



**REGENT THEATRE TRUST BOARD
ANNUAL REPORT 2016-17**



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Our Directory

Come and see us at:

53 Broadway
Palmerston North
New Zealand

Mail, Phone or Fax us at:

PO Box 1723
Palmerston North
Phone (06) 3502100
Fax (06) 3502108

Email and web addresses are:

manager@regent.co.nz
www.regent.co.nz

Registered office of the Trust:

c/- Palmerston North City Council
Civic Administration Building
The Square
PO Box 11-034
Palmerston North

Accountants

BDO Central (NI) Limited

Legal Advisers

Fitzherbert Rowe Lawyers

Bankers

ANZ Bank New Zealand Limited

Auditors

Audit New Zealand on behalf of the office
of the Auditor General

Trust Board

Maurice Rowe (Chair)	Pat Snoxell
Martin Carr (Deputy Chair)	Susan McConachy
Stephen Parsons	David Lea
Gail Shirley	Tania Kopytko
Mark Mabbett	Adrian Broad (Trustee part year)
Rachel Corser (Secretary)	
Carly Chang (Secretary part year)	

The Trust Board originated from the group of people who fought to save the Theatre in the early 1990s. The Board completed its job of saving and re-establishing the Theatre and in 2001 was restructured from a representative based group to a smaller skill based group. The Trust exists to further the interests of the Regent on Broadway and leases the Theatre from the Palmerston North City Council.

Staff

Charles Forbes (General Manager)	Jason Woods (Technical Manager)
Julie Walker (Financial Controller)	Cheenu Natarajan (Theatre Technician)
Anoushka Treur (Promotions and Marketing Coordinator)	
Karen Hambling (Ticketing Clerk)	Jenina Mangoma (Operations Assistant)
Taylor Ellis (Ticketing Clerk)	Jude O'Neil (Ticketing Clerk)
Janice Jones (FOH Manager)	Chris Laing (FOH Manager)
David Walsh (FOH Manager)	

The Theatre employs 12 permanent staff, five of which are casual staff. All employees are accountable to the Trust Board through the General Manager.

Friends of the Regent

Office Holders

Jo-Ann Cowie (President)	Christine Earle (Treasurer)
Adam Robertson (Vice President)	Lesley Findlay (Secretary)

Friends of the Regent Patrons:

Anna Leese
Michael Houstoun

The Friends is an incorporated society whose members voluntarily give their time to the Regent on Broadway. The Friends contract to provide ushering services to the Theatre hirers and provide the Theatre with equipment purchased from these fundraising efforts.

Palmerston North City Council

Grant Smith	(Mayor)	Lew Findlay
Tangi Utikere	(Deputy Mayor)	Aleisha Rutherford
Jim Jefferies		Leonie Hapeta
Bruno Petrenas		Rachel Bowen
Susan Baty		Brent Barrett
Adrian Broad		Gabrielle Bundy-Cooke
Vaughan Dennison		Karen Naylor
Lorna Johnson		Duncan McCann

Chief Executive: Paddy Clifford

Palmerston North City Council is the building owner and has provided the majority of the funding required to restore the Regent on Broadway in 1998. The Council provides an annual operational grant to the Regent on Broadway.

22ND ANNUAL CHAIRMAN'S REPORT

2016/17 Year Ending 30 June 2017

The financial year showed better availability of live performance product for the Theatre in the early part of the year than it did for the previous year, and this continued for the remainder of the year. An improvement in both community and commercial productions subsequently produced a buoyant uplift in visitor numbers. The final result for the year showed an overall surplus in Theatre Operations of \$49,245 compared with \$16,285 for the previous financial year. Current future bookings are again very encouraging and there is continuing demand for use of the venue for local community events.

THEATRE EVENTS

The two major productions for the 2016/17 year were “Cats” in August 2016 (produced by Abbey Musical Theatre) which extended over a twelve show season, and “A Chorus Line” staged in April 2017. Other significant productions included the New Zealand Symphony Orchestra’s “Swing Into Spring” in September 2016, and the Royal New Zealand Ballet’s productions of “Giselle” in the same month and “Carmen” and “L’Arlesienne” in March 2017. In addition, a good number of other professional and community productions were hosted by the Theatre during the year, and details of these are provided in the General Manager’s Annual Report.

THE FRIENDS

The Friends again have continued to provide great and much-valued support for the Theatre both operationally and by way of fund-raising and donations for the improvement of Theatre facilities. Major donations has been received from the Friends during the 2016/17 year of \$74,734 (compared with donations of \$13,483 for the previous financial year) bringing total donations from the Friends since the Theatre reopened in 1998 to \$725,180. I again record the Board’s appreciation for the commitment and dedication of the Friends, and all those members, particularly the President and Committee members, who generously give their time to support and foster Theatre activities. This is a highly valued contribution from the Friends which is a significant part of the volunteer support which the Theatre receives from the community.

TICKETING

The Theatre’s Event Ticketing Centre operated for the 2016/17 year at a surplus of \$32,751 compared with a surplus of \$4,420 for the 2015/16 year (but benefited from the inclusion of the ticketing area into the Theatre lease arrangements with the Council which eliminated the rent payments to the Council which were attributed to the ticketing area for the previous year of \$13,293). The ticketing fee revenue was \$20,213 greater than the previous year, somewhat offset by an increase of \$6,765 in respect of employee related ticketing costs. However, the Board is conscious that there is a significant portion of time input from the Theatre manager and the Theatre financial controller relating to ticketing matters which do not reflect in the allocated ticketing expenses.

REGENT ON BROADWAY PROMOTIONS (ROBP)

The Board's ROBP activities resulted in a deficit of \$23,048 for the 2016/17 year (compared with a surplus of \$19,614 for the 2015/16 year), reflecting the financial uncertainties of risk sharing arrangements in order to secure product for the Theatre and the region.

The Board's ROBP fund has been operating since the Theatre reopened in 1998 and assists in securing certain performances at the Theatre which would not otherwise be likely to occur without some degree of venue involvement. This fund has been accumulated from the Board's entrepreneurial activities involving agreements to participate in risk sharing arrangements for specific productions which are assessed and approved by the Board for the purpose. These activities to date have enabled accumulations from successful events while some losses have been incurred by the fund from time to time in the course of these activities. The ROBP fund accumulated from these activities stands at \$87,971 at the end of the financial year (compared with \$111,019 at the end of the 2015/16 year and \$91,405 at the end of the 2014/15 year).

FINANCIAL OVERVIEW

Overall Performance

The Board's financial statements for the 2016/17 year accompany this Annual Report. After allowing for depreciation of \$88,331 (compared with \$97,181 for the 2015/16 year), the overall Statement of Financial Performance shows a surplus for the year of \$76,911 (compared with a deficit of \$42,097 for the 2015/16 year). However, the deficit for the previous year was after receiving donations of \$13,483 from the Friends for that year (compared with \$74,734 from the Friends plus a special community grant of \$30,000 procured by the Board from The Eastern & Central Community Trust for the 2016/17 year). Including the depreciation as set out above, but excluding the donations and special grants, the overall deficit for the 2016/17 year would be \$27,823 compared with a deficit of \$55,580 for the 2015/16 year.

Theatre and Ticketing Operations

A summary of the Board's core Theatre hireage and ticketing operations for the last four financial years (excluding donations, depreciation, ROBP activities and other extraordinary items) is as follows:

	2016/17	2015/16	2014/15	2013/14
Theatre Operations Surplus/(Deficit)	\$49,245	\$16,285	\$35,330	\$14,772
Ticketing Operations Surplus/(Deficit)	<u>\$32,751</u>	<u>\$4,420</u>	<u>\$12,216</u>	<u>(\$15,528)</u>
Total Surplus/(Deficit)	<u>\$81,996</u>	<u>\$20,705</u>	<u>\$47,546</u>	<u>\$756</u>

Net Assets

The Board's Statement of Financial Position shows net assets of \$565,652 (up from \$488,741 at the end of the 2015/16 year). However, as mentioned above, donations of \$13,483 from the Friends were received for the 2015/16 year compared with donations of \$74,734 from the Friends and a special community grant from The Eastern and Central Community Trust of \$30,000 in the 2016/17 year. The following table summarises the position at the end of the 2016/17 year and for the two previous years:

	2016/17	2015/16	2014/15
Net assets at beginning of year	\$488,741	\$530,838	\$381,981
Net assets at end of year	<u>\$565,652</u>	<u>\$488,741</u>	<u>\$530,838</u>
Increase/(Reduction) during year	<u>\$76,911</u>	<u>\$42,097</u>	<u>\$148,857</u>

As mentioned above, depreciation was \$88,331 for the 2016/17 year and \$97,181 for the 2015/16 year. Depreciation was \$90,242 for the 2014/15 year.

