

REGENT THEATRE TRUST BOARD

Annual Report 2019-20



REGENT THEATRE TRUST BOARD

Annual Report 2019-20

CONTENTS

Directory	2 - 3
Chairman's Report	5 - 6
General Manager's Report	7
Performance Measures	9 - 16
Statistics	17 - 25
Friends of the Regent President's Report	26

ANNUAL FINANCIAL REPORT

Entity Information	27
Theatre Operations	28
Regent on Broadway Promotions	29
Piano Campaign	30
Event Ticketing Centre	31
Statement of financial performance	32
Statement of changes in equity	33
Statement of financial position	34 - 35
Statement of cash flows	36
Statement of accounting policies	37 - 38
Notes to the financial statements	39 - 45



Chariman David Lea



OUR DIRECTORY

Come and see us at:	53 Broadway Palmerston North New Zealand
Mail, Phone us at:	PO Box 1723 Palmerston North Phone (06) 3502100
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	David Lea (Chairperson) Susan McConachy (Deputy Chair) Martin Carr Tania Kopytko Phil Payton Mark Mabbett Natalie Rowney Kane Parsons Maurice Rowe (July-Sept) Pat Snoxell (July-Sept) Julie Walker (Secretary Part year) Penny Odell (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

David Walsh (Acting General Manager May-Jun)
Charles Forbes (General Manager Jul-May)
Shamus Jackson (Technical Manager)
Cheenu Natarajan (Theatre Technician)
Julie Walker (Financial Controller)
Anoushka Treur (Promotions and Marketing Coordinator)
Karen Hambling (Ticketing)
Taylor Ellis (Ticketing)
Janice Jones (FOH Manager)
David Walsh (FOH Manager Jul-May)
Chris Laing (FOH Manager)
Jenina Mangoma (Operations Assistant)

All employees are accountable to the Trust Board through the General Manager.

FRIENDS OF THE REGENT**Office Holders**

Peter Doherty (President)
Adam Robertson (Vice President)
Christine Earle (Treasurer)
Lesley Findlay (Secretary)

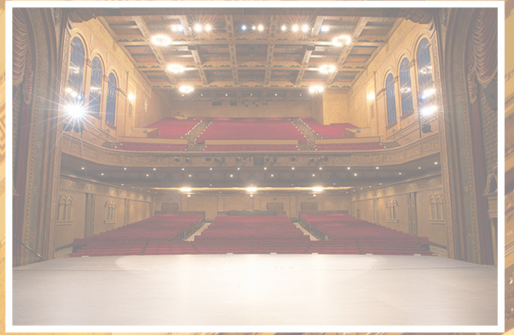
Friends of the Regent Patrons

Anna Leese
Pat Snoxell

The Friends is an incorporated society whose members voluntarily give their time to the Regent on Broadway. The Friends contract to provide ushering and Catering (Refreshments and Bar Services) to the Theatre patrons and hirers. This help to provide the Theatre with equipment purchases from the funds received for these efforts.

PALMERSTON NORTH CITY COUNCIL

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.



25TH ANNUAL CHAIRMAN'S REPORT

2019-20 Year Ended 30th June 2020

Her Majesty Queen Elizabeth II once famously said her year had been an "Annus Horribilis". I now know how she felt! I also wonder whether our past Board members Maurice Rowe and Pat Snoxell knew something when they decided to retire from the board last year!

What a year it has been. But let's start at the beginning as our year began on a real high with the hosting of Abbey Musical Theatre's production of Les Miserables. Another successful Abbey show and one that everyone should feel justifiably proud of. Our thanks to the team that made it possible.

Our usual programme continued and our calendar was full of local, national and international bookings. We were on track to achieve all our KPI's and our budget was looking healthy.

Our year continued as planned. We successfully completed our 20th birthday celebrations; we continued planning to complete our new sound system; we continued to work on our policy documents, to rewrite our Long Term Plan, to develop our Statement of Intent and half yearly reports to Council. Life was good and the future appeared bright.

Then Covid-19 struck and the whole world changed. We were locked down and nothing could or did happen for the rest of the year ending 30th June 2020. The Government wage subsidy enabled us to keep all staff but it has been a difficult time for them, especially dealing with all the cancellations and ticket issues that have arisen and complaints that have ensued.

I don't want to remind us all of the devastation this event brought on us, nor do I want to repeat everything we all know. I just want to say we are back in business (for now anyway) albeit in a limited capacity. We have our new Sound system up and running and we want to look forward to many exciting things to come - one of which is the 90th birthday of our building!

Last financial year not only gave us Covid but it also brought about the resignation of our longstanding General Manager Charles Forbes and the demise of our ticketing agent Ticket Rocket.

We have held a formal farewell for Charles befitting his long service where tributes were made by the

mayor, me, several long-standing promoters and many colleagues and friends. I cannot let this occasion pass without recording the Board's and, in fact, the whole city's thanks and gratitude for the role that Charles has played in the life of the Regent on Broadway from the very first days of our existence.

THE BOARD.

Our board consists of a well talented group of people with different skills and capabilities. Their names are recorded in the directory at the beginning of this report. The retirement of Maurice and Pat has meant we had some holes to fill and I am thrilled to introduce Phil Payton as our newest board member. Phil is a solicitor with a local law firm and has ably filled the gap left by Maurice, especially when a legal perspective is required around the board table at monthly meetings.

It is with a great deal of sadness we farewell board member Martin Carr who is retiring, effective this Annual meeting. Martin has been on the board for around 18 years and has a wealth of knowledge of all things theatre. This knowledge will be sadly missed (so will Martin!) but we know he is not moving far and we will be able to chase him down if there is something we know he knows and we want to know! A sincere thanks for all of your efforts, Martin and good luck for your future endeavours, especially with your involvement with Centrepont. The City Council are currently calling for expressions of interest from the public to fill the vacancy Martin will leave. We look forward to their determinations.

ACHIEVEMENTS IN THE PAST 12 MONTHS.

Of course Covid has reduced our actual operating period down to around just 9 months so we can only really look at what we have achieved in that same light.

Our numbers all point to what would have been a great year. We are thrilled with our community engagement and look forward to working with all local groups, schools, ethnicities and cultural groups. The continuation of our commitment to Palmerston North Operatic Society has been evidenced by our involvement with Sister Act The Musical this year. We all know that Covid beat us in the beginning but as of the past few weeks, we have beaten Covid. Our winning of the battle is, of course, happening in the next

reporting year so I will not dwell on it here suffice to say thank you to all who have made what we are doing, happen. We are the talk of the whole industry. Apart from operational matters, our exciting news is our sound system. We are grateful to our supporters and to those that have made it happen. This has been a project in the planning for several years and finally we are now experiencing a sound quality second to none.

The other major non-operational event of course was the resignation of Charles. This happened just after Covid struck and was received with a very heavy heart by the board. Appropriate thanks have been given and now we move into a new period of history for the Regent.

By the time this report is presented it will have been just announced that the board are thrilled to reveal that after a long and exhaustive search, we have appointed Kathiy Watson as our new General Manager. Kathiy comes with a wealth of theatre management experience, people management skills and event management experience. Her last role was Theatre Manager of the Hannah Playhouse in Wellington. Kathiy begins her position in October.

SOME THANK YOUS

As always, a massive thanks to the Friends of the Regent for their efforts in ensuring our vision of making our patrons' theatre-going experience the best it can possibly be. Our relationship and partnership is unique and is one of the reasons for our success. Their financial support to the Regent ensures the enhancement of our facility and is the envy of every other theatre in New Zealand.

We look forward to continuing to build our relationship and enhancing the benefits to our patrons. My thanks to my Board. You have helped steer us through some pretty rough waters this year. We have all learnt to "zoom" and to make major decisions for the long term benefit of our patrons. I have always said 'I am just the conductor, it is you that make the music'. I look forward to celebrating our achievements with full houses in the near future and to continuing to work with you all.

