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Globe Theatre Trust Board Statement of Intent For 2016/17, 2017/18 and 2018/19

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Prepared by: Globe Theatre Trust Board

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CONTACT DETAILS

Registered Office:	PO Box 132	Legal Status:	The Globe Theatre Trust is a Council Controlled Organisation for the purposes of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trusts Act 1957 and Charities Act 2005.
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	Palmerston North		
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Main Contact:	Stephen Fisher	Second Contact:	Denise Servante
Role in CCO:	Chairperson	Role in CCO:	Treasurer
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	Palmerston North		RD1
			Palmerston North
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INTRODUCTION

Globe Theatre Trust Board 2016 Statement of Intent

Board Commentary

During 2015 the Globe Theatre undertook an extensive operational review to ensure that we continued to meet the needs of both our hirers and our audiences. The occasion of Bruce Warwick's retirement meant that we were able to extend this review into the area of staffing. This has meant that the Trust Board now has a very thorough administrative understanding of the operations of the revamped theatre.

During the coming years we plan to use this information to implement a revised Operational Plan to the extent that the Globe Theatre will provide all that a user of a small community theatre might expect.

In June 2016, the Palmerston North City Council has approved finance for the completion of the café and this will be done in the coming months. The Board now proposes to fully realise the potential of this area.

We are also planning for a technical upgrade of Globe 1 to ensure that it is compatible with the technical specifications of our new theatre, and fully capable of meeting the requirements of our users.

We will also continue to pursue the development of the disability access to Globe One. Although this was initially turned down by Lotteries we have been invited to re-lodge the application for a future funding round. Before then, the Board will investigate the impact of the changing compliance regulations on the walkway.

The Globe Theatre Trust Board is well aware of the Globe's role in the community and we spend many hours considering how we may add further value to the community, as stated in our agreement with Council. To this end the Trust Board has taken over sponsorship of the Te Manawa Concert Series which has been renamed The Globe Sunday Matinees, and already these are proving popular with audiences. The Trust Board will be investigating ways to grow these opportunities over the coming years.

Having had the opportunity to meet Councilors at a workshop session during 2015/16, we welcome further collaboration with Councilors, Council staff and the other cultural CCOs in the City to develop a joint approach to maximising the contribution from the arts to the cultural life of the City.

The next few years promising to be a fascinating time for those involved with the Globe and we look forward too sharing our experiences with you, our major partner. We are grateful for your continuing support and we look forward to the challenges with much eagerness and anticipation.

Globe Theatre Trust Board
June 2016

NATURE AND SCOPE OF ACTIVITIES OF THE TRUST BOARD

The Trust Board provides number of 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 register of equipment, including a screen and projector for film viewings.

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 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.

VISION

The Globe Theatre Trust Board embraces its responsibility to ensure that the Globe Theatre continues into the future with its solid reputation as one of the busiest community Theatres in New Zealand reflecting Palmerston North's diverse arts culture.

Our vision is to ensure this by providing a unique, dynamic and user friendly Theatre, with continued excellent customer service, functional, current technology in good working order for hirer's use, and to provide 'added value'. We aim to ensure that hirers not only enjoy their experience at the Globe but that they come back for future bookings.

The Board is proud to present the community with a choice of two performance spaces. These are attracting returning, new and other community hirers. Hirers have the choice of two very different performance spaces, and the building is able to be used by multiple hirers at one time. A Café/ Bar within the complex ensures that the Globe is able to offer an enhanced theatre going experience to patrons.

The Board's aim is to continue to grow the Theatre's business.

MISSION STATEMENT

The Globe Theatre Trust Board is committed to providing a stimulating, well-resourced venue for hire which will foster participation, and pride, in our community.

OUR VALUES/ASPIRATIONS

“The Globe Theatre Trust Board provides a multi-purpose venue that enables its clients to provide memorable experiences for their audiences.”

“In the wider community the Globe Theatre is talked about as a venue of excellence with memorable and exciting performances.”

“The Globe Theatre provides the opportunity for everyone in our community to star in any aspect of the Theatre.”

“Our friendly staff provide hassle-free hireage that will exceed your expectations.”

OBJECTIVES OF GLOBE THEATRE TRUST DEED

The objectives of the Trust Deed provide the framework for the Board to control, develop, promote, enhance and maintain the Globe Theatre so that it may be used and enjoyed by the inhabitants of the Manawatu area including:

- Securing the future of the Globe Theatre.
- Preparing, in consultation with the Council, a Strategic Plan and an Annual Plan for attaining these objectives.
- Acknowledging the Globe Theatre as the home of the Manawatu Theatre Society Inc.
- Ensuring the Globe Theatre remains accessible to the community (both physically and financially).
- Fostering a sense of community by encouraging youth, assisting amateurs, and promoting participation.