PLANNED SUPPLEMENTARY BAR FACILITIES FOR THE THEATRE

As set out in the General Manager's Annual Report, the more permanent bar and hospitality facility alongside the existing entrance foyer has now been established. This has been financed by the donation of \$74,734 received from the Friends, and by the special community grant procured by the Board from The Eastern & Central Community Trust of \$30,000, with the balance being contributed from the Board's reserves. The Board is confident that this will make a significant contribution to enhancing the theatre-going experience, and the Board is appreciative of the Council's assistance in providing the additional space to enable this outcome to be achieved.

PNCC GRANT

The Council grant received for the 2016/17 year was \$215,761.

HOW THE COMMUNITY FEELS ABOUT THE REGENT

The City Council Communitrak Survey includes survey material to show how the Theatre is rated by the people of Palmerston North. This survey was last conducted in 2013 and indicates that 78% of households had visited the Theatre during the 12 month period preceding the survey (compared with 66% in 2013), and that of these visitors 97% were satisfied with the Theatre. 89% of residents expressed satisfaction with the Theatre, including 67% who were very satisfied, while 1% were not very satisfied with the Theatre facilities and 10% (13% in 2013) were unable to comment. The survey continues to show that the Theatre is highly valued by the community and maintains a high level of visitor satisfaction.

THANKS

Again I express my thanks to the Theatre Manager, Charles Forbes, and his team for their work and efforts over the past year, and to each of the Board members for their time and continued commitment given on a gratuitous basis to the affairs of the Board. The Board has recently exercised its power under the Trust Deed to co-opt two new trustees to the Board, namely, Tania Kopytko and Mark Mabbett, who bring their own special skills and interests which I am sure will be of considerable value to the Board. I wish them well in their future involvement in the affairs of the Theatre.

CHAIRMANSHIP

This Annual Report will be my last. I was Chairman of the Board from its inception when it was established by the Council with a view to acquiring and saving the Theatre from demolition, and thereafter during the fundraising campaign for its restoration until after the restored Theatre was officially reopened in 1998. That role was then capably filled by Jim Jefferies during the

Theatre's initial operational years from 1998 until 2001 following which I again accepted the role, and this has continued down to the present time. I have always enjoyed my involvement with the Trust, however, I have been indicating to the Board for some time that my continued availability has become increasingly more difficult on account of my regular time away from New Zealand for family reasons. Accordingly, I have now notified the Board that I am unavailable for reappointment to the Chair at the forthcoming Annual General Meeting, but in the meantime I am willing to continue as a trustee during the remaining two years of my current appointment if that is the wish of the Board and leave of absence can be made available when required. I have complete confidence in the ability, dedication, and exceptional contributions of my co-trustees who voluntarily give of their time and skills for the ongoing benefit of this highly valued civic amenity.

September 2017

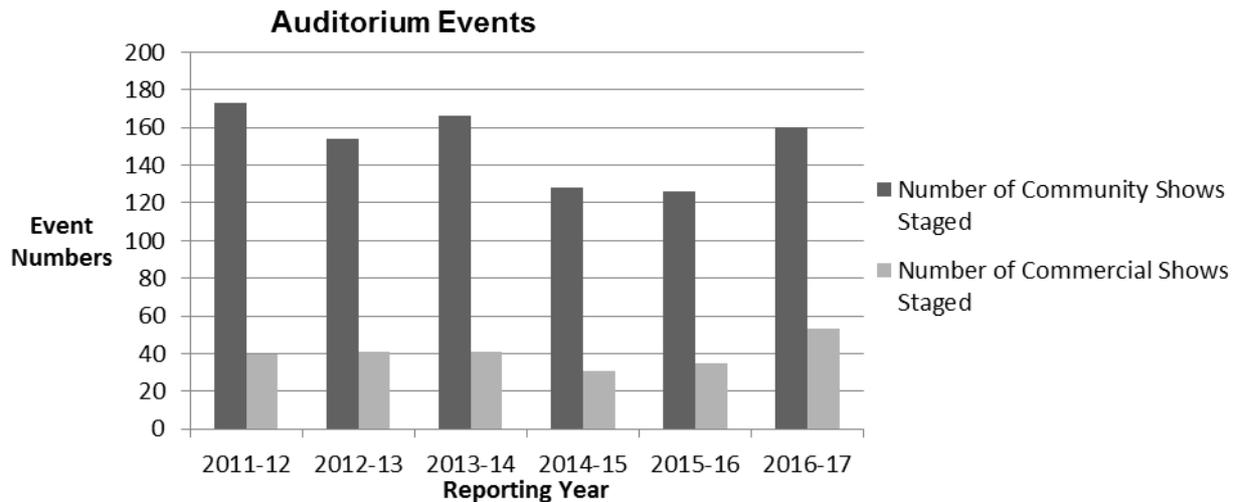
Maurice Rowe
Chairman

GENERAL MANAGER'S ANNUAL REPORT

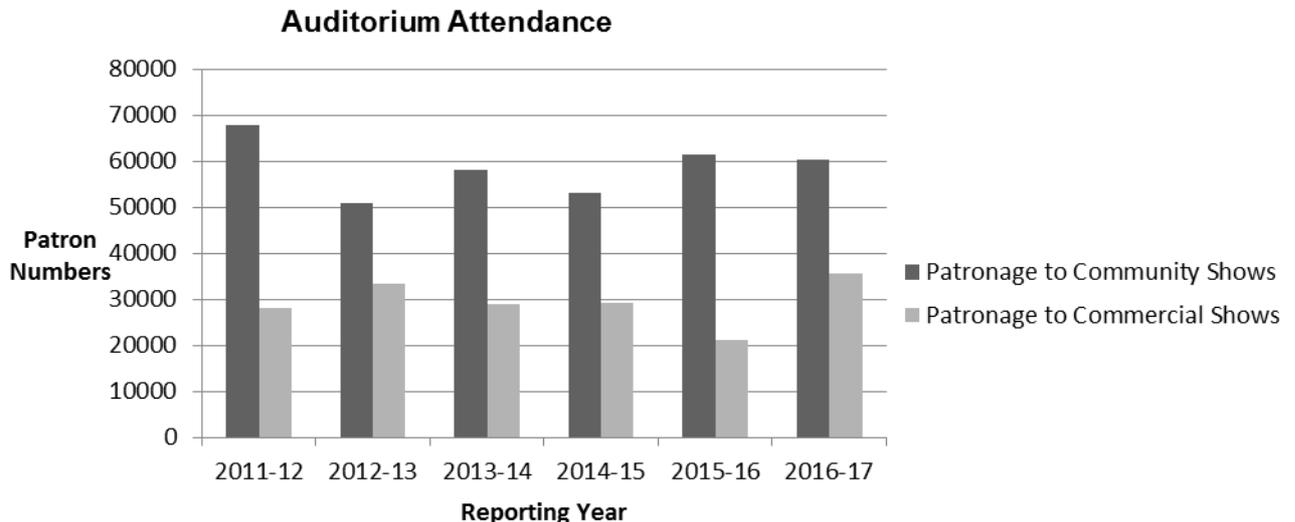
The 2016–17 Year Ending 30 June 2017

The Year

By August 2016 it was obvious theatre bookings were improving in respect to the previous two years and that a positive result for the new reporting year could be expected. This subsequently transpired and I can report the theatre has experienced an upward trend in venue bookings and with that a growth in attendances.



As demonstrated in the above graph, the number of shows presented in 2016-2017 by our community users has improved considerably in respect to the past two years, as has commercial events in respect to the past five years.