There is one person that deserves the biggest thanks possible - David Walsh, our Acting General Manager. When Charles resigned I wondered what on earth we would do. We were in the middle of Covid and in the middle of a ticketing company collapse/disaster. Someone mentioned David's name as a possible back-stop (one who collects the ball as it flies past the batter). I phoned David and he immediately said "I'm happy to help you out in any way" and from that moment a dark cloud was lifted and an Acting

Manager was appointed. That was about 4 months ago, 4 months of possibly one of the most difficult times in our history. David has been outstanding in pulling the team together, ensuring the shows must go on (eventually!) and in handling all the promoters first cancelling then rebooking then cancelling again, and all of this during the disaster of the demise of our ticketing agent and setting up a new arrangement with Ticketek. David, the Board owe you a huge thank you. The patrons and citizens, along with the City Council, owe you a huge thank you. I owe you a huge thank you. You have made my life as Chairman of the Board so much easier. There is no one who we could have had who could have pulled off what you have done as well as you have.

To all our staff, Julie, Karen, Anoushka, Shamus, Cheenu and Taylor, thank you for sticking with us, thank you for going the extra mile, thank you for supporting David during this difficult time. The board and I look forward to welcoming our new manager Kathiy and to moving our theatre onward and upwards.

And finally, a big thank you to Mayor Grant Smith, Heather Shotter and all the City Council. You have supported us over this period and offered help when requested. We appreciate your commitment to our theatre remaining the Jewel in the Crown for our City.



David Lea
Chairman Regent Theatre Trust Board
September 2020.

GENERAL MANAGER'S ANNUAL REPORT

For the 2019–20 Year Ended 30 June 2020

Well what a year it has been. We started with the successful local production of Les Miserable and ended with the theatre being in lockdown due to Covid-19. So this year's results were not what we expected and we failed to meet some of our targets. The shows that did occur were successful and this was highlighted by events such as the 10 performances of the Abbey Theatre's production of Les Miserable with over 6,000 attendances.

International touring productions of The Frontm3n, Kris Kristofferson, Stan Walker, A Taste of Ireland, and Royal NZ Ballet all attracted good audience numbers. National events such as PACANZ, Nano Girl, 7 Days, Tangata Rau Kapa Haka all helped with the variety of events held at the Theatre. These events attracted both local and national audiences/competitors. We are continuing to be used for school productions, local Dance Competitions and end of year award ceremonies. During the year we hosted a variety of shows catering for all tastes.

From the first reported overseas outbreak of Covid-19 in January we noticed that our audiences were apprehensive to attend events, and the admissions were starting to be affected from this point. Our staff were immediately trained to ensure that all patrons felt safe and secure while attending events with new hygiene regulations being instigated. The availability of hand sanitisers and extra cleaning of surfaces such as doors handles, bannisters etc were carried out before, during, and after each event.

Then came 25th March and with a total lockdown of the country our business ceased overnight. During this lockdown period our General Manager (Charles Forbes) of 20 years resigned and the Operations Assistant (Jenina) also left during this period.

So the year that started so promising came to a sudden halt with 3 months out of our year with our doors closed and no events.

Covid-19 resulted in approximately 24 major events that had been booked into the Regent on Broadway being either cancelled or re-scheduled to later in the year or to following years.

Our total attendances for the year were 68,855 which was understandably below our projected annual target due to the 14 weeks of the theatre being closed. We were at that stage on track to achieving

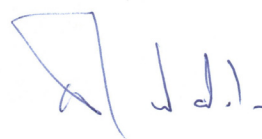
our target, comparing it to the same period last year. The closure not only affected the number of events held at the Regent but also contributed to the economic downturn in the city when events such as our Massey Graduation ceremonies and National touring productions had to be cancelled.

Covid-19 has had a dramatic effect on our business and the future is still unknown as to how the general public will react into coming back to theatre when we finally fully open our doors in July 2020.

After 22 years since the Regent's refurbishment, the building is starting to show wear and tear in some areas and the building maintenance programme is a continuous undertaking.

The advance bookings for 2020/21, although encouraging, is being viewed with some trepidation, as with borders closed and no signs of international acts returning in the near future our business will be relying solely on Local and National productions.

On a positive note, the theatre had installed during the months of May & June our new state of the art sound system, with thanks to the Contributions from the Friends of the Regent, Palmerston North City Council and the New Zealand Lottery Grants Board.



David Walsh
Acting General Manager



OUR STRATEGIC OBJECTIVES

1. Support a vibrant, creative and exciting city

OBJECTIVE

By programming and presenting the best possible live performances from all over the region, the nation and the world.

The Regent on Broadway works to provide a mix of diverse performance, talent and entertainment. This builds on the reputation that Palmerston North is a vibrant, creative and exciting city and aligns with the theatre's operational strategy to explore new ways of attracting high quality performances and increasing diverse community use.

Support a vibrant, creative and exciting city				
Objective	Performance Measure	2019/20	Actual	Comments
By programming and presenting the best live performances from all over the region, the nation and the world.	To establish and nurture strong relationships with all local and regional theatre, dance and entertainment groups in the view to supporting productions of significance and to maintaining and operating an entrepreneurial fund to procure these and other events (by production participation) that would not otherwise come to the Regent on Broadway	That at least 1 major music/theatre production is presented by a local theatre group, and at least 2 smaller national/international events.	Not Achieved	One event only was staged at the theatre with the assistance and support of Regent on Broadway Promotions, that being Les Miserable during August 2019. Our other event which we had agreement to assist with was Sister Act during April 2020 which was postponed due to Covid-19

Support a vibrant, creative and exciting city				
Objective	Performance Measure	2019/20	Actual	Comments
By programming and presenting the best live performances from all over the region, the nation and the world.	To maintain and nurture relationships with New Zealand's key national cultural icons (such as the Royal New Zealand Ballet, the New Zealand Symphony Orchestra and Creative New Zealand) so that the Regent on Broadway is a principal venue of choice when considering their programming each year.	That there are at least 3 seasons of a major ballet production and at least one major classical music concert by a full symphonic orchestra.	Achieved	Three major Ballet productions "Bold Moves" and "Hansel & Gretel" RNZB and the Russian production of "Swan Lake." One NZSO Concert performed over two days in February
		That not less than 58% of the Regent's auditorium hireage revenue is generated from commercial (non-community) use for this year.	Not Achieved	Total revenue generated from Commercial shows was 45.3%. Due to Covid-19, 17 Commercial shows were cancelled during the period March – June.
	To communicate and liaise on a regular basis, with all national and international, commercial/professional event providers who have the potential to bring events to the Regent	That the total number of live nights is not less than 180.	Not Achieved	133 Live nights. The impact of Covid-19 prohibited us from reaching this target.
		That total attendances to all events held are not less than 98,600.	Not Achieved	We were on track prior to Covid-19. With our business closing in March, our attendance figure of 68,855 was comparable for the same period last year
	To source and develop relationships with national & international promoters & producers who may be or are in the process of producing or mounting a quality production or event and to encourage that producer or promoter to bring that production or event to the Regent on Broadway.	That there are at least 40 live nights for this year in respect of the theatre's main auditorium at the theatre's full commercial (non-community) hireage rate.	Not Achieved	Due to Covid only 17 full commercial hires achieved (24 major event cancelled)
		That a minimum of 32% of the total attendance numbers for all events at the Regent is in respect of commercial (non-community) events held in the theatre's auditorium.	Not Achieved	Only 17.28% of total attendances in respect of Commercial events held. The result was affected by covid-19 with 17 events either cancelled or postponed.

OUR STRATEGIC OBJECTIVES

2. Support an innovative and growing city

OBJECTIVE

Secure the future of New Zealand's most valued historic regional venue.

A city with a unique, well-designed and well-resourced venue such as the Regent on Broadway is a city that will achieve significant growth in the areas of performing arts and entertainment and thereby support an innovative and growing city. A venue of the splendour and calibre that is the Regent on Broadway can be the ultimate performance highlight for many young and new performers. It is also a desire of many professional entertainers to perform in venues of the grandeur and quality of the Regent on Broadway. The maintenance and conservation of the Regent on Broadway is therefore imperative so that the venue is sustained now and well into the future.