KEY ISSUES FOR 2016/17, 2017/18 AND 2018/19

Key issues for the planning period are:

- Developing new markets for successful growth in business for the complex
- Ensuring that staffing levels are sufficient for the complex
- The fostering of more co-operation between Council Organisations
- Fundraising for Capital Projects

KEY STRATEGIC OBJECTIVES 2016/17, 2017/18 AND 2018/19

The Globe Theatre Trust's strategic priorities for the planning period are:

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

This will be achieved by:

- Ongoing fundraising for the accessible walkway, the refurbishment of Globe 1 and marketing bollard and
- Maintenance programme in place and delivered

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.

This will be achieved by:

- Maintaining the Memoranda of Understanding with key stakeholders, particularly the Manawatu Theatre Society, ensuring high community use of the theatres meeting the needs of all parties
- Continuing to seek additional future users, including a wider customer group than traditional theatre/performance groups.
- Developing the customer base to maintain a predominance of community productions, working to maximise the revenue from professional organisations, and maximising audience numbers where possible through the effective implementation of the marketing plan.
- Increase in collaboration with other Council Organisations to contribute to the cultural life of the city

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

This will be achieved by implementing the marketing plan focusing on:

- Increase the range and commitment of clients through marketing and through excellent customer service, including
- Support to increase in audience numbers through maintaining a high profile within the community (direct marketing of the theatre and events through a database of supporters, patrons and theatre goers, community advertising, access radio etc.)
- Fundraising for a) capital projects and b) developing new services for our clients, including organisation and promotion of one-off events to raise money for the Trust Board

KEY PERFORMANCE INDICATORS FOR 2016/17, 2017/18 AND 2018/19

See below under planned activities.

PLANNED ACTIVITIES FOR 2016/17, 2017/18 AND 2018/19

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 activities	Outputs (KPIs)		
	2016/17	2017/18	2018/19
On-going fundraising for outstanding priorities.	Dependent upon success in 2015/16, funding in place for accessible walkway. Working with partners to secure funding for refurbishment of Globe 1 (technical equipment) and marketing bollard.	Funding in place for refurbishment of Globe 1 (stage and backstage areas)	Ongoing for small renewals etc as required
Review and monitor the technical inventory to prioritise further development	Input into fundraising plans for refurbishment of Globe 1, ensuring future-proofing the investment	Monitor refurbishment of Globe 1 technical inventory. Ongoing review and implementation	Ongoing review and implementation
Prepare the Business Plan for 2018/28 onwards	Monitoring of Business Plan as necessary.	Review of Business Plan.	Monitoring of Business Plan as necessary.

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

Planned activities	Outputs (KPIs)		
	2016/17	2017/18	2018/19
Continue to renew and develop the Memorandum of Understanding with the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society
Develop a Memorandum of Understanding arrangement with regular users and key community groups	Develop individual MOU arrangements to capture bookings early for regular users.	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise
Seek new and regular hirers for both Theatres.	Total number of hirers, number of new hirers (cumulative)	Total number of hirers, number of new hirers (cumulative)	Total number of hirers, number of new hirers (cumulative)
Customer satisfaction - hirers	Establish benchmark and targets for future years	To be established	To be established
Customer satisfaction - audiences	Establish benchmark and targets for future years	To be established	To be established

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

Planned activities	Outputs (KPIs)		
	2016/17	2017/18	2018/19
Fostering a sense of community by encouraging youth, assisting amateurs and promoting participation, delivering outstanding customer service	At least 60% community usage	At least 60% community usage	At least 60% community usage
Delivering all services to the agreed budget	Services delivered within +10% variance	Services delivered within +10% variance	Services delivered within +10% variance
Ongoing promotion and monitoring of usage	165 performance nights and 250 usage nights	165 performance nights and 250 usage nights	165 performance nights and 250 usage nights
Computerised database of Theatre hirers, including details of technical requirements etc	System further developed as necessary	System further developed as necessary	System further developed as necessary

4. Achieve growth to meet usage/performance nights and rental income targets			
Planned activities	Outputs (KPIs)		
	2016/17	2017/18	2018/19
Computerised database of Theatre audience/patrons	Increase in the number of theatre-goers on the database, and increasing satisfaction of these theatre-goers with the Globe Theatre	Increase in the number of theatre-goers on the database, and increasing satisfaction of these theatre-goers with the Globe Theatre	Increase in the number of theatre-goers on the database, and increasing satisfaction of these theatre-goers with the Globe Theatre
Website includes computerized venue booking and ticketing functions	Review and update website to ensure it meets needs of users and management	Review and update website to ensure it meets needs of users and management	Review and update website to ensure it meets needs of users and management
Continue to organise and promote one-off events to market the theatre to existing and new user groups	At least two events organised and promoted through the Trust Board	At least two events organised and promoted through the Trust Board	At least two events organised and promoted through the Trust Board

GOVERNANCE STATEMENTS

The Globe Theatre Trust Board is established and governed by the Globe Theatre Trust Deed; available on request from the contact officer.