Understandably the increase in events has had a positive impact on attendances, but only to commercial shows. Although there has been an increase in community events there has not been a resulting increase in attendances. This is largely due to the two major community productions this year, "Cats" staged in August 2016 and "A Chorus Line" staged in April 2017, did not generate the usual patronage that major musical productions normally attract.

As mentioned, patronage to commercial shows has increased, being higher this year in comparison to the past five years and because of this theatre revenue has had a positive boost.

The increase in patronage to commercial shows has also had a positive impact on revenue through the EventTicketingCentre resulting in an overall reduction in the Regent Theatre Trust year end forecast deficit.

It has been the objective of the Trust to stage a major musical production early each year. This has traditionally been performed in April and in past years the Trust had been successful in encouraging local theatre groups to mount a production during this time. However the Board has been unsuccessful in encouraging a local Society to participate for a number of years now and therefore decided in this reporting year to undertake mounting a production solely as a Regent on Broadway Promotions production without the support of a local amateur society. The production was the 1970's Broadway hit musical "A Chorus Line". Unfortunately the show did not have the expected appeal and, as mentioned previously, did not achieve the estimated patronage. However it is still the desire of the Trust to encourage one of the local theatre groups to stage a major musical during the early months of each year so as to create activity during a period when traditionally there are a limited number of events booked.

The theatres new Foyer bar is operational and is already having an impact on reducing crowd congestion in the Grand Lobby. It is also expected the new bar will have a positive impact by adding to the appeal of the venue as a functions destination. The Trust wishes to thank the PN City Council for providing the additional premises so that the Trust is able to improve the theatre going experience that our patrons are now expecting.

Bookings from our commercial hirers who bring the professional shows to the Regent on Broadway have been positive during this reporting year. However the competition still remains from the major arena type concerts which have a bearing on whether a commercial promoter is prepared to mount a smaller regional tour at a time when one of these high profile events is also touring. These large stage expensive concerts in the main centres have the potential of watering down the discretionary spending power of our local theatre patrons. There were 53 commercial shows presented during this reporting period.

As mentioned, use of the theatre by our community groups has increased during this year in respect to the previous two years and we continue to receive steady requests for available dates. School and tertiary awards ceremonies made up approximately 12% of Auditorium live nights and school concerts and cultural festivals make up almost 5% of Auditorium live nights. Overall, 75% of all Auditorium live nights are in relation to local community events. It is still a key objective of the Board to make the venue as accessible as is possible to all community groups and organisations. A clear indication that this is being achieved is that over 66% of Auditorium hire income is generated from our commercial hirers, even though they occupy only 25% of all Auditorium live nights. Along with the PN Council Operational Grant funding, the income generated from commercial hire meets a large percentage of the theatre's operational costs and therefore the means to provide reduced hire rates to our community users.

Following is a list of key productions which were hosted in this 2016 – 2017 reporting period.

- **THE WIGGLES**
Producers: The Wiggles Live Australia Pty Ltd
Performed: Tues 9th July. (2 perf) Attendance: 1406 patrons.
The Wiggles are celebrating their 25th birthday with a 7 city tour across New Zealand in both the North and South Island. This popular group were of course be joined by Dorothy the Dinosaur, Captain Feathersword, Wags the Dog and Henry the Octopus.
A very popular children's stage show which was well patronised.

- **CATS.**
Producers: Palmerston North Operatic Society
Performed: 12th – 27th August. (12 Perf) Attendance: 6155 patrons.

Based on T.S. Elliot's "Old Possum's Book of Practical Cats", the show is set amongst a larger-than-life set and is alive with favourite feline characters.
A superbly produced production which was enjoyed by everyone who attended.

- **NZSO: SWING INTO SPRING.**
Producers: New Zealand Symphony Orchestra.
Performed: 2nd September. Attendances: 501 patrons.
Visiting 12 centres throughout New Zealand from Kerikeri to Invercargill, Swing into Spring was NZSO's most extensive tour during this year, it was also their first ever collaboration with the Rodger Fox Big Band. An outstanding New Zealand production which the theatre was proud to host.
- **POSTMODERN JUKEBOX**
Producers: KillRockStar Big Dog Entertainment
Performed: 3rd September. Attendance: 433 patrons.
Created by Scott Bradlee, the rotating collective of Postmodern Jukebox has spent the past few years amassing more than 450 million YouTube views and 1.9 million subscribers, performed on "Good Morning America," topped iTunes and Billboard charts and played hundreds of shows to packed-house crowds around the world.
The theatre was proud to host this famous group.
- **GISELLE**
Producers: Royal New Zealand Ballet
Performed: 9th September. Attendance: 1294
Former RNZB Artistic Director Ethan Stiefel's classic production of Giselle first toured New Zealand in 2012 to critical acclaim and sell-out audiences. Subsequently performed by the RNZB in China, the USA, the UK and Italy, and turned into a feature film by New Zealand director Toa Fraser, this was a welcome opportunity for New Zealand audiences to again see this hauntingly beautiful ballet.
An outstanding production.
- **MENOPAUSE THE MUSICAL**
Producers: Ben McDonald Ltd
Performed: 20th September. Attendance: 459 patrons.
This all-singing, all-dancing comedy is set in a department store where four women with seemingly nothing in common meet by chance at a lingerie sale. A hysterically uplifting musical which was enjoyed by everyone who attended.
- **THE MERRY WIDOW**
Producers: Wellington Gilbert and Sullivan Society
Performed: 24th September. Attendance: 480 patrons.
Lehár's beloved romantic comic opera was staged with great operatic lead singers, a cast of 40 singers and dancers, and a 27 piece orchestra; live music at its traditional best. A heart-warming musical portrayal of the wiles and foibles of would-be lovers, crossed with political intrigue in a Parisian setting.
- **BEYOND THE BARRICADE**
Producers: Lunchbox Productions
Performed: 30th September. Attendance: 731 patrons.
Starring past principal performers from Les Misérables in the West End, a glittering two-hour concert featured the best-loved songs from the world's greatest Broadway and West End shows, including The Phantom of the Opera, Jersey Boys, Evita, Wicked, Miss Saigon, West Side Story, Mamma Mia, Jesus Christ Superstar, The Lion King and many others.
A great night of musical theatre.

- **TRASH TEST DUMMIES**
 Producers: Regent on Broadway Promotions
 Performed: 7th October. Attendance: 117 patrons.
 Side-splitting laughs meets amazing circus stunts as three dexterous dummies took out the trash and took to the stage. Astonishing feats of balance, acrobatics and juggling, these absurd garbologists took the household wheelie bin to new heights.
 A hilarious family show that should have received greater patronage.
- **THE NUTCRACKER**
 Producers: Event Entertainment
 Performed: 9th November. Attendance: 700 patrons
 Following their sell-out 2015 performances of Swan Lake, the Imperial Russian Ballet Company return to New Zealand to perform The Nutcracker. Involving a large number of local young dancers this production was outstanding.
- **KO WHIRI TIKA MAI.**
 Producers: Ko Whiri Tika Mai
 Performed: 11th November. Attendance: 985
 Ko Whiri Tika Mai is the bi-annual primary and intermediate regional kapa haka competition for Manawatu/Horowhenua (Rangitane). This is the qualifying competition for the national Te Mana Kuratahi kapa haka competition.
- **CELTIC ILLUSION**
 Producers: Rokitz Entertainment Pty Ltd
 Performed: 12th November. Attendance: 1014
 Celtic Illusion is an explosive, creative Irish Dance and Grand Illusion force which has grown to be one of the biggest dance shows in the world. The performance showcased a cast of champion and internationally acclaimed dancers, including performers from Rhythms of Ireland, River Dance and Lord of the Dance. Patrons witnessed brilliant Celtic dance along with spellbinding illusion.
- **GREASE.**
 Producers: Ben McDonald Ltd
 Performed: 29th November. Attendance: 1180 patrons.
 Grease is the original High-School musical, featuring all the unforgettable songs from the hit movie including You're The One That I Want, Grease Is The Word, Summer Nights, Hopelessly Devoted To You, Sandy, Greased Lightning' and many more. Packed with explosive energy, this high-octane rock 'n' roll musical was thoroughly enjoyed by an almost full house.
- **7 DAYS LIVE**
 Producers: Tetherthedogsin Ltd
 Performed: 1st December. Attendances: 1295 patrons
 Modelled on the popular TV production, this hilarious but risqué show attracts a following from a strong NZ fan base and has become a regular feature in December each year. A very popular show for end of year corporate groups.
- **NANO GIRL**
 Producers: Nanogirl Labs Ltd
 Performed: 15th December. (2 Perf) Attendance: 864 patrons.
 Nanogirl in Little Bang, Big Bang - a Live Science Spectacular. Nanogirl (Dr. Michelle Dickinson MNZM) explains the science behind each experiment in a way that's fun and easy to understand. It starts with a small experiment to explain each idea (the Little Bang) - often with the help of a volunteer from the audience - then Nanogirl takes the same principle and turn it up to BIG BANG scale.
 An exciting and entertaining way of explaining science.

