver on all the strategic priorities in the 2017/18 Statement of Intent and to establish an ambitious and future-focussed programme of work for the 2018/19 Statement of Intent.

Strategic priorities from the 2017/18 Statement of Intent were:

Strategic Priority 1: Complete the Theatre's Redevelopment Plans to ensure that the Theatre remains a first class Theatre for hire, providing a quality and accessible resource for community and professional hirers.

Update:

The building continues to perform well and visitors and hirers are always complementary about the venue as a community theatre. Council is aware of long-standing issues but progress has been good in addressing these in the first 6 months of the year. Particularly in Globe 1:

- Improving access to Globe 1: a plan is in place to extend the middle walkway in Globe 1 to accommodate wheelchair users along the whole row of seats and enable access to people from each side. It is expected that this project will be completed before the end of the 2017/18 financial year
- Structural integrity of Globe 1 rigging: Council staff have commissioned a Theatre Systems designer to work with the Council engineer to develop plans for rigging that will be replaced when the structural integrity of Globe 1 is addressed. It is anticipated that Globe 1 will be closed for August 2018 whilst this work is undertaken. The grant from Central Energy Trust to install electric winches is on hold pending the outcome of the design project.



However, there are still issues which need to be addressed:

- The hot weather has meant that Globe 1 has been unbearably hot on occasions. Council contractors have checked the system and it is working as well as it possibly could. The drop in satisfaction with the venue over the summer period from audience surveys is entirely due to this issue (Figure 1).
- The roof continues to leak over the rehearsal room at the back of Globe 1. The rehearsal room is a useful space that could be further developed if it could be made water tight and re-painted.

There is a more fundamental issue over the general care and maintenance of Globe Theatre assets. Previously, it has not been practice for the Trust to fund depreciation. This is on the basis that when the equipment needs to be replaced, philanthropic funds will be sought. However, philanthropic funding is most often available for new capital expenditure that improves the facility or services offered to the community.

Renewing and maintaining existing equipment for peak performance is increasingly difficult when relying purely on philanthropic funds. For example, the Globe now houses one of the City's Steinway Grand Pianos and annual maintenance of this magnificent asset runs into several thousand dollars. The retractable seating in Globe 2 requires an annual service which costs \$2,000.

These issues have been fed into the Board's Strategic Plan and draft Statement of Intent for 2018/19. Immediately it suggests that the operating grant from PNCC needs to be reviewed to see if it has kept pace with the responsibilities that the Council has placed on the Board, and the challenge for an ambitious plan to match the City's aspirations.

Figure 1: Influencing factors in satisfaction ratings

Importance in influencing rating (out of 3)	
Online booking of tickets	2.33
Front of house/reception	2.25
Toilet facilities	2.26
Bar/refreshments	1.54
Temperature control (too hot or too cold)	2.36
Accessibility	2.15

Statement of Performance measures

Strategic Priority 1: Complete the Theatre's Redevelopment Plans to ensure that the Theatre remains a first class Theatre for hire, providing a quality and accessible resource for community and professional hirers.

Planned activity for 2017 and 2018: On-going fundraising for outstanding priorities.

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Dependent upon success in 2015/16, funding in place for accessible walkway.	Not achieved: Funding has not been secured for the accessible walkway. A review of the project means that more extensive redevelopment is needed. This project needs to be led from PNCC.	N/A	
Working with partners to secure funding for refurbishment of Globe 1 (technical equipment) and marketing bollard.	Achieved/ongoing: Funding has been secured from Central Energy Trust for major refurbishment of technical and lighting equipment. Project has started. \$22,000 from total grant of \$93,000 has been used.	Working with partners to secure funding for refurbishment of Globe 1 (technical equipment) and marketing bollard.	On track: Sound system in Globe 1 commissioned in July 2017. Theatre designer commissioned by PNCC Asset Manager to prepare a plan for fixing the structural integrity of Globe 1 to support rig, and design lighting/curtain rigging for replacement. Funding required.

