

SIX MONTH
REPORT TO
PALMERSTON
NORTH CITY
COUNCIL
FROM THE
GLOBE THEATRE
TRUST BOARD

December 2018

SHOWCASING OUR COMMUNITY

globe

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Trust Details as at 31 Dec 2018

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

Chairperson's Report

Maxine Dale
Feb 2019



RailLand
A TOUR CELEBRATING PASSENGER RAIL IN AOTEAROA

ANTHONIE TONNON Nov—Dec'18

DATE	DESTINATION	VIA
NOV/29	WAITATI HALL	DUNEDIN RAILWAYS*
DEC/13	THE GLOBE THEATRE, PALMERSTON NORTH	CAPITAL CONNECTION*
DEC/14	ST PETER'S HALL, PAKAKARAKI	METLINK
DEC/15	ARATOU WAIARAPA MUSEUM OF ART AND HISTORY, MASTERTON	METLINK*
DEC/21	ELLERSLIE WAR MEMORIAL HALL	AUCKLAND TRANSPORT

*Round trip included in ticket price. • Overnight trip required if taking the train both ways. • Afternoon show

TICKETS AND MORE INFO:
ANTHONIETONNON.COM/RAILLAND

DUNEDIN RAILWAYS
PHANTOM
HOCKEN

The Trustees of the Globe Theatre Trust are pleased to present this half-year report to the Palmerston North City Council. Our interim results indicate that we are on track to meet all KPIs in our annual report.

The first six months of 2018/19 have been busy, notably:

- July with some great community events – the St Peter's School production of "Strength of a Hero" and Manawatu Youth Theatre's production of Seussical Jr, along with regular community events from the Michelle Robinson Dance School and the Manawatu Performing Arts Competition Society
- October with the inaugural Palmy Fringe Festival and two sell-out events with Don McGlashan and Steve Gadd/Rodger Fox
- A busy pre-Christmas season focussed on comedy events, from Manawatu Theatre Society's Yes, Prime Minister, to the first of now regular events from the Comedy Hub.

Alongside this there has been an almost exponential growth in the number of bookings from touring musicians and bands. These have generally been done on a risk-share basis with the venue taking a proportion of the box office. Ticket sales for these events have been variable, but the diversity and quality of the events has raised the profile of the Globe with performers and audiences alike.

Forward bookings are strong with many confirmed hires throughout 2019. As part of its programme for audience development, the Board agreed to trial a "multi-pass ticket" to a selected group of music events in the first quarter of next year. This new initiative, aiming to develop the loyalty of our frequent attendees, will be assessed and then further developed in the coming year. The Board has also focussed on developing relationships with new community hirers to increase the diversity of the events taking place in the venues.

These achievements have only been possible through amazing team work. I would like to take this opportunity to thank all those who have contributed to date.

Of course, we are so appreciative of the ongoing support from the Council but particularly to acknowledge the Asset Management Team which has worked proactively with us to address three longstanding building issues in Globe 1 – firstly, the accessibility of the auditorium for those with mobility issues, secondly, the roof leak and water damage in the Globe 1 backstage area and thirdly, the structural issues which have hampered plans to upgrade the rig and lighting equipment. In the next 12 months, we are hopeful that, together, we will complete the refurbishment of Globe 1 with upgraded air-conditioning and digital lighting.

Other funding has been supplied by the Central Energy Trust (for the LED enabling rig) and COGS (for a project to provide additional promotional support to our community hirers). Funding has been agreed by the Lion Foundation and Eastern and Central Community Trust towards new digital lighting equipment and from Pub Charity Ltd/Central Energy Trust Event Fund to sponsor performances from a major contemporary Pacific dance company.