INFORMATION TO BE PROVIDED TO PALMERSTON NORTH CITY COUNCIL


The Globe Theatre Trust Board will provide reports to the City Council at 6 and 12 months as required by the Local Government Act 2002. Both these reports will contain a narrative with highlights that have occurred during the period under review. The 6 month report will contain limited, interim unaudited financial statements and an interim assessment of the statement of service performance. The 6 month report will also contain a forecast of the performance for the second 6 months of the year in question.

The Annual Report will contain audited financial statements for the full 12 months, including an audited statement of service performance, and will comply with the requirements of the Local Government Act 2002.

SIGNATURE

This Statement of Intent was approved by the Globe Theatre Trust Board on:

Date: 23 June 2016

Signed: 

Denise Servante, Deputy Chairperson, Globe Theatre Trust Board

BUDGET FOR THE YEARS ENDED 30 JUNE 2017, 2018, 2019

		Reforecast	Indicative	Indicative	Indicative	
		Jun-16	Jun-16	Jun-17	Jun-18	Jun-19
	Note					
Income						
Interest Income		300	176	178	180	181
Donations and Fundraising		6,000	12,406	6,000	6,060	6,121
PNCC Grant		74,043	74,043	74,117	74,191	74,265
Capital Grants		6,000	6,500	140,000	145,000	0
Total Fundraising		86,343	93,125	220,295	225,431	80,567
Other Revenue						
Sales		0	839	848	856	865
Total Other Revenue		0	839	848	856	865
Theatre Hire						
Globe 1 Theatre Hire		25,000	26,971	27,240	27,513	27,788
Globe 2 Theatre Hire		10,000	11,865	11,983	12,103	12,224
Foyer Income		4,000	4,160	4,202	4,244	4,286
Ticket Sales (nett)		10,000	18,555	18,740	18,928	19,117
Recoverable income		20,000	19,061	19,252	19,444	19,638
Total Theatre Hire		69,000	80,611	81,417	82,232	83,053
Total Income		155,343	174,575	302,559	308,518	164,485
Costs relating to providing goods and services						
Show expenses		6,000	11,471	11,586	11,702	11,819
Less Operating Expenses						
Depreciation		37,000	32,345	32,022	41,701	46,384
Capital expenses	1	6,000	21,085	140,000	145,000	0
Administration and overheads						
Cleaning		4,574	2,052	2,073	2,093	2,114
Hire of Plant & Equipment			96	97	98	99
Light, Power, Heating		11,840	6,971	7,041	7,111	7,182
Marketing		5,000	5,000	5,050	5,101	5,152
Repairs and Maintenance		3,090	3,090	3,121	3,152	3,184
Printing, Post & Stationery		1,365	598	604	610	616
Recoverable Expenses		20,000	17,700	17,877	18,056	18,236
Telephone & Internet		2,423	2,299	2,322	2,345	2,368
Total administration and overheads		48,292	37,806	38,184	38,566	38,951

			Reforecast	Indicative	Indicative	Indicative
		Jun-16	Jun-16	Jun-17	Jun-18	Jun-19
Other expenses						
Audit Fees		7,515	7,515	7,590	7,666	7,743
Bank Fees		138	138	139	141	142
Consulting & Accounting		2,318	3,376	3,409	3,443	3,478
Office Expenses			4,371	4,415	4,459	4,504
General Expenses		742	761	768	776	784
Insurance		3,245	3,245	3,277	3,310	3,343
Secretarial Costs		5,500	5,500	0	0	0
Legal expenses		103	103	104	105	106
Salaries		46,272	69,247	69,939	70,638	71,345
KiwiSaver			1,404	1,418	1,432	1,447
Professional Development		500	500	505	510	515
Security		1,480	618	624	630	637
Subscriptions & Compliance		1,428	89	90	91	92
Technician		10,000	1,659	1,675	1,692	1,709
Travel - National		1,300	1,247	1,259	1,272	1,284
Waste Management		1,357	1,770	1,788	1,806	1,824
Total other expenses		81,898	101,542	97,002	97,971	98,953
Total Operational Costs		173,190	192,778	307,208	323,238	184,287
Net Profit		-23,847	-29,674	-16,234	-26,423	-31,621

1. Capital expenditure is anticipated as follows:

- 2016/17: Access walkway linking Globe1 and café bar (\$140,000).
This will be accounted for as a grant to PNCC because the asset to be improved is carried on Council's asset register.
- 2017/18: Refurbishment of Globe 1 (\$100,000)
Electronic notice board for promoting events within Globe/ Te Manawa/Rugby Museum (\$45,000)
These assets are shown in the following financial statements as purchase of assets in 2017/18. However, for the purposes of the operational budget, have been treated as an operational expense in the year in which the expenditure is incurred.