Planned activity for 2017 and 2018: Review and monitor the technical inventory to prioritise further development

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Input into fundraising plans for refurbishment of Globe 1, ensuring future-proofing the investment	Achieved/ongoing: Ongoing discussions with PNCC over the maintenance and renewal of the fabric of Globe 1. Resulting from a CET grant, issues with the rigging have arisen and PNCC advised. A structural engineer's report has been requested by PNCC and action arising will need to be a priority for early 2017/18.	Monitor refurbishment of Globe 1 technical inventory. Ongoing review and implementation	On track: as above

Planned activity for 2017 and 2018: Review and monitor the technical inventory to prioritise further development

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Monitoring of Business Plan as necessary.	Achieved: SOI for 2017/18 has been completed. Structural review of operations completed at 30 June 2017.	Develop new Business plan for input into 2018-28 Long Term Plan.	On track: Stakeholder meetings with hirers, funders and patrons to refresh strategic plan for 2018 onwards. Detail provided in narrative to this report.

Strategic Priority 2: Develop the relationship with key stakeholders to promote partnerships; increase the usage of the Globe Theatre Complex; ensuring it is accessible, inclusive and user-friendly.

Update:

Funding from COGS supported an outreach programme, specifically:

- An online survey of audiences from 2014 – July 2017 was developed and analysed using the database created through our online ticketing service. This has established the benchmark for performance measurements
- Hirers from the database were invited to a workshop at the AGM in September to provide input into a SWOT analysis for the Board's Strategic Planning. Figure 2 summarises the key issues identified. These stakeholders were invited back to a review of their input into the Board's updated strategic plan in December 2017
- "Patrons" (individuals and organisations that had contributed to the redevelopment in 2014) were invited to an event in October to provide their input into the Board's plans to improve its service to audiences and hirers
- Analysis of historical data around income, type of hirer and type of hire
- An online survey of hirers, following their hire to establish a satisfaction benchmark for future years

The Board's strategic plan was updated following these initiatives and presented to the Council at the Arts and Heritage Committee on 13 November 2017

This information has been fed into the updated Strategic Plan and informed the draft Statement of Intent for 2018/19 onwards. Immediately, it has confirmed the identity of the Globe as THE community theatre in Palmerston North - home to community, performance-based events and organisations and has led to several improvements in operational processes and systems.

Statement of Performance measures

Strategic Priority 2: Develop the relationship with key stakeholders to promote partnerships; increase the usage of the Globe Theatre Complex; ensuring it is accessible, inclusive and user-friendly.

Planned activity for 2017 and 2018: Continue to renew and develop the Memorandum of Understanding with the Manawatu Theatre Society

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	Achieved: MOU in place. MTI put on four shows: The Glass Menagerie, Silly Cow, the Supermarket Sisterhood and 1984.	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	On track: Manawatu Theatre Society presented their Xmas show in December 2017: Are you being served? Bookings in place for 2018.

Planned activity for 2017 and 2018: Develop a Memorandum of Understanding arrangement with regular users and key community groups

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Develop individual MOU arrangements to capture bookings early for regular users.	Achieved: MOUs in place with Women in Business and Sunday matinee series of concerts.	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise	On track: MOU with Women in Business finished in December 2017 and has not been renewed. MOU with Sunday Matinee Series continues. MOU in negotiation for resident dance school. Pricing structure reviewed to encourage more MOU arrangements.

Planned activity for 2017 and 2018: Seek new and regular hirers for both Theatres.

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Total number of hirers, number of new hirers (cumulative)	Achieved: 42 returning hirers booked single or multiple dates; 28 new hirers held events (including recurring hires such as a the 'Ted-style Talk' series which took place in Globe 2.) Many of these new hirers chose to hold their events in the Globe 2 auditorium, while returning hirers were more likely to use Globe 1.	Total number of hirers, number of new hirers (cumulative)	46 hirers in total: 23 were new hirers, 30 hirers returned to the Globe for multiple bookings (including 7 of the new hirers).