Support an innovative and growing city				
Objective	Performance Measure	2019/20	Actual	Comments
Secure the future of New Zealand's most valued historic regional venue.	To provide a well-resourced and well-equipped amenity so as to attract a wide range of performances and events to the city	Continuation of the sound system upgrade project. Source the funding required to replace the current failing theatre sound system (if the funding has not already been secured).	Achieved	New Sound System installed May 2020. Funding PNCC 28.8% Lotto 57.6%, Friends of Regent 13.6%.
	Working with and nurturing the relationship with the Friends of the Regent who are the principal funding providers that augment/update the regent's equipment so as to maintain a quality of service to all hirers, principally the theatres community users.	Continue to develop and strengthen the relationship with the Friends of the Regent so as to maintain the augmenting and funding of much needed equipment.	Achieved	A total of \$66,811 received from Friends of Regent. PNCC \$134,300. NZ Lottery Grants Board \$268,508.
	Develop and promote events that reflect the architectural and/or historical significance of the venue and its significant point of difference as a venue.	That at least \$40,000 of capex funding is sourced/obtained for this year from sources such as the Friends of the Regent and other external providers of charity funding.	Achieved	Continuing relationship with both Professional and Community Groups in sourcing Key event e.g. Last night at the Proms, Post Modern Juke-box

Support an innovative and growing city				
Objective	Performance Measure	2019/20	Actual	Comments
Secure the future of New Zealand's most valued historic regional venue.	Working with Palmerston North City Council and all other stakeholders dedicated to continuing the appreciation of the heritage aspects of the Regent and overseeing the maintenance and preservation of such aspects to prevent degradation. Maintaining the category 1 Heritage New Zealand designation.	Continue to source key events that are significant to the theatre's first opening or coincide with the Restoration and Refurbishment in the late 1900's.	Achieved	Continuing relationship with both Professional and Community Groups in sourcing Key event e.g. Last night at the Proms, Post Modern Juke-box
		Support theatre tours in conjunction with the PNCC History week and re-evaluate for the future.	Achieved	Next theatre tours scheduled in conjunction with PNCC History week November 2020
		Initiate one event to celebrate the theatre's historical significance.	Not Achieved	This outcome was not achieved due to being overtaken by other significant events e.g. Covid-19
		To meet general maintenance obligations that are required by the Trust Deed.	Achieved	Close working relationship with PNCC
		In accordance with the asset management plan, implement the necessary maintenance and upgrading tasks identified for 2019/20, with skilled workers and consultants.	Achieved	In conjunction with the PNCC all work scheduled carried out by approved contractors from PNCC eg painting of Regency Room, Building Maintenance, plumbing etc
		Priority identified – Foyer and Auditorium carpet replacement Estimated replacement cost \$300,000.	Not Achieved	Carpets Professionally cleaned with minor repairs undertaken. Professional advice received that the carpet is in good condition and to review again in 5 years (2025/26)

OUR STRATEGIC OBJECTIVES

3. Support the development of connected and safe communities

OBJECTIVE

Fostering local sustainable practice within the performing arts sector; aiding the production of excellent theatre and the work of local performers; and through our community engagement activities and local events.

Live performances provide wonderful entertainment. It can also be a means of investigating humanity, sharing stories, and examining our role in the local, political, and global community.

The Regent on Broadway supports the development of connected and safe communities by fostering local sustainable practice within the performing arts sector; aiding the production of excellent theatre locally and supporting the work of local performers; and through our community engagement activities and local events.

Support the development of connected and safe communities				
Objective	Performance Measure	2019/20	Actual	Comments
Fostering local sustainable practice within the performing arts sector.	To encourage local primary, intermediate and secondary schools, dance schools, also theatre educators and theatrical groups to take advantage of the theatre's significant capabilities and resources as a performance and learning space in respect to all aspects of the performing arts.	Work alongside existing arts/community partner organisations to maintain and develop the use of the theatre and to encourage the use of the Regent on Broadway to all educators and educationalist programs	Achieved	Community attendance figure, (76.8%) although greater than last year, is misleading as it does not represent a full year's result.
		To assist/support 11 school or educator programme productions.	Achieved	Continuing to work with Schools, and Dance Groups to ensure that use of the theatre is a valuable and educational experience. Assisted with 10 schools awards and 8 school productions
Community Engagement.	Investigate the recruiting of a full-time Community Engagement Officer to provide support and guidance to all current and potential community users so as to enable the full potential of the theatre that is available to community groups and organisations.	To communicate and engage with existing and any potential community users so as to improve community use of the theatre and to balance this with the existing programming.	Achieved	A wide variety of events held throughout the year. Investigation into recruiting a full-time Community Engagement Officer is still work in progress
		To assist with 2 iconic community events.	Achieved	Les Miserable, (August), Last night of the Proms (September)

Support the development of connected and safe communities				
Objective	Performance Measure	2019/20	Actual	Comments
Migrant and Cultural Communities	To recognise the increase in the city's migrant community and to embrace the cultural diversity of this migrant community and also the increase in cultural performance of Maoritanga and Pacifica.	To scope new relationships and partnerships or collaborations with groups representing cultural diversity and to support and assist these groups with the presentation of their events.	Achieved	See below
		To assist with two culturally diverse	Achieved	A number of culturally diverse events held throughout the year. Kapa Haka, Chinese New Year, Bhutanese Festival, Manukorero Speech competitions, Mid-Winter Hafla.
Be recognised as the premier entertainment centre for the Manawatu region.	Support all events held and be well recognised throughout the region by having an excellent web based profile and up to the moment social media activities, Support and advise hirers with the venue's promotional opportunities and use the venues local advertisers and promotions resource portfolio to assist all events where able.	Web site and social media profiles and activities to be consistently improved and updated.	Achieved	Continuing to keep the web site and social media up to date. A review and upgrading of the website has been delayed due to Covid-19
		Improve existing and develop new relationships with all promotions and advertising agencies so as to provide up to the moment promotion and advertising services and advice to all hirers.	Achieved	Good relations with local media agencies and promotional kits continue to be sent to all hirers to assist them in promoting their events at the Regent
		Work with the regional support agencies to raise the profile of "What's On" in our region.	Achieved	Have a good relationship with all regional agencies. Current Member of Chamber of Commerce
		10% increase in social media engagement.	Achieved	2019/20 we changed to a new reporting system allowing for more accurate data. Cannot compare with previous year's results. Social Media increase of approximately 531 followers on previous year and 499 new Likes
		95% visitor satisfaction rating obtained from the communitrak survey.	Not Achieved	Due for review in 2020/21

OBJECTIVE 3.

Support the development of connected and safe communities				
Objective	Performance Measure	2019/20	Actual	Comments
Supporting the production of excellent theatre locally and supporting the work of local performers.	Maintain and operate an entrepreneurial fund to enable financial assistance to be provided where considered appropriate to support major music/theatre productions from local theatre groups which will be performed at the Regent on Broadway.	Work alongside existing arts/community partner organisations to bring to the theatre key productions that would otherwise not be performed in Palmerston North.	Achieved	Successful discussions held with Dance Group (Footnote) who performed The Clearing in October.
		Continue to strategically source events that balance existing programming.	Achieved	A wide variety of events held throughout the year from Kapa Haka, School Productions, Children's shows, Comedy, & Musical Productions ensured the community had the opportunity to attend a variety of events
		Investigate/assist with acquiring two significant community events.	Achieved	Chinese New Year Concert, Bhutanese Festival, Choral Society's Messiah, Abbey Theatre's production Les Miserable



OUR STRATEGIC OBJECTIVES

4. An Eco City

OBJECTIVE

Support environmental sustainability through venue-wide green initiatives.

The Regent on Broadway is committed to the Palmerston North city's waste management and minimisation plan and is working to introduce strategy to reuse or reduce waste.

Support environmental sustainability through venue-wide green initiatives.				
Objective	Performance Measure	2019/20	Actual	Comments
Venue wide Green initiative	Develop relationships with contractors and suppliers that have strong environmental sustainability policies.	To investigate suppliers of services and products that are able to support the Regent on Broadway's environmental sustainability policy.	Achieved	New waste recycling programme instigated. Continuing work in progress
	Introduce processes that support good environmental practice.	Work with the venue volunteers and Friends of the Regent so as to achieve support and to put into practice the Regent on Broadway's environmental sustainability policy.	Not Achieved	Investigation still underway regarding the use of sustainable glasses.
	Introduce segregated waste collection so as to recycle and minimize the impact on landfill waste.			
	Introduce the use of reusable/recyclable serving (glassware) containers.			