- **THE HOLLIES**
 Producers: Pacific Entertainment Ltd
 Performed: 22nd February. Attendances: 1376 patrons
 This famous rock band returns for one more five concert New Zealand tour. The Hollies are one of the best-loved groups from the 1960's British Rock revolution. Their soaring distinctive harmonies, brilliantly crafted songs and sublime musicianship along with a back catalogue of hugely popular hit songs has ensured the longevity of the band and its music for over 50 years.
 The Regent on Broadway was extremely fortunate to be chosen as one of the few venues on this prestigious tour.
- **PEPPA PIG**
 Producers: TEG Live (Ticketek)
 Performed: 7th March. (3 Perf) Attendances: 1141 patrons.
 In Peppa Pig Muddy Puddles Live!, Peppa Pig & George Pig like to play dress-ups, make pancakes with Mummy Pig, and even clean up their playroom while they wait for a very rainy day to go away. Children sang, danced and jumped along with Peppa, George, Mummy and Daddy Pig in this playful interactive show.
 A very popular show for the very young.
- **DANIEL O'DONNELL**
 Producers: Adrian Bohm Presents
 Performed: 8th March. Attendances: 1074 patrons.
 Ireland's most popular "easy listening" entertainer returned once again to the Regent on Broadway. Daniel has enjoyed tour and chart success in Australia and New Zealand for a number of years and earned himself a loyal following that stretches across both countries. A very popular artist attracting patrons from all over the central North Island region.
- **DAVID STRASSMAN "iTedE"**
 Producers: Rockcity Event Marketing
 Performed: 10th March. Attendances: 947 patrons.
 David Strassman returned with a brand new show, an evening of side-splitting comedy and riotous antics from Ted E. Bare and the malicious Chuck Wood. A very funny production from one of the world's best ventriloquists.
- **CARMEN (The Ballet) & L'ARLÉSIENNE**
 Producers: Royal New Zealand Ballet
 Performed: 17th March. Attendances: 867 patrons.
 Two landmark works of 20th century dance, never before performed in New Zealand, were given their first performances by the RNZB. These iconic works by French master-choreographer Roland Petit with music by Georges Bizet combine explosive drama and high-voltage technique.
 A brilliant evening of superb ballet.
- **A CHORUS LINE**
 Producers: Regent on Broadway Promotions)
 Performed: 19th to 23rd April. (7 Perf) Attendances: 2114 patrons.
 Sponsored by Property Brokers and in support of Arohanui Hospice.
 A Chorus Line examines one day in the lives of seventeen dancers, all vying for a spot in the "chorus line" of a Broadway musical. Based on real Broadway dancers' stories, as told to fellow dancer and choreographer Michael Bennett, A Chorus Line is funny, heartbreaking and refreshingly honest. A well performed show but unfortunately did not have the expected box office appeal.

- PINK FLOYD EXPERIENCE**
 Producers: In The Flesh Productions
 Performed: 4th May. Attendances: 1025 patrons.
 This hugely popular tribute band has been touring New Zealand and Australia for the past 20 years and celebrated this 20th Anniversary with a brand new show. This was a Pink Floyd fans dream concert.
- SWAN LAKE**
 Producers: Grand International Concerts Ltd
 Performed: 5th May. Attendances: 522 patrons.
 The Moscow Ballet 'La Classique' made a triumphant return to New Zealand with this most splendid ballet of all time, brought to life by Petipa & Tchaikovsky's brilliant score. The unrivalled skill and pathos of the famous Moscow Ballet 'La Classique' was excellent and a wonderful evening of superb ballet.
- ENTERTAIN US**
 Producers: New Zealand Media & Entertainment (Guardian Newspaper)
 Performed: 13th May. Attendances: 666 patrons.
 The Manawatu Guardian and The Hits 97.8 brought Entertain Us to the Regent stage after an extensive search for Manawatu's brightest stars. A showcase of only the best entries were chosen to perform in the live final. The winner on the night received a \$3000.00 travel voucher. A great night of emerging talent from our region.
- TIKI TANE MAHUTA**
 Producers: Te Ao Marama Tapui Ltd
 Performed: 19th May. Attendances: 332 patrons.
 After a stunning 2015 debut seen by 3,500 in Christchurch, the Te Runanga o Ngai Tahu Season of Tiki Taane Mahuta began its tour 13 cities in Aotearoa in 2017 beginning at the Regent on Broadway. Combining theatre, spectacular aerials, contemporary dance, kapa haka, mau rakau and hip hop, Tiki Taane Mahuta is one of New Zealand's largest nationally-devised productions set to the award winning soundtracks of Tiki Taane. Created by Artistic Director Tanemahuta Gray, this tour sees Tiki Taane and Shapeshifter's Sam Trevethick perform live with the production for the first time. This production was collaboration with the music industry with how theatrical narrative can combine with Tiki's cannon of works to create a whole new genre of integrated live performance. A brilliant and innovative production that wowed everyone who were fortunate enough to attend
- JAZZ GALA**
 Producers: Rodger Fox & Associates
 Performed: 3rd June. Attendances: 564 patrons.
 Featuring Dave Weckl, Tony Lindsay, Adam Schroeder and Alex Sipiagin In Concert with the Rodger Fox Big Band. A great climax to this year's Jazz Festival.
- JONO and BEN LIVE**
 Producers: TV Three – Mediaworks Live
 Performed: 13th June. Attendances: 1393 patrons.
 An off the cuff production labelled "Bro Town" which was designed to highlight a New Zealand city as the best bro town. Palmerston North was the choice and the Regent on Broadway featured throughout the show. A free to enter production which resulted in a full house. A fun night was had by everyone.
- GANG SHOW**
 Producers: Manawatu Gang Show Association
 Performed: 28th June to 1st July. Attendances: 1393 patrons.
 Manawatu Gang Show presented their new show "Showtime!". Every two years a talented group of over 90 young people stage a variety show including sketches, dance

and musical items in a fast moving revue, based on the original idea of Ralph Reader CBE. The Gang Shows are performed and produced by members of the Scout and Girl Guide Associations all around the world.

A fantastic production which introduces young people to the exciting world of the performing arts

The above events were but a few of the many excellent community and professional events that were performed on the Regent on Broadway stage.

The major production for this reporting period was “Cats” presented by the Abbey Musical Theatre, August 2016. The production was outstanding with brilliant staging and wonderful costuming which brought to life the many feline characters in this famous Andrew Lloyd Webber musical. Possibly due to the production being too close to when it was last performed, the patronage was not as expected with 4880 paying patrons. As mentioned in previous reports, these productions compare well with professional shows which confirms the wonderful resource of talent which exists in our region. The Regent Theatre Trust and Management make an effort to encourage our local theatre groups to present these annual big stage productions. It is these productions which encourage and develop the interest and skills in the performing arts that has the potential to shape future career paths plus bring to the city the big stage productions (such as “Mama Mia”, Les Miserables” and “Miss Saigon”) that would otherwise not perform at the Regent on Broadway or in our region. Congratulations must go to Abbey Musical Theatre for giving our regional audiences the opportunity to see this excellent and delightfully entertaining musical.