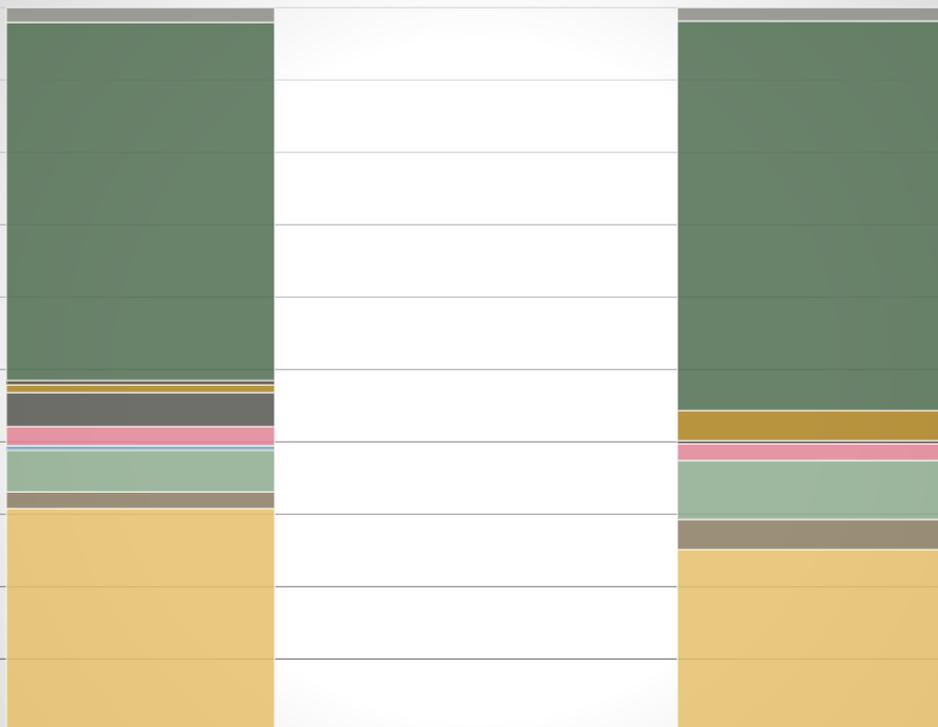
Our thanks to all those organisations that have shown their support through this funding.

I would like to thank our team at the Globe: the Theatre Manager and her staff, the Encore Café Team, the MTS bar volunteers and the Front of House volunteers. These are the people who have made the experience at the Globe so welcoming and accommodating.

I would also like to thank my fellow Trustees for their commitment and support to ensuring the success of our endeavours. Each of us bring our own contribution to our team, but I must single out Russell Harris and Phil Monk for special thanks at this point. Both have put in many hours of exhausting, physical labour as part of the building refurbishments in Globe 1, as well as providing sound advice and support to the contracting teams.

Finally, I would like to acknowledge and thank all our hirers and patrons. We are very lucky to live in a City which is home to so many talented and creative residents who also know the power of community and community performing arts.

Diversity indicator



2017/18 (12 MONTHS)

2018/19 (6 MONTHS)

European/NZ French Disability Irish Maori MELAA Mixed PI Youth Asian

Manager's Report

Denise Servante
Feb 2019

Wed 3 October at 7 pm

Talk in English
Free event



CAFÉ SCIENTIFIQUE
Public Science Talk Series
@ Globe Theatre

> Donations welcome
> Licensed bar/café service available from 6 pm

Paul Chambonnière
Massey University
Wastewater treatment with micro-algae: a 'green' technology?

The Globe Theatre, 312 Main Street, 4410 Palmerston North

  **PRINTERY**

For more information
Alliance Française Palmerston North
Square Edge, First Floor, 47 The Square
06 560 0749 | info@french.org.nz
www.french.org.nz

French Film Night

Friday 28 Sept

From 7.30 pm
Movie starts at 8 pm

English subtitles



LES GRANDS ESPRITS
OLIVIER ASSAÏOUBAL

Teacher in the most prestigious high school in the country, François enjoys the life he's always known, in the intellectual and bourgeois society of Paris. Trapped in a situation where he's forced to accept a job in a school of a tough underprivileged suburb, he finds himself confronted to his own limits and to the upheaval of his values and certainties.

Globe Theatre
312 Main St
Palmerston North

+ Congratulate our Students for DELF & Concours oral exams!

Free Screening
Donations welcome
Licensed bar/café service available from 6 pm

  **PRINTERY**

For more information
Alliance Française Palmerston North
Square Edge, First floor, 47 The Square
06 560 0749 | info@french.org.nz
www.french.org.nz

INTRODUCTION

The period under review marks my anniversary as Theatre Manager, so I have worked through the annual cycle of regular events and now see these hirers returning for their regular, repeat annual events. The busy-ness of the first half of 2018 has been maintained through the latter part of the year and so our small staff team now includes a permanent, part-time publicist. With strong forward bookings, the focus has increasingly been on audience development, particularly working closely with hirers to promote their events.

EVENT MARKETING AND AUDIENCE DEVELOPMENT

A focus for the future remains audience development – although audience numbers is not directly related to the Globe's primary function as a venue for hire, it certainly increases the attractiveness of the venue to hirers if we have a good marketing and promotional network that can translate into audience numbers. The main avenues for marketing events at the Globe are:

- The monthly advert "What's On" in the Enjoy supplement, which is accompanied by an editorial
- E-marketing to our database of ticket buyers/suppliers and supporters (currently almost 3,000)
- Regular posting and sharing on Facebook – the page followers have increased from 1,067 as at 1 July 2018 to 1,140 as at 31 December 2018
- Ensuring all events are listed on Eventfinda (and hence picked up by various events listing websites)
- Working closely with destination marketing agencies such as www.TheSquare.co.nz and My Manawatu (CEDA)
- Displaying posters in the venue and distributing to key information points in the CBD
- Some limited production of other printed materials (such as billboards for the "grassy knoll" on the intersection of Main/Pitt Streets and DLE flyers for distribution).