REVIEW OF YEAR

The 2019/2020 year started well for the Regent on Broadway with 10 performances during August of the highly successful production of Les Miserable, which was attended by 6,256 patrons. The year continued as normal with school productions, international touring acts such as Kris Kristofferson, The Frontm3n, the Royal NZ Ballet, plus School Prizegiving's, and local dance productions.

The theatre also hosted throughout the year events reflecting the diversity of our multi-cultural city with capacity audiences attending both Manukorero Speech competitions and Tangata Rau Kapa Haka together with the successful Bhutanese concert and Chinese New Year Celebration concert.

This all came to a sudden halt during March when Covid-19 forced the country into total lockdown which resulted in approximately 24 major events that had been booked into the Regent, being either cancelled or re- scheduled to the following year.

Our total attendances for the year was 68,855 patrons which understandably was below our projected annual target due to the 14 weeks of the theatre being closed. However we were currently at that stage on track to achieving our target, compared to the same period last year. The closure not only effected the

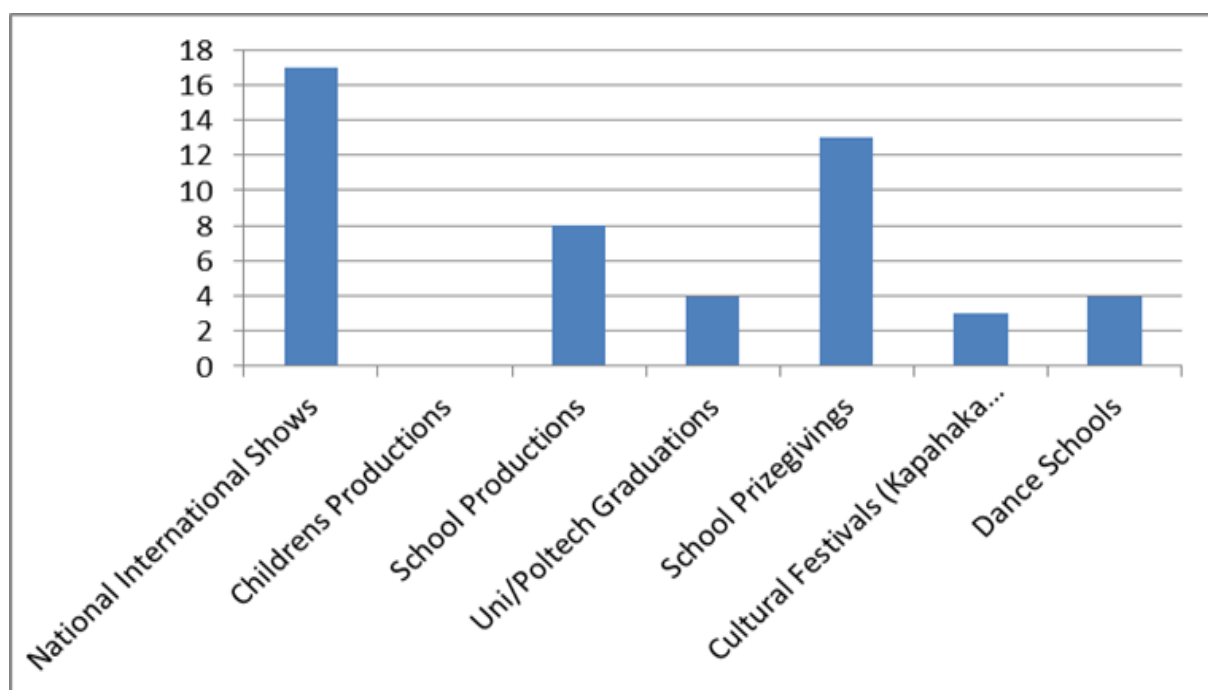
number of events held at the Regent but also contributed to the economic downturn in the city when events such as our Massey Graduation ceremonies and National touring productions had to be cancelled. The effect that Covid-19 had at the Regent resulted in only 17 commercial bookings being held for the year. This represented only 5.7% of our total bookings, compared with last year's 37 bookings or 24.1% of total bookings.

The Revenue received from the previous year's commercial bookings (2018-19) accounted for 53.2% of our total venue hire compared with 45.3% this year.

The number of Community hires was 116 which generated 54.6% of our revenue.

This year's results must be taken into context when comparing with previous years due to 14 weeks of being closed due to Covid-19. We are hopeful that the new "normal" for next year's events do not have such a dramatic effect on our business as this year has.

The graph below highlights some of the variety of events that we held during this past year.

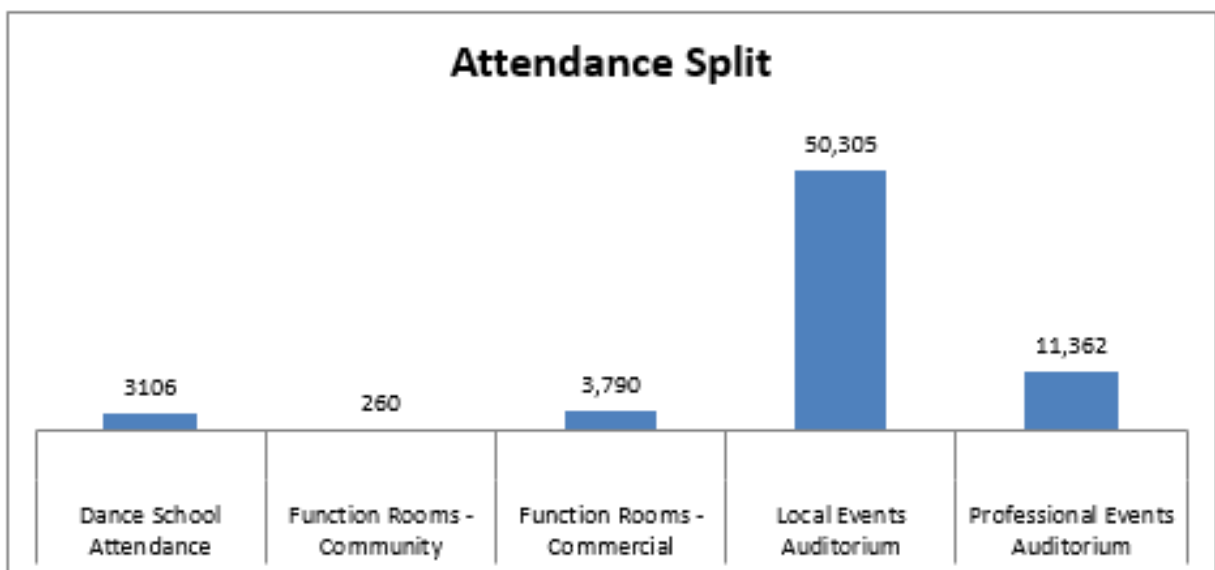
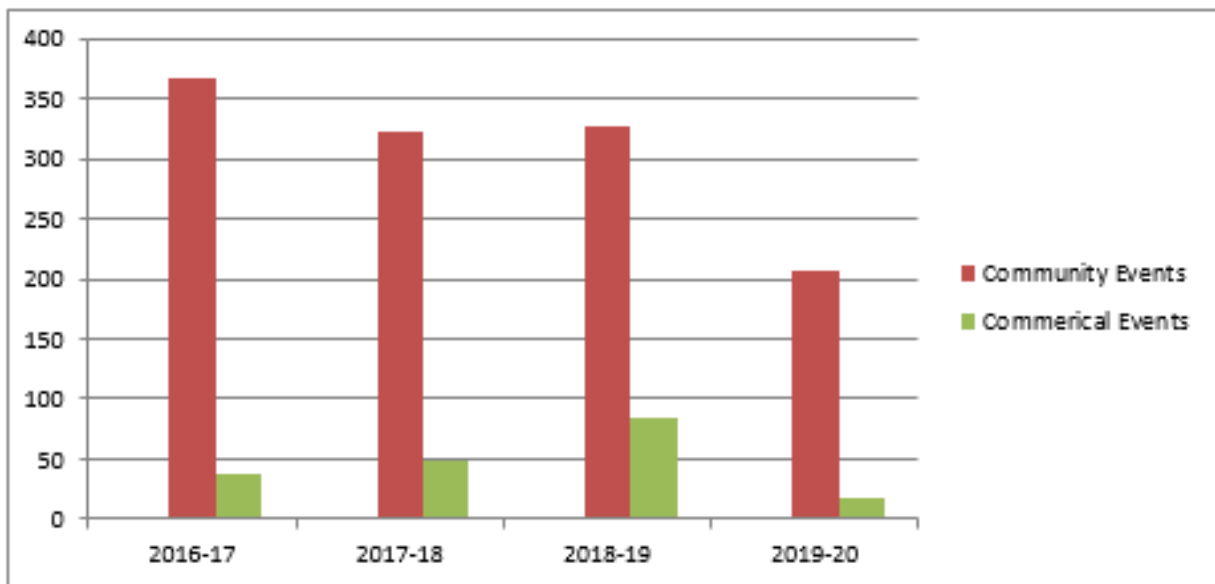