FORECAST FINANCIAL STATEMENTS

Statement of Financial Position

	Actual	Forecast	Indicative	Indicative	Indicative
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19
Assets					
Bank					
Cash and Cash Equivalents	25,543	28,214	44,003	59,283	74,046
Total Bank	25,543	28,214	44,003	59,283	74,046
Current Assets					
Accounts Receivable	5,977	5,977	5,977	5,977	5,977
Accrued Revenue	0	0	0	0	0
GST Receivable	0	0	0	0	0
Prepayments	392	392	392	392	392
Total Current Assets	6,369	6,369	6,369	6,369	6,369
Fixed Assets					
Property, Plant and Equipment					
Computer Equipment	4,323	4,323	4,323	49,323	49,323
Less accumulated depreciation on computer equipment	-2,007	-2,507	-3,007	-3,507	-9,507
Furniture and fittings	23,810	23,810	23,810	23,810	23,810
Less accumulated depreciation on furniture and fittings	-2,763	-5,108	-7,130	-8,831	-10,215
Theatre Equipment	415,912	415,912	415,912	515,912	515,912
Less accumulated depreciation on theatre equipment	-179,080	-208,580	-238,080	-277,580	-316,580
Total Property Plant and Equipment	260,195	227,850	195,828	299,127	252,743
Total Fixed Assets	260,195	227,850	195,828	299,127	252,743
Total Assets	292,107	262,433	246,200	364,779	333,158

	Actual	Forecast	Indicative	Indicative	Indicative
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19
Liabilities					
Current Liabilities					
Creditors and Other Payables					
Account payable	6,502	6,502	6,502	6,502	6,502
Grants in advance	5,000	5,000	5,000	5,000	5,000
Accrued Expenses	8,223	8,223	8,223	8,223	8,223
GST	894	894	894	894	894
Total Creditors & Other Payables	20,619	20,619	20,619	20,619	20,619
Total Current Liabilities	20,619	20,619	20,619	20,619	20,619
Total Liabilities	20,619	20,619	20,619	20,619	20,619
Net Assets	271,488	241,814	225,581	344,160	312,539
Equity					
Current year earnings	-16,179	-29,674	-15,567	119,919	-29,600
Retained earnings	287,667	271,488	241,814	226,247	346,166
Total Equity	271,488	241,814	225,581	344,160	312,539

Statement of Changes in Equity

	Actual	Forecast	Indicative	Indicative	Indicative
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19
Opening balance as at 1 July	287,667	271,488	241,814	225,581	344,160
<i>Comprehensive Income</i>					
Surplus/(Deficit)	-16,179	-29,674	-15,567	118,579	-31,622
Balance at 30 June	271,488	241,814	226,247	344,160	312,539

Cashflow

	Actual	Forecast	Indicative	Indicative	Indicative
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19
Cash Flows from Operating Activities					
Donations and Fundraising	55,751	104,055	231,235	236,380	91,526
Sales of goods and services	56,952	49,445	49,939	50,439	50,943
Other revenue	47,985	44,223	44,666	45,112	45,563
Contributions projects	0	0	0	0	0
Interest Received	358	176	178	180	181
Payments to Suppliers	178,635	187,072	-319,062	-159,643	-161,241
Goods and Services Tax (net)	6,717	-8,157	8,834	-12,188	-12,209
Net Cash Flows from Operating Activities	-10,872	2,670	15,789	160,280	14,762
Cash Flows from Investing Activities					
Purchase of Fixed Assets	-86,850	0	0	-145,000	0
Sales of Fixed Assets	0	0	0	0	0
Net Cash Flow from Investing Activities	-86,850	0	0	-145,000	0
Cash Flows from Financing					
Loan drawdown					
Loan repayment					
Net Cash Flow from Financing	0	0	0	0	0
Net Increase/(Decrease) in Cash and Cash Equivalents	-97,722	2,670	15,789	15,280	14,762
Cash and Cash Equivalents at the start of the Year	123,265	25,543	28,214	44,003	59,283
Cash and Cash Equivalents at the End of the Year	25,543	28,213	44,003	59,283	74,046

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The financial statements for the Trust are for the year ended 30 June 2016, and were approved by the Board of Trustees on xx September 2016.

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

The Trust transitioned on 1 July 2014 from preparation of financial information in accordance with New Zealand International Reporting Standards to Public Benefit Entity Simple Format Reporting on an Accrual Basis (PBE-SFR-A) and comparative information for the year ended 30 June 2014 was restated to comply with the new standard.

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 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.

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.