Planned activity for 2017 and 2018: Customer satisfaction - hirers

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Establish benchmark and targets for future years	Not achieved. This programme has been moved to July - December 2017.	Benchmark established	On track: Survey Monkey sent to all hirers upon receipt of payment. As at 31 December 2017, 21 hire events had received the survey and 11 responses received. Of these 91% (n=10) rated the experience of hiring the Globe as excellent and 9% (n=1) as good, 91% would be very likely to recommend the Globe as a venue for hire and 9% would be likely to do so. The benchmark will be set at the result achieved as at July 2018.

Planned activity for 2017 and 2018: Customer satisfaction - audiences

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Establish benchmark and targets for future years	Not achieved. This programme has been moved to July - December 2017.	Benchmark established	Achieved: A survey monkey has been sent to ticket-buyers with emails captured in our ticketing database. The database of all ticket buyers from 2014-2017 was used to establish the benchmark with an overall satisfaction rating of 3.11/4 (n=171). The ticket buyers for the 4 ticketed shows undertaken since 1 August – 31 December 2017 show an overall satisfaction rating 3.08/4 (n=53). 8

Figure 2: Summary of key issues identified by stakeholders to the Globe Theatre

Strengths/Opportunities	Weaknesses/Threats
Working with Schools/UCOL/Massey	Lack of outreach - more diverse age and cultures
Flexibility of Globe 1 and 2 as a music venue	Dated technical equipment/lack of technical expertise
Café – opportunity for advertising and display	Poor marketing/promotion
Rebuilding of Te Manawa	Lack of defined identity

3. Achieve growth to meet usage/performance nights and rental income targets

Update:

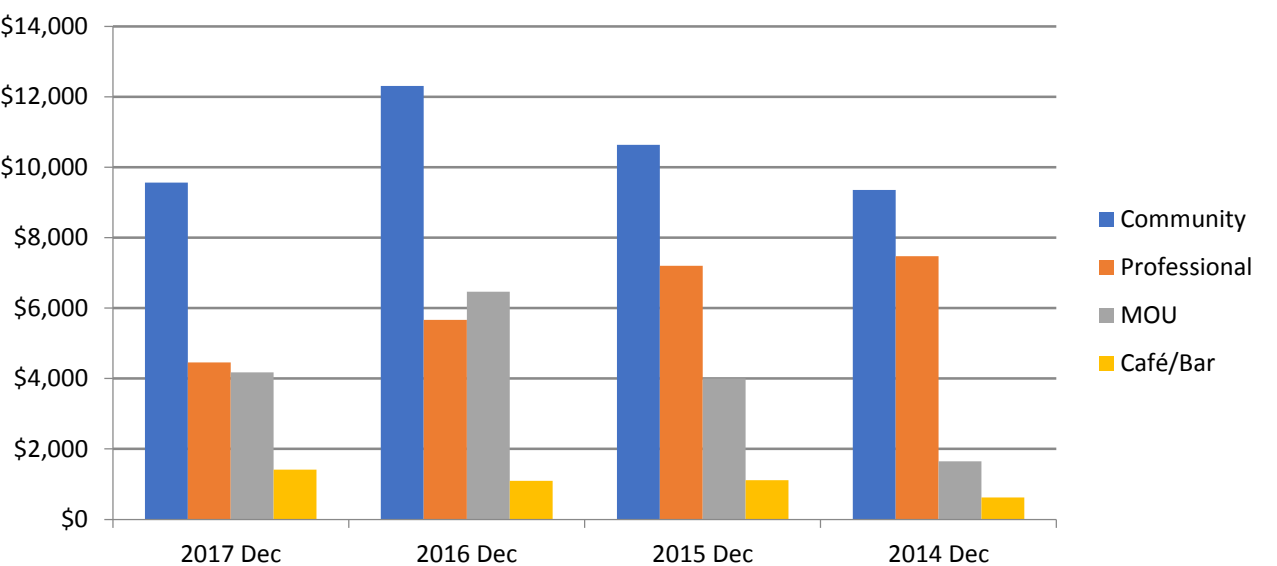
In July 2017, the Board was emerging from the restructure process and the new staff team needed to get established. The first four months of the year (mid-July to mid-November) were relatively quiet in terms of hireage which provided additional incentive to go out and seek new hirers as part of the outreach programme. The improvements that have been immediately implemented pending the outcome of the outreach programme and updated strategic plan:

- In the service that is offered to hirers, including the provision of technical and promotional support for events as part of the hire fee
- In the Globe's communication with the wider community in Palmerston North – improved website, Facebook pages and media presence and a monthly e-newsletter to a wider subscription base

As a result, usage is high for this six month period. With forward bookings for January to June 2018, the Globe is on track to meet or exceed the usage performance measures. However, much of this usage was heavily discounted and has not translated into hire income (Figure 3). There is a balance between opening the doors of the venue to create a vibrant, performing arts hub and establishing affordable hire rates to encourage this kind of use. The forecast income from hireage has been fed into the forward budgets for 2018/19 Statement of Intent to establish realistic hire income targets which focus on maximising usage. This will require a conversation between Council and the Trust Board about the level of operational subsidy from rates.

Denise Servante, February 2018.

Figure 3: Theatre hire 6 months July - Dec



Statement of Performance measures

Strategic Priority 3. Achieve growth to meet usage/performance nights and rental income targets

Planned activity for 2017 and 2018: Fostering a sense of community by encouraging youth, assisting amateurs and promoting participation, delivering outstanding customer service

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
At least 60% community usage	Achieved: Based on a definition of whether or not the performers are paid, 75% of hires are for community use. Hire for non performing events are generally considered to be professional use since the primary function of the theatre (to support performing arts, and community performing arts in particular) is not a factor. The change in percentage reflects increased use for one-off events of this nature.	At least 60% community usage	On track: 79% community use: 39 Professional uses (performers paid or a company/institution), 151 Community uses (the performers are not paid or the hirer is a community organisation)

Planned activity for 2017 and 2018: Delivering all services to the agreed budget

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Services delivered within +10% variance	Not achieved: The result in the Annual Accounts shows that overall operating income and operating expenditure is about 40% down on budget. This is because a major capital grant related to the project to improve accessibility to Globe 1 was not forthcoming (\$140,000 increase in budgeted income and expenditure which did not materialise).	Services delivered within +10% variance	The restructure has led to a review of all previous expenditure patterns. Set against a budget developed before the outcome of the restructure was known means that there are variances in specific budget headings.

Planned activity for 2017 and 2018: Ongoing promotion and monitoring of usage

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
165 performance nights and 250 usage nights	Partly achieved: 138 performances and 273 usage (day/night).	165 performance nights and 250 usage nights	On track: 78 performance nights (with an audience of any description) and 190 usage nights.

Planned activity for 2017 and 2018: Computerised database of Theatre hirers, including details of technical requirements etc.

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
System further developed as necessary	Achieved/ongoing: the introduction of quotes in Xero stores details of all chargeable extras, such as technician or use of the projector/screen. Where equipment is included in the hire fee, it is noted as part of the hire agreement to be provided on the day. There is still work to be done to link these systems.	System further developed as necessary	Ongoing: All hirers are now included in the main database and regularly contacted with e-newsletters etc. The value of storing information about the technical and equipment requirements of previous hires in computerised form may not merit the investment in this capability at this point. More important is to ensure that all hirers are engaged in developing the Trust Board's future plans so ensuring that the equipment that is supplied is relevant and up-to-date.