There was a total of 207 Community events held throughout the year compared with 326 Community events held the previous year.

17 events were held during the past 12 months compared with 37 last year.

An increase in the number of Commercial events had trended upwards over the previous 3 years. However, the result for this year was heavily impacted by Covid-19.

AUDITORIUM EVENTS



SIGNIFICANT PRODUCTIONS IN THIS YEAR

- **Gang Show**
Performed: 3rd July - 6th July.
Attendance: 1784
- **Les Miserable**
Producers: Abbey Theatre & Regent on Broadway Promotions
Performed: 9th August - 24th August.
Attendance: 6256.
One of the biggest Musicals still playing in the West end in London still attracting audiences world wide who wish to see this event for the first or tenth time!
- **Nanogirl Live**
Producers: Nanogirl Labs Ltd
Performed: 18th November.
Attendance: 476
Nanogirl explains the science behind each experiment in a way that's fun and easy to understand. The show starts with a small experiment to explain each idea, and then with the help of a volunteer from the audience, takes the same principle and turns it into a BIG BANG!
- **Kris Kristofferson**
Performed: 12th October.
Attendance: 1385.
- **PACANZ NZ Young entertainer of the Year**
Performed: 17th Oct – 20th October.
Attendance: 7360.
- **The Frontsm3n**
Producers: Stetson Productions
Performed: 16th November.
Attendance: 406
- **7 Days Live**
Performed: 24th November.
Attendance: 1050.
- Royal New Zealand Ballet productions: **Bold Moves**
Performed: 30th August
Attendance: 690.
- Royal New Zealand Ballet productions: **Hansel & Gretel**
Performed: 13th November
Attendance: 1317.

- Imperial Russian Ballet Production: **Swan Lake**
Performed: 9th November
Attendance: 816
- New Zealand Symphony Orchestra: **Goldberg Variations & Realising Beethoven**
Performed: 6th - 7th March
On Wednesday 6th March two day sessions including a schools performance and one evening session attracted a total of 1039 patrons.
Performance on 7th March attendance was 641.

The above shows have been highlighted for the year although there were a variety of other productions held:- BeeGees Tribute Show, Messiah, Anomaly Dance, Post Modern Jukebox, A Taste of Ireland, just to name a few.

Growth within the Cultural Concerts and festivals sector of our operations continues to be positive. Major events in this period have been the Tangata Rau Kapa Haka competitions, the "Chinese New Year" concert and the Bhutanese Festival.



FUTURE GROWTH

As stated in last year's report, to sustain momentum in growth and market share is continuing to be more challenging as not only does technology drill into the entertainment quota of the discretionary household budget but we now have the challenge of the Covid pandemic. The theatre's 10 year Strategic Plan was completed during latter part of this financial year with new goals being set. The Regent Trust Board will continually monitor this document to ensure that we achieve all of the outcomes

contained therein. The theatre is relooking carefully at all of its resourcing so that it is prepared to meet all of the new challenges that is now affecting this industry. With the appointment of a new General Manager during the next year this will help lead us in the new direction as set by the Board.

THEATRE ASSETS

Theatre maintenance and asset management is managed in 3 categories:

HERITAGE INFRASTRUCTURE AND ASSETS

Any theatre that hosts up to 100,000 people throughout a year inevitably receives wear and tear, especially during youth festivals where high energy is a factor and large competitive teams are involved. Inevitably damage occurs and usually it is to areas that have heritage significance. In respect to any part of the theatre's heritage infrastructure or assets, it is important these are maintained by well trained and highly skilled technicians. Constant focus and inspections are made in regards to all heritage areas and assets. Carefully selected skilled tradespersons and technicians are engaged to undertake any work, alterations or repairs which are done in consultation with PNCC Property Management. The asset management plan in respect to heritage has signalled the theatre carpets are listed for replacement. On inspection there is now at least 5 years before this becomes necessary.

GENERAL ASSET AND BUILDING MAINTENANCE

It is important to note that two thirds of the theatre is 80 years old with all the issues relative to a building of that age and era. Constant and routine external maintenance is carried out during each year to mitigate any issues that are usual and predictable for an 80 year old building. This is managed by PNCC Property Management in consultation with Regent

Theatre Trust Management. Internal assets that are the responsibility of the building owner are managed and maintained by PNCC Property Management in consultation with Regent Theatre Trust Management.

REGENT THEATRE TRUST ASSET MANAGEMENT

The Regent Theatre Trust assets are predominantly furniture and appliances to support the theatre's ability to deliver its hospitality responsibilities, plus administration support equipment such as office furniture and computers. Also included is a large resource of equipment to support the stage events such as specialised microphones and specialised lighting and projection equipment. These assets have realised a significant amount over the years totalling over \$1.75 million (\$314,756 after depreciation). The theatre has a comprehensive asset management plan. However, funding of equipment replacement through theatre operations and normal depreciation is assisted with the help of the generous financial support from the Friends of the Regent.

CURRENT POSITION

The Board employs a team of full-time, part-time and casual staff reporting to a full-time manager. Staffing costs are about \$500,000 per annum. There is also a team of volunteers, "The Friends of the Regent", who provide front-of-house services to hirers. The income from this service (\$70,000 in 2019/20) is donated back to the Regent Theatre as a contribution towards depreciation/capital items as required by the Board.

Council provides an operating grant of \$240,000. Council also maintains the fabric of the theatre building through its asset management program. The Board also has the ability to source funding and grants from external agencies e.g. Central Energy Trust, New Zealand Lottery Grants Board etc.

The Board maintains an asset register valued in

2019/20 at just under \$700,000. This includes fixtures and fittings, mainly comprising theatre equipment. Depreciation of \$140,000 per annum is part-funded and there is currently a depreciation fund/reserve working capital accrued of some \$250,000. Assets are replaced at the end of their useful life from a mixture of operating surpluses and philanthropic funds.

CAPITAL IMPROVEMENTS PROGRAMME

Capital programme	Now	Soon	Later
Goal 1. To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawatu region.			
New Sound Console	\$60 - \$80k		
New Sound shell		\$30 - \$40k	
Additional Staging		\$25 - \$35k	
Replace Theatre Lighting with LEDS		\$20 - \$35k	
Replace Carpet Dressing Rooms		\$15 - \$25k	
Update Regency Room		\$20k	
Air Conditioning Dressing Room			\$12 - \$20k
Goal 2. To engage in effective collaboration with our stakeholders and clients, that enables the best customer experience.			
Signage to reflect Bi- Cultural nature of theatre		\$5 - \$10k	
External Lighting		\$7 - \$10k	
CCTV Upgrade			
Goal 3 To engage with diverse audiences via a marketing and promotion strategy that is continuing developing and responding to regional demographics and artistic/cultural trends			
New Website	\$30 - \$50k		
Electronic Billboards			\$40 - \$60k

REGENT ON BROADWAY PROMOTIONS

Regent on Broadway Promotions funding was also a key to the support behind the theatre's birthday celebrations. One production supported by Regent on Broadway Promotions in this reporting year was the Abbey Theatre production of Les Miserables.