REGENT ON BROADWAY PROMOTIONS

The Trust has once again endeavoured to be proactive in bringing quality entertainment to our city. In this reporting year we engaged 3 shows, supported 1 major musical as a joint venture partner and independently produced 1 major musical production, all of which were financed through the Trusts entrepreneurial account, Regent on Broadway Promotions. This has resulted in an increase in productions that otherwise would not have been performed in our city.

The following productions were supported or presented through Regent on Broadway promotions in this 2016 – 2017 reporting period.

- **A DORIS DAY SPECIAL**
Performed: 10th July. Attendance: 164
With her bubbly personality, lilting voice and blonde beauty, Doris Day was America's singing sweetheart of the silver screen during the 1950's and 1960's. A show based on the 1971 and Doris Day Television Special. Written and performed by New Zealand performer Ali Harper.
Engaged to perform at the theatre by the Regent Theatre Trust through Regent on Broadway Promotions.
- **CATS**
Producers: Palmerston North Operatic Society
Performed: 12th – 27th August. (12 Perf) Attendance: 6155 patrons.
Financially supported by Regent on Broadway Promotions as a joint venture partnership.
- **LEGENDARY DIVAS**
Performed: 2nd October. Attendances: 74 patrons.
Ali Harper celebrates the legendary divas that have inspired us with their music. Singing songs of Madonna, Edith Piaf, Julie Andrews, Dolly Parton and many more. A quality production which deserved better patronage.

Engaged to perform at the theatre by the Regent Theatre Trust through Regent on Broadway Promotions.

- **TRASH TEST DUMMIES**
Producers: Regent on Broadway Promotions
Performed: 7th October. Attendance: 117 patrons.
Engaged to perform at the theatre by the Regent Theatre Trust through Regent on Broadway Promotions.
- **A CHORUS LINE**
Producers: Regent on Broadway Promotions)
Performed: 19th to 23rd April. (7 Perf) Attendances: 2114 patrons.
Sponsored by Property Brokers and in support of Arohanui Hospice.
Independently produced and presented by the Regent Theatre Trust through Regent on Broadway promotions.

Investigation continues into other productions that may be receptive to our local theatre patrons and which are in line with the theatre's vision as New Zealand's leading and most vibrant provincial theatre.

THE FRIENDS OF THE REGENT

Each year I report how special the Friends of the Regent are to the Regent on Broadway and how they are an integral part of theatre operations. The Friends are responsible for the ushering and catering duties on event day. The training undertaken by this group of volunteers is to a very high level which gives assurance to the Regent Theatre Trust and Management that we have a safe and efficient working venue. The dedication and commitment by the Friends is outstanding especially when it is being provided by a group who receive no personal reward except the satisfaction they are supporting their city's Auditorium and one of New Zealand's iconic performing arts facilities.

The services for ushering and front-of-house catering provided by the Friends of the Regent are on-charged to each event. All proceeds from these services are then given back to the theatre by way of support to the theatre's infrastructure or the provision of new equipment.

Contributions from the Friends of the Regent total \$74,733.68 for this reporting year. Approved contributions by the Friends to the theatre's facilities were to support the refurbishment of the new foyer bar project.

The Regent Theatre Trust and Management is once again extremely grateful to the Friends of the Regent for the overwhelming support provided, not only through the supply of equipment and infrastructure but also the provision of highly skilled and professional front of house ushering and catering services.

THE TEAM

A performing arts venue of the size and capacity of the Regent on Broadway cannot operate without the skill and expertise of a good team to advise and support the large variety of events held. A cohesive and skilled team is the cornerstone of any successful operation and I am proud to be part of a team that strives to achieve the goals that has contributed to the success of all events held at the Regent on Broadway this year.

Our team of Julie Walker, Anoushka Treur, Karen Hambling, Jenina Mangoma, Jude O'Neil and Taylor Ellis who look after the theatre's administration and ticketing, and Jason Woods and Cheenu Natarajan who are responsible for all things technical, have all performed exceptionally

this year. Also our Front of House Management team of Chris Laing, Janice Jones and David Walsh who look after theatre operations and our patrons on show day.

I wish to thank this skilled and talented team for their hard work and dedication in bringing the Regent on Broadway through another very successful year.

LOOKING FORWARD

The Regent on Broadway team are in constant communication with our key hirers and we are already working on securing bookings for 2018 and beyond. Bookings for the remainder of 2017 are excellent with a range of shows that should appeal to all sections of our community. The challenges in respect to audience growth is a constant focus for our audience development program and will receive continuing attention in this and future years.

Bookings from our local community groups grows, especially our local schools. Considerable effort is made to attract schools and other education providers to use the theatre. It is principally through the types of events that involve our youth that we see growth in the performing arts by creating the performers and audiences of tomorrow.

APPRECIATION

The Management and team of the Regent on Broadway would like to thank the Palmerston North City Council for its continued support and Council staff who have provided their advice, expertise and services during the year.

I would again like to express my gratitude to the Operational team and Friends of the Regent plus thank members of the Regent Theatre Trust Board for their professional governance in helping guide the theatre through another successful year.

September 2017

Charles Forbes
General Manager

Statistics for the year ended 30th June 2017

Measures of level of activity generated by the theatre

	2014/15	2015/16	2016/17
Number of events held at the Regent on Broadway	413	367	420
Auditorium days usage	165	162	204
Total number of days open for business	308	308	308

Measures of the overall success of the events held at the Theatre

Total attendances for each year	87,761	89,280	100,576
Our total attendances were sourced from:			
National / International Theatre	22,487	19,494	31,075
Conferences and other commercial activities	11,703	8,239	8,293
Local Theatre	27,185	34,579	38,474
Schools, Massey, IPC and UCOL	24,486	26,607	19,903
Other local events	1,900	361	2,830
Total attendances since we re-opened in May 1998:	1,822,955	1,912,235	2,012,811

Measures of the financial performance of the Theatre Operations

Total theatre revenue – hire and cost recoveries	\$462,498	\$414,559	\$477,228
Operational Grant from PN City Council	\$234,643	\$236,521	\$215,761
Expenses (less depreciation)	(\$661,811)	(\$634,795)	(\$643,744)
Depreciation (Principally donated assets)	(\$90,242)	(\$97,181)	(\$88,331)
Operating surplus (deficit) after all costs	(\$54,912)	(\$80,896)	(\$39,086)

Measures of the activities of Regent on Broadway Promotions

Surplus (Deficit) from <i>Regent on Broadway Promotions</i>	(\$254)	\$19,614	(\$23,048)
Number of shows undertaken	2	6	5

Measures of activities of the EventTICKETINGCentre

Surplus (Deficit) from TicketDirect	\$12,216	\$4,420	\$32,751
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Communitrak survey.
visitor satisfaction rating

2012	2013	2014	2015	2016	2017
98%	Not available	98%	Not available	Not available	97%

Regent Theatre Trust Inc

Performance outcomes for Key Performance Indicators.

Reporting period 2016 - 2017: Full year results.

<p>1. To nurture and encourage relationships with New Zealand's key national cultural icons (such as the Royal New Zealand Ballet, the New Zealand Symphony Orchestra and Chamber Music NZ) and to source and encourage national and international promoters to bring quality productions to the city.</p> <p>2.</p>	<p>2016/17 Full Year KPI's</p>	<p>Full year results to June 2017 (this reporting year)</p>	<p>Full year results to June 2016 (previous year)</p>
<p>Percentage of revenue from auditorium hireage from commercial use: Not less than</p>	<p>55%</p>	<p>66.91%</p>	<p>55.09%</p>
<p>The number of live nights at full commercial rates: Not less than</p>	<p>40</p>	<p>53</p>	<p>35</p>
<p>Percentage of attendances to commercial events in respect to total attendances: Not less than</p>	<p>30%</p>	<p>39.14%</p>	<p>31.06%</p>
<p>2. To provide a well-resourced and well-equipped amenity which attracts a wide range of performances and events to the city.</p>			
<p>Additional capex funding from the Friends of the Regent and other providers of charity funding: No less than</p>	<p>\$40,000.00</p>	<p>\$104,734.00</p>	<p>\$13,483</p>
<p>3. To host Pacifica, Maoritanga and other cultural festivals (i.e. Pasifika Fusion, junior, intermediate and senior regional and national kapa haka festivals, The International Festival of Cultures).</p>			
<p>Days of use for cultural festivals, concerts and ceremonies: No less than</p>	<p>4</p>	<p>5</p>	<p>5</p>
<p>4. To host the majority of primary and intermediate school prize-givings and end of year concerts, secondary school and tertiary institutions prize-giving's and award and graduation ceremonies. Also to be the key host for all local dance school end-of-year productions and locally created concerts and variety shows</p>			
<p>Days the auditorium is used for school prize-giving's: No less than</p>	<p>8</p>	<p>13</p>	<p>12</p>
<p>Days the auditorium is used for tertiary graduation ceremonies: No less than</p>	<p>10</p>	<p>13</p>	<p>14</p>
<p>Percentage of attendances to community events in respect to total attendances: Not less than</p>	<p>60%</p>	<p>60.86%</p>	<p>68.94%</p>
<p>Accommodating community generated requests for the use of Regent amenities: Not less than</p>	<p>95%</p>	<p>100%</p>	<p>100%</p>
<p>5. To consider and/or participate in encouraging local productions of major stage shows and musical events</p>			
<p>Major productions by local theatre groups: Least number of shows</p>	<p>1</p>	<p>1</p>	<p>1</p>