Statement of Performance measures

Strategic Priority 3. Achieve growth to meet usage/performance nights and rental income targets continued

Planned activity for 2017 and 2018: Computerised database of Theatre audience/patrons

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Increase in the number of theatre-goers on the database, and increasing satisfaction of these theatre-goers with the Globe Theatre	Achieved: 373 individual entries in Globe Newsletter database; 158 "Friends of the Globe". Good response to monthly Mail Chimp mail-outs to the database, with an 'open' rate of 41.5% (to give context, the overall average 'open' rate for list emails is 34.7% and the Industry average – Entertainment and Events – is 15.9%). 755 Facebook friends, 744 following.	Increase in the number of theatre-goers on the database, and increasing satisfaction of these theatre-goers with the Globe Theatre	Achieved: all databases have been integrated with the Patronbase ticketing database and exported to Mailchimp as a segmented list. The total subscribers to this list is 2,100.

Planned activity for 2017 and 2018: Website includes computerised booking and ticketing functions

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
Review and update website to ensure it meets needs of users and management	Achieved: Website underwent comprehensive structural overhaul and redesign, new version launching in November 2016. Immediate (within 24 hours) use of new Hire Enquiry portal by potential new clients.	Review and update website to ensure it meets needs of users and management	On track: Website information was comprehensively updated in July/August 2017 and regularly since. New information added regarding support for event promotion and updated equipment inventories.

Planned activity for 2017 and 2018: Continue to organise and promote one-off events to market the theatre to existing and new user groups

Outputs (KPIs)			
2016/17 target	Outcome 2016/17	2017/18 target	Interim result
At least two events organised and promoted through the Trust Board	Achieved: The Globe Matinee Series of Sunday concerts has put on 7 events during 2016/17. The Globe Awards was held in February 2017.	At least two events organised and promoted through the Trust Board	Achieved: The Globe Matinee Series hosted 4 events in July – December 2017. In addition, the Globe sponsored the Latin American and Spain Film Festival with 11 film showings.

The Globe Theatre Trust Financial Statements For the 6 Months Ended 31 Dec 2017

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 6 months ended 31 December 2017.

Signed on behalf of the Board:



Entity information for 6 months to 31 December 2017

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 virtue of 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.

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 200 seat proscenium theatre and one is a flat-floor performance space with an option of up to 100 proscenium layout. The Trust Board also hires the foyer/cafe-bar area separately as a meeting space. The Trust Board maintains an asset base of theatre and other equipment, fixtures and fittings.

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.

Finally, the Trust Board raises funds to maintain its equipment and assets 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.



16th

**LATIN AMERICA
& SPAIN
FILM FESTIVAL 2017**

Statement of Financial Performance for the 6 months to 31 December 2017

	Notes	Dec-17 (unaudited)	Reforecast 2018	Budget SOI 2018	Jun 17 (audited)	Jun-16 (audited)
Income						
Donations, Fundraising and other similar revenue	2	25,831	95,691	128,662	43,343	14,617
Council Funding	3	38,291	77,212	76,582	75,080	74,043
Investment Revenue		55	83	115	118	141
Sales of Goods and Services	4	29,700	77,819	70,564	57,326	66,240
Total revenue		93,877	250,805	275,923	175,867	155,041
Expenditure						
Costs related to providing goods and services	5	5,799	25,121	9,615	10,312	21,970
Employee related costs	6	41,366	84,855	88,205	72,689	64,595
Administration and Overhead	7	17,127	36,278	42,272	39,570	25,735
Other Expenses	8	12,711	25,707	16,474	20,504	24,287
Depreciation		18,702	36,100	45,800	34,334	32,599
Total Expenditure		95,704	208,061	202,366	177,409	169,186
Net Surplus/(Deficit)		-1,827	42,744	73,557	-1,542	-14,145