THE FRIENDS OF THE REGENT

The Regent Theatre Trust Board continues to be extremely grateful to the Friends of the Regent for the overwhelming support provided for the provision of the professional front of house ushering and catering services.

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

Friends Assets Purchased 2019/20

2x Radio comms units and 4x headsets	\$716.00
Numark CD player	\$694.58
Seaward Electronics PAT Tester with printer and labels	\$277.13
Regent Theatre sound system	\$63,223.93
Total	\$66,811.64

Financial support is not the total contribution made by the Friends of the Regent as they play an integral part in 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.

THEATRE OPERATIONS TEAM

The small dedicated team are:

Julie Walker, Anoushka Treur, Karen Hambling, Taylor Ellis and Jenina Mangoma, this team looks after the theatre's administration and ticketing while Shamus Jackson and Cheenu Natarajan are responsible for all things technical. Chris Laing, Janice Jones are

the Front of House Management team 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 this very difficult year and supporting me in my Acting General Manager's role.

NEXT YEAR AND BEYOND

The Board aims to meet its key objectives by ensuring that the theatre is equipped and available for hire by national, international, and local, community and professional performing arts events and celebrations. It aims to balance availability for national and international touring events with the needs of many, local groups for a grand venue for their events and celebrations. The latter includes graduation ceremonies and end-of-year school ceremonies as well as opportunities for local amateur dramatic and Operatic Societies to stage magnificent productions in a historic proscenium theatre.

Although the future is uncertain during these times we will continue to progress the theatre in whichever way that the country allows. We have continued to maintain close working relationships with a number of our hirers including Performing Arts Competitions New Zealand (PACANZ) who has confirmed Palmerston North as the permanent home for future competition festivals, and which is based principally at the Regent on Broadway. The PACANZ festival is the pinnacle of award festivals in respect to the performing arts and attracts contestants from all over New Zealand. Almost all top New Zealand performers have launched their professional careers by achieving honours at the PACANZ festival. The PACANZ festival utilises all key central city performing arts venues.

Act Three productions (formerly Abbey Theatre) has also confirmed their commitment with the booking of dates out until 2022. Traditionally this society has booked the Regent on Broadway for one major musical theatre production per year. We will continue to

work closely to increase this to two major musical theatre productions in each year.

Forward bookings from our local community groups are still strong. Local schools and cultural groups are utilising the venue more. 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 where we see growth in the performing arts by creating the performers and audiences of tomorrow.

Commitment and networking to our commercial hirers continues so that the Regent on Broadway remains a strategic venue for all appropriate professional and commercial performers and events.

APPRECIATION

The Management and team at 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 assisting me during this time of transition and guiding the theatre through a difficult year.

STATISTICS FOR THE YEAR ENDED 30TH JUNE 2020

MEASURES OF LEVEL OF ACTIVITY GENERATED BY THE THEATRE

	2016/17	2017/18	2018/19	2019/20
Number of events held at the Regent on Broadway	420	365	385	296
Auditorium days usage	204	158	181	133
Auditorium live nights. Commercial (actual shows)	55	36	37	17
Auditorium live nights. Community (actual shows)	99	103	116	
Total number of days open for business	308	308	308	308

MEASURES OF THE OVERALL SUCCESS OF THE EVENTS HELD AT THE THEATRE

Total attendances for each year	100,576	91,065	98,781	65,456
Our total attendances were sourced from: National / International Theatre	31,075	23,175	24,884	11,362
Conferences and other commercial activities	8,293	6,285	7,396	
Local Theatre	38,474	38,450	40,089	33,282
Schools, Massey, IPC and UCOL	19,903	22,493	21,740	14,880
Other local events	2,830	662	4,672	5,932
Total attendances since we re-opened in May 1998:	2,012,811	2,103,876	2,202,657	2,268,113

MEASURES OF THE FINANCIAL PERFORMANCE OF THE THEATRE OPERATIONS

Total theatre revenue – hire and cost recoveries	\$477,228	\$416,263	\$499,192	\$304,059
Operational Grant from PN City Council	\$215,761	\$220,077	\$231,038	\$235,986
Expenses (less depreciation)	(\$643,744)	(\$648,977)	(\$713,399)	(648,486)
Depreciation (Principally donated assets)	(\$88,331)	(\$90,801)	(\$71,878)	(\$83,246)
Operating surplus (deficit) after all costs	(\$39,086)	(\$103,438)	(\$55,047)	(\$191,687)

MEASURES OF THE ACTIVITIES OF REGENT ON BROADWAY PROMOTIONS

Surplus (Deficit) from Regent on Broadway Promotions	(\$23,048)	\$17,938	(\$1,886)	(\$8,911)
Number of shows undertaken	4	7	4	1

MEASURES OF ACTIVITIES OF THE EVENTTICKETINGCENTRE

Surplus (Deficit) from the EventTicketingCentre	\$32,751	\$25,376	\$33,070	(\$8,624)
-------------------------------------------------	----------	----------	----------	-----------

MEASURES OF ACTIVITIES OF THE REGENT SOCIAL MEDIA

Regent on Broadway Facebook activity	2018	2019	2020
Total Reach	2843	2843	N/a
Total Followers	3825	4629	4991
Total Likes	3979	5420	4996

COMMUNITRAK SURVEY VISITOR SATISFACTION RATING

2014	2015	2016	2017	2018	2019	2020
98%	N/a	N/a	97%	N/a	N/a	N/a



FRIENDS OF THE REGENT PRESIDENT'S REPORT

For the 2019-20 year ended 30 June 2020

If we had 2020 vision at the end of 2019 we would have gone directly to 2021 and avoided 2020 completely. Unprecedented is a word used to describe year 2020 and is applicable in many areas of our lives from employment, business, family, tourism and of course our area of interest events and entertainment.

Through all of this The Friends have been well served by conscientious committee members and I would particularly like to acknowledge Christine Earle for her work as treasurer, Leslie Findlay for her role as secretary which she unfortunately had to relinquish due to ill health. It is wonderful to see the recovery she has made and look forward to her future contribution. I must also recognise the work done by Jann Minalda as Catering Manager and Lillian Rowe as Roster Manager. Both of these jobs require a great deal of time, a degree of organisation and at times a crystal ball. I have also appreciated the efforts of Adam Robertson and Marilyn McGregor as stand in secretaries. Marilyn McGregor and team also conducted our annual refresher training, new recruit training and extra volunteer training for Act Three assistants. I thank Janice Jones and Christine Earle for the informative newsletter produced each month to keep members informed.

Alistair Lewis was co-opted onto the Friends Committee and I thank him along with all the other members for their contribution.

Covid 19 and the subsequent lockdown has had a serious effect on the event and entertainment industry and while the tourism sector is getting a lot of attention theatre and entertainment (much of which has an imported content) has gone largely unnoticed. The Level 4 lockdown killed many productions locally that were preparing for opening night or had just commenced their season. This has greatly affected revenue and income for many people and organisations and The Friends are no different.

Fortunately through prudent budgeting we were in a position to still honour our pledge to The Regent to contribute to the sound system upgrade. We were in fact in a position to increase our contribution to \$63,000.00. The increase being necessary to upspec the system from that which was originally quoted. The Friends have also purchased a portable Wet and Dry Vacuum cleaner to assist with spills/accidents during/after performances. This is not available to contract cleaning staff. A second EFTPOS terminal has been purchased and payWave and credit card facility added. This is at an obvious cost to The Friends but Theatre management and the Board deemed it necessary for patrons convenience.

The resignation of Charles Forbes the theatre General Manager resulted in some projects being put on hold as it was acknowledged the incoming General Manager should have the opportunity to have input into these. Projects included the replacement of chairs for the Regency Room, investigating reusable/recyclable glasses for the bar, framed historical picture for The Friends Place.

Marilyn McGregor and I have been meeting with Theatre Management and Board members to create a Memorandum Of Understanding. The Board/City Council have deemed this necessary to formalise the relationship and channels of communication between The Board, Theatre Management and The Friends. This document will of course have to be signed off by both The Board and The Friends Committee. After a shakey start where we did not quite know what was expected I believe we are drawing close to consensus. On a historical note this process was started in 2001 by Neil McGregor.