6. To encourage and facilitate various non-arts events (such as seminars, and celebratory events e.g. weddings).To attract conferences which are not catered for by other city amenities			
Number of functions/events held in the Regency Room: No less than	35	39	36
Number of functions/events held in the Rehearsal Room: No less than	100	184	215
7. To consider and/or participate in encouraging national/international artists and productions.			
Major productions by professional theatre groups: Least number of shows	1	4	3
8. To provide an exciting and innovative programme of cultural and community events with broad appeal			
Total live night for the year: Not less than	160	213	161
Total attendances over the year for all events: Not less than	100,000	100,576	89,280
The communitrak survey confirms the continuing contribution to the city's economic and cultural wellbeing		Achieved	No survey conducted
9. To invest in an expansion of operations in order to meet the aspirations of the Trust Board and the City Council for maximising the use of the Theatre in a balance of civic, community and commercial uses.			
The three yearly communitrak survey for visitor satisfaction: Not less than	90%	97%	No survey conducted
To add new subscribers to the Regent database : Not less than	5%	No Data available	No Data available
10. To contribute to the City's cultural heritage by maintaining and preserving the physical infrastructure of the building and its fixtures and fittings as a recognised heritage amenity.			
To invest in a maintenance fund to meet general maintenance obligations: No more than	\$150k	\$150k	\$150k

Note:

In respect to performance outcome 9, (that there is a 5% increase in the number of subscribers to the Regent database) No data was available due to an error in the data base. The error made it impossible to identify or differentiate between the new subscribers and persons wishing to unsubscribe. The Regent Theatre Trust no longer includes this KPI as a performance measure.

Appendix A

Regent Theatre Trust Board 2016 to 2017 Annual Report

June 2017 Full year reporting.

Regent on Broadway Auditorium Occupancy Statistics - by total days

Based upon 308 operational days per year

(Approximately 57 dark days for annual leave, maintenance and the traditional seasonal dark days)

<u>2015 - 2016 Year Statistics</u>									
Half Year totals									
Total days auditorium usage 104			Total days auditorium is available 154						
Professional events	17	16.3%	Professional events	17	11.0%	0.72	Events per week	3.14	Events per month
Community events	87	83.7%	Community events	87	56.5%	3.69	Events per week	16.05	Events per month
			Available days	50	32.5%			<u>19.19</u>	Total Events per month
Full Year totals									
Total days auditorium usage 162			Total days auditorium is available 308						
Professional events	35	21.6%	Professional events	35	11.4%	0.74	Events per week	3.23	Events per month
Community events	127	78.4%	Community events	127	41.2%	2.69	Events per week	11.71	Events per month
			Available days	146	47.4%			<u>14.93</u>	Total Events per month

<u>2016 - 2017 Year Statistics</u>									
Half Year totals									
Total days auditorium usage 120			Total days auditorium is available 154						
Professional events	26	21.7%	Professional events	26	16.9%	1.10	Events per week	4.80	Events per month
Community events	94	78.3%	Community events	94	61.0%	3.99	Events per week	17.34	Events per month
			Available days	34	22.1%			<u>22.14</u>	Total Events per month
Full Year totals									
Total days auditorium usage 213			Total days auditorium is available 308						
Professional events	53	24.9%	Professional events	53	17.2%	1.12	Events per week	4.88	Events per month
Community events	160	75.1%	Community events	160	51.9%	3.39	Events per week	14.75	Events per month
			Available days	95	30.8%			<u>19.63</u>	Total Events per month

Entity Information

For the year ended 30 June 2017

Legal name

Regent Theatre Trust Inc. (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by The Palmerston North City Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

The primary objective of the Trust is to maximise use of the theatre by being pro-active in encouraging professional and amateur theatre, conference organisers, community groups, schools and the general public to make full use of the facilities and make a very major contribution to the Palmerston North City Council city vision.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of five Trustees who oversee the governance of the Trust, a General Manager who is responsible for the day to day operations and management and reporting to the Trustees, plus eight other full-time staff who support the General Manager. The Trustees are appointed by the Palmerston North City Council.

Main sources of the Trust's cash and resources

Operating grants received from the Palmerston North City Council plus other income as received by way of Theatre hire and event ticketing centre income are the primary sources of funding to the Trust.

Theatre operations

For the year ended 30 June 2017

	<i>Note</i>	2017	2016
		\$	\$
Revenue			
Theatre hire		217,168	177,778
Recoveries and commissions		253,169	229,922
Council Funding - PNCC		215,761	236,521
Recovered impaired receivables		-	-
Interest revenue		6,891	6,859
Total income		692,989	651,080
Expenses			
Operating costs	2	212,320	223,520
Administration costs	2	66,142	64,235
Employee related costs		365,282	347,040
		643,744	634,795
Net operating surplus / (deficit)		49,245	16,285

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Regent on Broadway Promotions

For the year ended 30 June 2017

	<i>Note</i>	2017 \$	2016 \$
Revenue			
Sinatra Lives		-	13,796
Book of Everything		-	3,222
Modern Maori Quartet		-	5,203
Daffodils		-	1,495
Last Night of the Proms 2015		-	27,183
Reach for the Stars		-	4,655
Trash Test Dummies		1,646	-
Legendary Divas		1,526	-
A Chorus Line	21	72,955	-
Cats 2016		36,312	-
Doris Day		5,101	-
Total income		117,540	55,554
Expenses			
A Chorus Line		-	66
Doris Day		-	1,733
Sinatra Lives		-	14,728
Book of Everything		-	4,713
Modern Maori Quartet		-	985
Daffodils		-	1,386
Last Night of the Proms		-	11,829
Reach for the Stars		-	500
August Festival		345	-
Trash Test Dummies		7,370	-
Legendary Divas		5,162	-
A Chorus Line		87,933	-
Cats 2016		33,062	-
Doris Day		6,716	-
		140,588	35,940
Net operating surplus / (deficit)		(23,048)	19,614

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Piano Campaign

For the year ended 30 June 2017

	<i>Note</i>	2017 \$	2016 \$
Revenue			
Interest revenue		1,777	1,284
Total income		<u>1,777</u>	<u>1,284</u>
Expenses			
Piano maintenance		217	-
		<u>217</u>	<u>-</u>
Net operating surplus / (deficit)		<u>1,560</u>	<u>1,284</u>

The Trust Board had undertaken a fund raising campaign for the specific purpose of purchasing a new grand piano. In December 2001 this grand piano was purchased with any remaining funds to be used on maintenance, upkeep and tuning.