Statement of Financial Position for the 6 months to 31 December 2017

	Notes	31-Dec-17 (unaudited)	30-June-17 (audited)	30-June-16 (audited)
Assets				
Current Assets				
Bank Accounts and Cash	9	39,419	31,990	18,362
Debtors and Prepayments	10	5,790	16,053	11,443
Total Current Assets		45,209	48,043	29,805
Non-Current Assets				
Property, Plant and Equipment		244,756	246,779	243,315
Total Non-Current Assets		244,756	246,779	243,315
Total Assets		289,965	294,822	273,120
Liabilities				
Current Liabilities				
Creditors and Accrued Expenses	11	26,488	28,248	12,384
Employee costs payable	12	0	4,550	3,395
Unused Grants and Donations with Conditions	13	9,504	6,224	-
Total Current Liabilities		35,992	39,023	15,779
Non-Current Liabilities				
Total Non- Current Liabilities		-	-	-
Total Liabilities		35,992	39,023	15,779
Net Assets		253,974	255,801	257,343

Trust Equity as at 31 December 2018

	Notes	31-Dec-17 (unaudited)	30-June-17 (audited)	30-June-16 (audited)
Contributed capital		100	100	100
Retained surpluses		253,874	255,701	257,243
Total Trust Equity		253,974	255,801	257,343

Statement of changes in accumulated funds for the 6 months to 31 December 2018

	Notes	31-Dec-17 (unaudited)	30-June-17 (audited)	30-June-16 (audited)
Balance at 1 July		255,801	257,343	271,488
Current Period Surplus/(Deficit)		(1,827)	(1,542)	(14,145)
Balance at 31 December	14	253,974	255,801	257,343

Statement of cash flows for the 6 months to 31 December 2018

	Notes	31-Dec-17 (unaudited)	30-June-17 (audited)	30-June-16 (audited)
Cash Flows from Operating Activities				
Receipts of Council Grants		57,437	75,080	74,043
Donations, Fundraising and other similar revenue		25,747	48,416	8,799
Receipts from sale of goods and services		64,725	60,517	59,244
Interest Received		54.99	118	141
Payments to Suppliers		-121,783	-134,888	-132,007
Goods and Services Tax (net)		1,893	1,320	-1,681
Net Cash Flows from Operating Activities		28,075	50,563	8,539
Cash Flows from Investing & Financing Activities				
Purchase of Fixed Assets		-20,646	-36,935	-15,720
Net Cash Flow from Investing & Financing Activities		-20,646	-36,935	-15,720
Net Increase/(Decrease) in Cash		7,429	13,628	-7,181
Opening Cash Balance		31,990	18,362	25,543
Closing bank accounts and cash	9	39,419	31,990	18,362

Notes to the financial statements

1. Statement of Accounting Policies

Reporting entity

The financial statements for the Trust are for 6 months ended 31 December 2017, and were approved by the Board of Trustees on 21 February 2018.

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.

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.

Revenue

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

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 donation 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.

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 related costs

Wages, salaries and annual leave are recorded as an expenses as staff provide services and become entitled to wages, salaries and leave entitlements.

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 as a result 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.

Notes to the financial statements continued

Income Tax

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

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

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Donations and Fundraising	1,022	10,000	741
NZ Guardian Trust	-	-	1,150
Palmerston North City Council	6,407	-	953
Central Energy Trust	5,459	-	22,121
Community Organisation Grants Scheme	4,600	-	-
Mainland Foundation	4,487	-	526
Pub Charity Ltd	3,856	-	6,207
Infinity Trust	-	-	4,916
Lion Foundation	-	-	4,918
Other	-	118,663	1,811
Total Donations and Fundraising Revenue	25,831	128,663	43,343

3. Council Funding

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
PNCC Grant	38,291	76,582	75,080
Total Grants Revenue	38,291	76,582	75,080

4. Sales of Goods and Services

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Foyer rental	1,625	7,000	-
Theatre Hire	17,994	46,948	44,521
Recoverable income	3,974	5,167	5,581
Sales	669	1,715	184
Ticket Sales (nett)	5,438	9,733	7,040
Total Sales of Goods and Services	29,700	70,564	57,326