I have met regularly with Theatre management (initially Charles Forbes and latterly with David Walsh) to discuss areas of concern, future planning and direction of The Friends activity. These have always been convivial and beneficial and I look forward to the opportunity to continue this tradition with the newly appointed General Manager.

The Board Appreciation night is another casualty of Covid 19 and is not a reflection of dissatisfaction with The Friends but a result of the disruptive nature of the lockdowns.

I must congratulate The Board, Management and Act 3 for the initiative and work undertaken to get "Sister Act" back on stage. This is thinking outside the square and has proven to be workable with the goodwill of the patrons, Act 3 volunteers and cooperation of The Friends ushers. Very few negative comments have been received and the patrons have been very understanding, appreciative of the effort involved and very cooperative.

Finally I wish to thank all The Friends volunteers for their conscientious work. They hold a unique place in New Zealand being the only volunteer organisation servicing a live theatre and are recognised as being a valuable asset to the theatre.

I move that The Presidents Report for 2019/2020 be received.

Peter Doherty
President
Friends Of The Regent

REGENT THEATRE TRUST BOARD.

Entity Information for the year ended 30 June 2020

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 2020

REVENUE	Note	2020 \$	2019 \$
Theatre hire		142,442	242,292
Recoveries and commissions		161,617	248,474
Council Funding – PNCC		235,986	231,038
Interest revenue		6,630	8,426
Total Income		546,675	636,340
EXPENSES			
Operating costs	2	183,380	219,725
Administration costs	2	67,756	76,133
Employee related costs		398,350	417,541
Total		648,486	713,399
Net operating surplus / (deficit)		(101,811)	16,831

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

REGENT ON BROADWAY PROMOTIONS

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
REVENUE			
Manawatu's got talent		-	174
20th Birthday		-	22,002
Les Miserables		337,686	-
Sister Act		-	-
Total Income		337,686	22,176
EXPENSES			
Manawatu's got talent		-	732
Jekyll & Hyde		-	3,051
20th Birthday		-	20,279
Les Miserables		331,468	-
Sister Act		15,129	-
Total		346,597	24,062
Net operating surplus / (deficit)		(8,911)	(1,886)

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

PIANO CAMPAIGN

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
REVENUE			
Interest revenue		-	-
Total Income		-	-
EXPENSES			
Piano maintenance		-	-
Total		-	-
Net operating surplus / (deficit)		-	-

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

EVENT TICKETING CENTRE

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
REVENUE			
Ticketing fees		73,544	114,628
Interest revenue		-	-
Recoveries		-	-
Total Income		73,544	114,628
EXPENSES			
Cost of sales		8,004	8,224
Eftpos terminals / computers		1,414	1,687
Electricity		3,207	2,975
Freight		-	270
Employee related costs		61,819	60,401
Security		1,828	-
Stationery		1,176	1,433
Telephone		1,959	3,748
Training		-	-
Marketing and promotion		2,761	2,820
Total		82,168	81,558
Net operating surplus / (deficit)		(8,624)	33,070

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2020

REVENUE	Note	2020 \$	2020 Budget \$	2019 \$
Theatre Operations	1	304,059	487,420	490,766
Regent on Broadway Promotions		337,686	-	22,176
Event Ticketing Centre		73,544	125,000	114,628
Council Funding – PNCC		235,986	235,986	231,038
Interest revenue		6,630	8,000	8,426
Community Grants	22	402,808	-	-
Donations from Friends of Regent	20	66,812	-	13,001
Covid-19 Wage Subsidy Received		65,805		
Total Income		1,493,330	848,488	880,035
EXPENSES				
Theatre Operations	2	250,136	278,261	295,858
Employee related expenses	3	460,169	539,967	477,942
Regent on Broadway Promotions		346,597	-	24,062
Piano Campaign		-	-	-
Event Ticketing Centre		20,349	32,800	21,157
Depreciation		83,246	80,000	71,878
Total expenses		1,160,497	931,028	890,897
Net surplus / (deficit) for the year		332,833	(82,540)	(10,862)

Explanations of major variances against budget are provided in note 23.

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

	Total Equity \$
Balance as at 1 July 2018	600,739
Net surplus / (deficit) for the year	(10,862)
Balance as at 30 June 2019	589,877
Balance as at 1 July 2019	589,877
Net surplus / (deficit) for the year	332,833
Balance as at 30 June 2020	922,710

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

	Note	2020 \$	2020 Budget \$	2019 \$
CURRENT ASSETS				
Bank accounts and cash	4	171,154	150,000	180,029
Prepaid Insurance		6,836	-	7,180
Prepayments		-	7,500	11,500
Production receivable	13	-	30,000	26,833
Debtors	5	4,418	36,100	28,088
Investments	6	181,136	180,000	245,801
Accrued Revenue		-	-	6,712
Goods & services tax		42,354	-	-
		405,898	403,600	506,143
NON-CURRENT ASSETS				
Property, plant & equipment	7	654,842	323,366	266,878
		654,842	323,366	266,878
Total Assets		1,060,170	726,966	773,021
LESS LIABILITIES:				
CURRENT LIABILITIES				
Creditors and accrued expenses	8	57,035	62,823	91,096
Deposits in advance	9	18,450	12,000	9,741
Employee costs payable	10	36,110	54,423	66,444
Goods & services tax		-	(6,000)	15,863
Covid -19 Wage Subsidy received		26,435	-	-
Total liabilities		138,030	123,246	183,144
Assets less liabilities		922,710	603,721	589,877

Continued page 35

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

CONTINUED

EQUITY				
Steinway Piano Campaign Fund	16	41,449	43,000	41,449
Theatre Operations	17	636,149	310,721	294,405
Regent on Broadway Promotions	18	95,112	100,000	104,023
Maintenance Reserve	19	150,000	150,000	150,000
Total Equity		922,710	603,721	589,877

Authorised for issue on behalf of the Board:

Trustee:

Trustee:

Date:

Date:

These statements are to be read in conjunction with the notes and accounting policies on pages 37-38

STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2020 \$	2019 \$
Cash was provided from:			
Receipts of council funding		376,980	231,038
Interest receipts		7,267	7,587
Donations and Grants		335,320	13,001
Receipts from operations		812,836	681,457
Cash was applied to:			
Payments to suppliers and employees		1,077,153	853,563
GST (net)		58,217	(16,606)
		1,135,370	836,957
Net cash flows from operating activities		397,032	96,126
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES			
Cash was provided from:			
Receipts from sale of investments		245,801	238,405
Repayment of seeding capital		-	-
		245,801	238,405
Cash was applied to:			
Payments to acquire investments		181,136	245,801
Payments to acquire property, plant and equipment		270,573	24,049
Lending of seeding capital/production receivable		-	-
		651,709	269,850
Net cash flows from investing and financing activities		(405,908)	(31,446)
Net increase (decrease) in cash for the year		(8,876)	64,680
Add opening bank accounts and cash		180,029	115,349
Closing bank accounts and cash	4	171,154	180,029

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 37-38

STATEMENT OF ACCOUNTING POLICIES

For the 2019-20 year ended 30 June 2020

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.

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.

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	10-25%	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.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year – nil).