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Event Ticketing Centre

For the year ended 30 June 2017

	<i>Note</i>	2017	2016
		\$	\$
Revenue			
Ticketing fees		127,823	107,610
Interest revenue		13	53
Recoveries		-	324
Total income		<u>127,836</u>	<u>107,987</u>
Expenses			
Cost of sales		6,470	6,870
Eftpos terminals / computers		1,722	1,847
Electricity		2,392	2,727
Freight		477	552
Employee related costs		62,750	55,985
Rental		-	13,293
Stationery		140	512
Telephone		10,754	10,669
Training		-	-
Marketing and promotion		10,380	11,112
		<u>95,085</u>	<u>103,567</u>
Net operating surplus / (deficit)		<u>32,751</u>	<u>4,420</u>

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Statement of financial performance

For the year ended 30 June 2017

	<i>Note</i>	<i>2017</i> \$	<i>2017</i> <i>Budget</i> \$	<i>2016</i> \$
Revenue				
Theatre Operations	1	470,337	466,700	407,700
Regent on Broadway Promotions		117,540	50,000	55,554
Piano Campaign		-		-
Event Ticketing Centre		127,823	125,000	107,934
Council Funding - PNCC		215,761	212,996	236,521
Interest revenue		8,681	6,000	8,196
Community Grants	22	30,000		-
Donations from Friends of Regent	20	74,734		13,483
Total income		1,044,876	860,696	829,388
Expenses				
Theatre Operations	2	278,462	277,250	287,757
Employee related expenses	3	428,032	525,928	403,025
Regent on Broadway Promotions		140,588	45,000	35,940
Piano Campaign		217		-
Event Ticketing Centre		32,335	31,530	47,582
Depreciation		88,331	80,000	97,181
Total expenses		967,965	959,708	871,485
Net surplus / (deficit) for the year		76,911	(99,012)	(42,097)

The Trustees have resolved to transfer none (2016: \$Nil) of the net operating surplus (deficit) to the maintenance reserve.

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Statement of changes in equity

For the year ended 30 June 2017

	<i>Total Equity \$</i>
Balance as at 1 July 2015	530,838
Net surplus / (deficit) for the year	(42,097)
Balance as at 30 June 2016	<u>488,741</u>
Balance as at 1 July 2016	488,741
Net surplus / (deficit) for the year	76,911
Balance as at 30 June 2017	<u>565,652</u>

* *Balances disclosed in this statement are attributable to the Trust.*

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Statement of financial position

As at 30 June 2017

	<i>Note</i>	2017 \$	2016 \$
Current assets			
Bank accounts and cash	4	104,032	156,681
Prepaid Insurance		7,499	7,752
Debtors	5	27,331	18,425
Investments	6	246,481	160,879
Seeding capital receivable		20,000	32,693
Goods & services tax		7,441	-
		<u>412,784</u>	<u>376,430</u>
Non-current assets			
Property, plant & equipment	7	287,502	234,641
		<u>287,502</u>	<u>234,641</u>
Total assets		<u>700,286</u>	<u>611,071</u>
Less liabilities:			
Current liabilities			
Creditors and accrued expenses	8	71,438	58,463
Deposits in advance	9	11,235	12,693
Employee costs payable	10	51,961	39,589
Goods & services tax		-	11,585
Total liabilities		<u>134,634</u>	<u>122,330</u>
Assets less liabilities		<u>565,652</u>	<u>488,741</u>
Equity			
Steinway Piano Campaign Fund	16	48,184	46,624
Theatre Operations	17	279,497	181,098
Regent on Broadway Promotions	18	87,971	111,019
Maintenance Reserve	19	150,000	150,000
Total equity		<u>565,652</u>	<u>488,741</u>

Authorised for issue on behalf of the Board:

Trustee

Date:

Trustee

Date:

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Statement of cash flows

For the year ended 30 June 2017

	<i>Note</i>	2017	2016
		\$	\$
Cash flows from operating activities			
<i>Cash was provided from:</i>			
Receipts of council funding		215,761	236,521
Interest receipts		6,078	8,525
Donations and Grants		104,734	21,240
Receipts from operations		708,761	562,829
		<u>1,035,334</u>	<u>829,115</u>
<i>Cash was applied to:</i>			
Payments to suppliers and employees		852,247	786,083
GST (net)		21,635	(1,043)
		<u>873,882</u>	<u>785,040</u>
Net cash flows from operating activities		<u>161,452</u>	<u>44,075</u>
Cash flows from investing and financing activities			
<i>Cash was provided from:</i>			
Receipts from sale of investments		160,879	155,106
Repayment of seeding capital		32,693	10,487
		<u>193,572</u>	<u>165,593</u>
<i>Cash was applied to:</i>			
Payments to acquire investments		246,481	160,879
Payments to acquire property, plant and equipment		141,192	16,549
Lending of seeding capital		20,000	32,693
		<u>407,673</u>	<u>210,121</u>
Net cash flows from investing and financing activities		<u>(214,101)</u>	<u>(44,528)</u>
Net increase (decrease) in cash for the year		<u>(52,649)</u>	<u>(453)</u>
Add opening bank accounts and cash		<u>156,681</u>	<u>157,134</u>
Closing bank accounts and cash	4	<u><u>104,032</u></u>	<u><u>156,681</u></u>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes

These statements are to be read in conjunction with the notes and accounting policies on pages 30-40

Statement of accounting policies

For the year ended 30 June 2017

Accounting Policies Applied

Basis of preparation

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

Significant Accounting Policies

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met (“use or return condition”). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

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.

Donated assets

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.

Interest

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

Recoveries and commissions

Amounts disclosed in the Statement of Financial Performance consist of monies recovered from the theatre hirer for direct costs incurred during the hire period. These include labour, electricity and gas and staging expenses.

Statement of accounting policies (continued)

For the year ended 30 June 2017

Employee Related Costs

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

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

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

Advertising, marketing, administration, overhead, and fundraising costs

These are expensed when the related service has been received.

Lease expense

Lease payments are recognised as an expense on a straight-line basis over the lease term.

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

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

Investments comprise investments in terms deposits with banks.

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.

Statement of accounting policies (continued)

For the year ended 30 June 2017

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:

Plant & equipment	25%	Straight-line
Furniture & fittings	20%	Straight-line
Piano	5%	Straight-line
Leasehold improvements	8.4%	Straight-line

Creditors and accrued expenses

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, lieu hours and annual leave earned but not yet taken at balance date.

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 Regent Theatre Trust Inc. has been granted charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

Tier 2 PBE Accounting Standards applied

The Trust has not applied any Tier 2 Accounting Standards in the preparing its financial statements.

Notes to the financial statements

For the year ended 30 June 2017

1. Theatre Operations Revenue

	2017	2016
	\$	\$
Theatre hire	217,168	177,778
Recoveries and commissions	253,169	229,922
Total Theatre Operations Revenue	470,337	407,700

2. Theatre Operations Expenditure

	2017	2016
	\$	\$
<i>Operating costs</i>		
Advertising & promotion	28,572	30,574
Advertising recoverable	13,874	19,663
Cleaning	29,066	28,369
Electricity & gas	49,278	49,871
Freight & cartage	-	111
Water	800	725
Recoveries	8,998	13,002
Repairs & maintenance	21,365	17,359
Retail lease & rates	-	10,442
Sanitation	11,857	11,329
Technical supplies	883	1,671
Ushering staff	47,627	40,404
	212,320	223,520
<i>Administration costs</i>		
Audit fees (Audit New Zealand)	20,426	19,881
Bad debts	-	877
Bank fees	602	544
Computer expenses	184	497
Entertainment	2,767	2,889
Financial services	10,487	9,118
Insurance	11,072	13,153
Miscellaneous	2,183	1,595
Petty cash	174	217
Postage	170	136
Secretarial services	4,000	4,000
Security	977	947
Stationery	1,258	1,062
Subscriptions & licenses	4,368	4,595
Telephone	7,474	4,724
	66,142	64,235
Total Theatre Operations Expenditure	278,462	287,755

Notes to the financial statements (continued)

For the year ended 30 June 2017

3. Employee related costs

	2017	2016
	\$	\$
Salaries and wages	419,925	393,524
Increase / (decrease) in employee costs payable	8,107	9,501
Total employee benefit costs	<u>428,032</u>	<u>403,025</u>

4. Bank accounts and cash

Analysis of total cash book balances and deposit accounts as at 30 June:

	2017	2016
	\$	\$
Theatre administration account	37,043	72,354
Ticketek account	14,602	12,326
Call Account	52,387	72,001
	<u>104,032</u>	<u>156,681</u>