5. Costs relating to providing Goods and Services

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Shows Expenses	1,850	5,236	5,026
Recoverable expenses	3,949	4,379	5,284
Total Costs of Goods Sold	5,799	9,615	10,310

6. Employee related costs

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Salaries and wages	40,314	85,961	70,605
Kiwi Saver Employer Contributions	1,052	2,244	2,084
Total Employee Related Costs	41,366	88,205	72,689

7. Administration and Overheads

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Cleaning	2,038	3,629	3,567
Hire of Plant and Equipment	200	865	479
Light, heating and power	6,900	13,809	12,441
Marketing	2,373	5,121	5,202
Repairs and Maintenance	2,379	12,603	12,127
Office Costs	693	3,218	2,631
Postage, Printing and Stationery	1,307	704	833
Telephones and Internet	1,236	2,323	2,290
Total Administration and Overheads Costs	17,127	42,272	39,570

8. Other expenses

	31 Dec 2017 (unaudited)	Budget SOI 2018	30 June 2017 (audited)
Audit Fees	-	7,666	8,335
Bank Charges	41	141	50
Consulting and Accountancy	1,772	2,315	2,294
General Expenses	2,282	1,637	1,500
Insurance	2,394	2,242	2,577
Legal expenses	4,760	104	-
Professional Development	9	-	35
Project Expenses	-	-	3,302
Provision for impairment	-	-232	-43
Security	316	731	961
Subscriptions and compliance costs	638	682	569
Travel	-	-	-
Waste Disposal	500	1,188	924
Total Other Expenses	12,711	16,474	20,504

9. Banks accounts and cash

	31 Dec 2017 (unaudited)	30 June 2017 (audited)
Cash on hand	458	458
Non-profit current	35,931	29,286
Rapid Save (donations)	3,030	2,247
Total Cash and Cash Equivalents	39,419	31,990

10. Debtors and prepayments

		31 Dec 2017 (unaudited)	30 June 2017 (audited)
Accounts Receivable		6,077	16,340
Less provision for impairment		(287)	(287)
GST Receivable			-
Prepayments			-
Sundry Debtors Accruals			-
Total Debtors and Other Receivables		5,790	16,053

11. Creditors and Accrued Expenses

		31 Dec 2017 (unaudited)	30 June 2017 (audited)
Accrued Expenses		0	19,790
Creditors		2,698	4,980
GST		57	2,081
Income in Advance		22,017	300
PAYE Payable		1,718	1,096
Total Creditors & Accrued Expenses		26,490	28,248

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 Costs Payable

Employee Costs Payable			
Wages Accrual		0	4,550
Total Employee Costs Payable		0	4,550

13. Unused donations and grants with conditions

		31 Dec 2017 (unaudited)	30 June 2017 (audited)
Mainland Foundation		-	4,474
Lottery Community		7,500	
Lion Foundation		1,195	-
Lions Club of Middle Districts		500	-
NZ Guardian Trust		308	1,750
Total Unused Donations and Grants with Conditions		9,503	6,224

14. Accumulated surpluses

		31 Dec 2017 (unaudited)	30 June 2017 (audited)
Contributed Capital			
Balance at 1 July		100	100
Capital Contribution		-	-
Balance at 31 December		100	100
Retained Surplus			
Balance at 1 July		255,701	257,243
Surplus/(Deficit) for the Year		(1,827)	(1,542)
Balance at 31 December		253,874	255,701
Total Equity		253,974	255,801



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Notes to the financial statements continued

15. Capital Commitments and Operating Leases

The Trust has no capital commitments and no operating lease commitments.

16. Contingencies

Contingent liability

The Trust has no contingent liabilities.

Contingent assets

The Trust has no contingent assets.

17. Donated Goods and Services

No Donated Goods or Services were received during the year.

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. Events after Balance Date

There were no events after balance date that require disclosure.

20. Ability to continue operating

The Trust intends to continue operating in future periods.