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

1. THEATRE OPERATIONS REVENUE	2020 \$	2019 \$
Theatre hire	142,442	242,292
Recoveries and commissions	161,617	248,474
Total Theatre Operations Revenue	304,059	490,766
2. THEATRE OPERATIONS EXPENDITURE	2020 \$	2019 \$
<i>Operating costs</i>		
Advertising & promotion	47,345	32,434
Advertising recoverable	4,023	4,990
Cleaning	23,046	29,799
Electricity & gas	47,793	56,727
Freight & cartage	-	-
Water	1,335	1,228
Recoveries	6,459	8,399
Repairs & maintenance	9,876	16,580
Retail lease & rates	-	-
Sanitation	12,280	16,443
Technical supplies	1,535	1,248
Ushering staff	29,688	51,877
	183,380	219,725
Administration costs		
Audit fees (Audit New Zealand)	26,846	20,990
Bad debts	169	-
Bank fees	220	59
Computer expenses	845	757
Entertainment	2,525	6,408

Financial services	8,713	12,441
Insurance	10,528	11,120
Miscellaneous	3,311	1,975
Petty cash	217	217
Postage	107	20
Secretarial services	3,400	4,000
Security	721	3,311
Stationery	952	1,183
Subscriptions & licenses	5,402	6,613
Telephone	2,800	6,500
	67,756	76,133
Total Theatre Operations Expenditure	250,136	295,858
3. EMPLOYEE RELATED COSTS	2020 \$	2019 \$
Salaries and wages	460,169	464,740
Other employee related cost	-	13,202
Total employee benefit costs	460,169	477,942
4. BANK ACCOUNTS AND CASH	2020 \$	2019 \$
<i>Analysis of total cash book balances and deposit accounts as at 30 June:</i>		
Theatre administration account	154,618	124,371
Ticketek account	1,201	559
Call Account	15,336	55,099
	171,154	180,029
5. DEBTORS	2020 \$	2019 \$
Trade receivables	2,445	25,478
Less provision for impairment	-	-
Total trade receivables	2,445	25,478
Accrued interest	1,973	2,610
Total trade and other receivables	4,418	28,088

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

For the year ended 30 June 2020

6. INVESTMENTS

Current investments

	2020 \$	2019 \$
ANZ Bank term deposits	181,136	245,508
Total investments	181,136	245,801

7. PROPERTY, PLANT AND EQUIPMENT

COST	Plant and Equipment	Furniture and Fittings	Piano	Lease Hold Improvements	Total
Balance at 1 July 2018	1,085,375	200,598	186,554	269,430	1,756,315
Additions	22,573	-	-	1,426	23,999
Disposals	-	-	-	-	-
Balance at 30 June 2019	1,107,948	200,598	186,554	285,214	1,780,314
Balance at 1 July 2019	1,107,948	200,598	186,554	283,214	1,780,314
Additions	470,488	-	-	723	471,211
Disposals	-	-	-	-	-
Balance at 30 June 2020	1,578,436	200,598	186,554	285,937	2,251,525
Accumulated depreciation					
Balance at 1 July 2018	966,795	188,966	164,615	121,183	1,441,559
Depreciation expense	34,648	5,045	9,327	22,858	71,878
Disposals	-	-	-	-	-
Balance at 30 June 2019	1,001,443	194,011	173,942	144,041	1,513,437
Balance at 1 July 2019	1,001,443	194,001	173,942	144,041	1,513,437
Depreciation expense	59,006	3,796	4,364	16,080	83,246
Disposals	-	-	-	-	-
Balance at 30 June 2020	1,060,449	197,807	178,306	160,121	1,596,683
Carrying amounts					
At 30 June 2019	106,505	6,587	12,612	141,172	266,878
At 30 June 2020	517,987	2,791	8,248	125,816	654,842

Leasehold improvements includes \$Nil of work in progress (2019: \$Nil). This relates to a new bar at the Theatre which was completed during the year. Depreciation is now being calculated.

8. CREDITORS AND ACCRUED EXPENSES	2020 \$	2019 \$
Creditors	25,520	74,267
Accrued expenses	31,515	16,829
Total creditors and accrued expenses	57,035	91,096
<i>Comprising:</i>		
Current	57,035	91,096
Total creditors and accrued expenses	57,035	91,096

9. DEPOSITS IN ADVANCE

Deposits in advance of \$18,450 (2019: \$9,741) are funds received by the theatre for shows and events yet to come.

10. EMPLOYEE COSTS PAYABLE	2020 \$	2019 \$
Annual leave	23,545	42,972
Wages owing	12,408	18,495
Lieu hours owing	157	4,977
Total employee costs payable	36,110	66,444
<i>Comprising:</i>		
Current	36,110	66,444
Total employee costs payable	36,110	66,444

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 by the council at balance date (2019: Nil). Grant funding totalling \$134,300 was received from the Council towards the Sound System (2019: 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 \$15,530 (2019: \$5,368) and received reimbursement for miscellaneous repairs totalling \$Nil (2019: \$10,823). A total of \$Nil was payable to the council at balance date (2019: \$Nil). A total of \$907 was receivable from the council at balance date (2019: Nil).

No Payments were made to The Globe Theatre which is also a Council Controlled Organisation of PNCC in 2020 financial year (2019: \$Nil).

Key management personnel

The Trustees received payment of \$6,290 for attending meetings in the 2020 financial year (2019: \$5,440).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

CONTINUED

12. OPERATING LEASE COMMITMENTS

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

	2020 \$	2019 \$
Not later than one year	-	1,186
Later than one year and not later than five years	-	-
Later than five years	-	-
Total non-cancellable operating leases	-	1,186

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

13. SEEDING CAPITAL/PRODUCTION RECEIVABLE

	2020 \$	2019 \$
Current production receivable: Les Miserables (2019)	-	26,833

The Trust entered into a Production Agreement with the Palmerston North Operatic Society for Les Miserables in 2019 that took place in August. Profit from the show was split between the Board and the Operatic Society at 30% and 70% respectively. Net surplus for the production was \$20,729.

Therefore, no commitment for this production as at 30 June 2020.

14. CONTINGENT ASSETS AND LIABILITIES

The Trust has no contingent assets or liabilities as at 30 June 2020 (2019: Nil).

15. EVENTS SUBSEQUENT TO BALANCE DATE

There have been no significant events subsequent to balance date (2019: Nil)

16. STEINWAY PIANO CAMPAIGN FUND

		2020 \$	2019 \$
Balance at beginning of year	Net surplus	41,449	41,449
Balance at end of year		41,449	41,449

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.

17. THEATRE OPERATIONS	2020 \$	2019 \$
Balance at beginning of year	249,405	303,381
Donated Assets/In kind	68,812	13,001
Community Grants	402,808	-
Net surplus / (deficit) for year*	(44,630)	49,901
Depreciation	(83,246)	(71,878)
Balance at end of year	636,149	294,405

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

18. REGENT ON BROADWAY PROMOTIONS	2020 \$	2019 \$
Balance at beginning of year	104,023	105,909
Net surplus / (deficit) for year	(8,911)	(1,886)
Balance at end of year	95,112	104,023

19. MAINTENANCE RESERVE	2020 \$	2019 \$
Balance at beginning of year	150,000	150,000
Balance at end of year	150,000	150,000

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 \$68,812 (2019: \$13,001). Amounts donated to 30 June 2020 total \$853,128 (2019: \$840,127).

21. DONATIONS FROM OTHER SOURCES.

No Donations were received during the year (2019: \$Nil)

22. COMMUNITY GRANTS.

Donation received of \$268,508 from Lottery Grants Trust towards the Sound System (2019: Nil). Palmerston North City Council donation of \$134,300 as disclosed in note 11.

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

For the year ended 30 June 2020

23. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET.

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

Revenue

Theatre Hire. Budget \$205,000 versus actual \$142,443.

Recoveries and Commissions. Budget \$276,000 versus actual \$161,617.

Donations from Friends of Regent. Income from the Friends of Regent is not included in the budget due to the nature of the revenue type, being variable and unpredictable. During this financial year \$66,812 was received from the Friends of Regent for asset purchases.

Expenses

Employee related expenses. Budget \$539,967 versus actual \$460,169. 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.

24. COVID-19 IMPACT

On March 11, 2020, the World Health Organisation declared the outbreak of Covid-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March 2020, New Zealand increased its Covid -19 alert level to level 4 and a nationwide lockdown commenced. During the 4 four-week lockdown, non-essential business and organisations were not allowed to operate and individuals (other than essential workers or those undertaking essential business) were required to stay at home.

As a result of the lockdown, approximately 24 major events that were booked into the Regent, were either cancelled or rescheduled to the following year. The closure not only affected the number of events held at the Regent but also contributed to the economic downturn in the city where major productions had to be cancelled. However, the Regent are currently at this stage, on track to achieving their target, comparing it to the same period last year.

At this time, the full financial impact is not able to be determined.



Regent on Broadway
53 Broadway Avenue
Palmerston North