5. Debtors

	2017	2016
	\$	\$
Trade receivables	23,966	17,663
Less provision for impairment	-	-
Total trade receivables	<u>23,966</u>	<u>17,663</u>
Accrued interest	3,365	762
Total trade and other receivables	<u>27,331</u>	<u>18,425</u>

Notes to the financial statements (continued)

For the year ended 30 June 2017

6. Investments

	2017 \$	2016 \$
Current investments		
ANZ Bank term deposits	246,481	160,879
Total investments	<u>246,481</u>	<u>160,879</u>

7. Property, plant and equipment

	Plant and Equipment	Furniture and Fittings	Piano	Lease Hold Improvements	Total
Cost					
Balance at 1 July 2015	980,883	181,893	186,554	131,189	1,480,519
Additions	795	13,971	-	1,783	16,549
Disposals	-	-	-	-	-
Balance at 30 June 2016	<u>981,678</u>	<u>195,864</u>	<u>186,554</u>	<u>132,972</u>	<u>1,497,068</u>
Balance at 1 July 2016	981,678	195,864	186,554	132,972	1,497,068
Additions	-	4,734	-	136,458	141,192
Disposals	-	-	-	-	-
Balance at 30 June 2017	<u>981,678</u>	<u>200,598</u>	<u>186,554</u>	<u>269,430</u>	<u>1,638,260</u>
Accumulated depreciation					
Balance at 1 July 2015	780,182	168,930	136,634	79,500	1,165,246
Depreciation expense	71,016	6,027	9,327	10,811	97,181
Disposals	-	-	-	-	-
Balance at 30 June 2016	<u>851,198</u>	<u>174,957</u>	<u>145,961</u>	<u>90,311</u>	<u>1,262,427</u>
Balance at 1 July 2016	851,198	174,957	145,961	90,311	1,262,427
Depreciation expense	61,138	7,074	9,327	10,792	88,331
Disposals	-	-	-	-	-
Balance at 30 June 2017	<u>912,336</u>	<u>182,031</u>	<u>155,288</u>	<u>101,103</u>	<u>1,350,758</u>
Carrying amounts					
At 30 June 2016	130,480	20,907	40,593	42,661	234,641
At 30 June 2017	<u>69,342</u>	<u>18,567</u>	<u>31,266</u>	<u>168,327</u>	<u>287,502</u>

Leasehold improvements includes \$138,241 of work in progress (2016: \$1,783). This relates to a new bar at the Theatre which is not yet completed. This is not currently being depreciated.

Notes to the financial statements (continued)

For the year ended 30 June 2017

8. Creditors and accrued expenses

	2017	2016
	\$	\$
Creditors	54,245	41,639
Accrued expenses	17,193	16,824
Total creditors and accrued expenses	<u>71,438</u>	<u>58,463</u>
Comprising:		
Current	<u>71,438</u>	<u>58,463</u>
Total creditors and accrued expenses	<u>71,438</u>	<u>58,463</u>

9. Deposits in advance

Deposits in advance of \$11,235 (2016: \$12,693) are funds received by the theatre for shows and events yet to come.

10. Employee costs payable

	2017	2016
	\$	\$
Annual leave	35,231	24,637
Wages owing	16,024	13,108
Lieu hours owing	706	1,844
Total employee costs payable	<u>51,961</u>	<u>39,589</u>
Comprising:		
Current	<u>51,961</u>	<u>39,589</u>
Total employee costs payable	<u>51,961</u>	<u>39,589</u>

Notes to the financial statements (continued)

For the year ended 30 June 2017

11. Related party transactions

Palmerston North City Council

The total amount of operating grants received from the Council is disclosed in the statement of financial performance. There were no outstanding balances owed to the council at balance date (2016: Nil).

In terms of the Management Agreement between the Palmerston North City Council and the Trust, the Council's charges for rent, rates and insurance attributable to the Theatre are covered by the Council's internal accounting processes and do not require an actual payment to be made by the trustees.

Other goods and services were purchased totalling \$5,759 and received reimbursement for electricity line charge totalling \$497. A total of nil was payable to the council at balance date (2016: Nil). A total of \$571 was receivable from the council at balance date (2016: Nil).

A payment of nil was made to The Globe Theatre which is also a Council Controlled Organisation (2016: \$81).

Key management personnel

Fitzherbert Rowe Lawyers received payments totalling nil (2016: \$5,750) in the course of the year. The party is related because the partner Maurice Rowe is also a Trustee.

Aside from the transaction mentioned above, the Trustees did not receive payment for any other services in the 2017 financial year (2016: Nil).

12. Operating lease commitments

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2017	2016
	\$	\$
Not later than one year	1,294	4,939
Later than one year and not later than five years	2,480	-
Later than five years	-	-
Total non-cancellable operating leases	<u>3,774</u>	<u>4,939</u>

The Trust leases ETFPOS machines from EFTPOS Central for a period of 36 months. This agreement was resigned during 2017 and ends in 2020.

Notes to the financial statements (continued)

For the year ended 30 June 2017

13. Commitment to provide loan

There is the commitment to provide seeding capital up to \$30,000 of which seeding capital of \$20,000 has been provided (2016: \$32,693). There are no additional capital commitments as at 30 June 2017 (2016: Nil).

14. Contingent assets and liabilities

The Trust has no contingent assets or liabilities as at 30 June 2017 (2016: Nil).

15. Events subsequent to balance date

There have been no significant events subsequent to balance date (2016: Nil)

16. Steinway Piano Campaign Fund

	2017	2016	
	\$	\$	
Balance at beginning of year	46,624	45,340	Net
surplus / (deficit) for year	1,560	1,284	
Balance at end of year	<u>48,184</u>	<u>46,624</u>	

17. Theatre Operations

	2017	2016
	\$	\$
Balance at beginning of year	181,098	244,094
Donated Assets	74,734	13,483
Community Grants	30,000	-
Net surplus / (deficit) for year*	81,996	20,702
Depreciation	(88,331)	(97,181)
Balance at end of year	<u>279,497</u>	<u>181,098</u>

*Includes net surplus / (deficit) for both Theatre Operations and Event Ticketing Centre.

Notes to the financial statements (continued)

For the year ended 30 June 2017

18. Regent on Broadway promotions

	<i>2017</i>	<i>2016</i>
	\$	\$
Balance at beginning of year	111,019	91,405
Net surplus / (deficit) for year	(23,048)	19,614
Balance at end of year	<u>87,971</u>	<u>111,019</u>

19. Maintenance reserve

	<i>2017</i>	<i>2016</i>
	\$	\$
Balance at beginning of year	150,000	150,000
Balance at end of year	<u>150,000</u>	<u>150,000</u>

The maintenance reserve fund of \$150,000 was set up principally to support the Regent Theatre Trust's maintenance obligations in respect to theatre equipment and other tangible assets of the trust.

20. Donations from Friends of Regent for assets and time.

Donations from Friends of The Regent this year total \$74,734 (2016: \$13,483). Amounts donated to 30 June 2017 total \$725,180 (2016: \$650,446).

21. Donations from other sources.

Regent on Broadway Promotions revenue includes sponsorship of \$10,000 attributed to the production "Chorus Line" and this is included in the income of \$72,955 shown on page 23 (2016: \$7,800).

22. Community Grants.

A Community Grant was received from The Eastern & Central Community Trust for \$30,000 during the year.

Notes to the financial statements (continued)

For the year ended 30 June 2017

23. Explanation of significant variances against budget.

Explanations for significant variations from the budgeted figures in the Statement of Performance are as follows:

Revenue

Regent on Broadway Promotions. Budget \$50,000 versus actual \$117,540. It is not possible to accurately predict the success of various shows.

Community Grants and Donations from Friends of Regent. Income from these sources is not included in the budget due to the nature of the revenue type, being variable and unpredictable.

Expenses

Employee related expenses. Budget \$525,928 versus actual \$428,032. Some staff are on salaries and a number of other staff are paid on an hourly basis which varies based on the number of shows performed in the Theatre each year.

Regent on Broadway Promotions. Budget \$45,000 versus actual \$140,588. It is not possible to accurately predict the success of various shows.