STAKEHOLDER ENGAGEMENT

As Theatre Manager, I participate in bi-monthly meetings of the cultural CCO managers and the Arts Powerhouse Steering Group meetings (organised through the City Library), and the Key Stakeholders meetings (organised through the PNCC Marketing and Communications unit). I have also contributed to the Masterplan for the wider Cultural Precinct Block between The Square to Pitt Street.

The collaboration between the cultural CCOs and other cultural organisations in the City, notably The Stomach, Centrepont Theatre and Square Edge, through these meetings and through working together on the Palmy Fringe Festival, has cemented working relationships.

The AGM was held in late September and was attended by about twenty key stakeholders. The family of community organisations that call the Globe home has increased. There are now five formal MOU agreements and another two under negotiation. Repeat hires have been secured from within a more diverse representation of the City communities and we have an ongoing commitment to explore new ways of increasing participation.

REPAIRS/MAINTENANCE AND BUILDING ISSUES

In conjunction with the PNCC Asset Managers, there has been good progress in key aspects of the theatre maintenance and renewal:

- The new arrangement of seating in Globe 1 (completed at the end of June 2018) has been very well received by our patrons and hirers. All comment on what a difference it makes to the look and feel of the auditorium.
- The issue over the structural integrity of Globe 1 has been steadily progressed. The Council have contracted Stevenson's to undertake the structural work and the steel structures have been manufactured ready to be installed in January 2019.

- The leak above the rehearsal room has been fixed and the gib lining stripped and replaced. The room and stairwell have been repainted.

With funding from Central Energy Trust, the new rig and winch system has been commissioned and has been manufactured ready to be installed at the end of January 2019. As at the end of December, the existing rig has been removed and the torn lining of the main curtain has been sent away for repair.

The Theatre's capital renewal programme has been progressed in line with the Trust Board's submission to PNCC for increased funding in 2018/19:

- A new computer purchased for the office and both laptops have been cleaned and reset.
- Minor work has been undertaken to address practical issues in Globe 2 (house lights now operable from sound/light desk, HDMI and internet cables now enable access from stage as well as the sound box).

THE NEXT 6 MONTHS

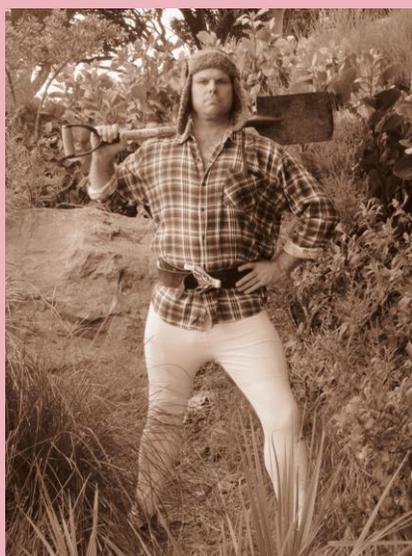
The 2019 programme of events is already looking great and hopefully, will only get better. The Theatre Management team are excited to be delivering our "Summer Sounds Festival" in January – March, several contemporary and world dance initiatives in March as part of the Festival of Cultures, and hosting rehearsals and performances for Manawatu Theatre Society's "The Wedding Singer" and Manawatu Youth Theatre's "Alice in Wonderland Jr". In addition, we expect to advance the refurbishment of Globe 1 with the new rig in place and replacement lighting well on its way.

We are committed to opening the doors of the theatres to as many groups, organisations and residents of the Manawatu as possible. This is the community theatre and the community are always very welcome here. As a team, we will endeavour to help you organise and run a successful event.

WATCH THIS SPACE!

Performance Measures

Six months to
31 December
2018



DEFINITIONS

USER GROUPS

MOU Group – has an MOU arrangement with the Globe Theatre, is performance-based, may be a community group or professional group

Art School – is performance based, where the performance is delivered by students whether or not the organisation is a commercial company

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

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

Community Festival – the Globe Theatre participates in a city-wide/cultural precinct-wide series of events that form part of a festival. May or may not be performance based, may or may not attract a hire fee

USAGE AND PERFORMANCE

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

Performance – The “useage” involves an audience of any description

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

PERFORMANCE BASED USEAGE :

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

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

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

NON-PERFORMANCE BASED USEAGE:

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

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

Misc meeting – anything else!

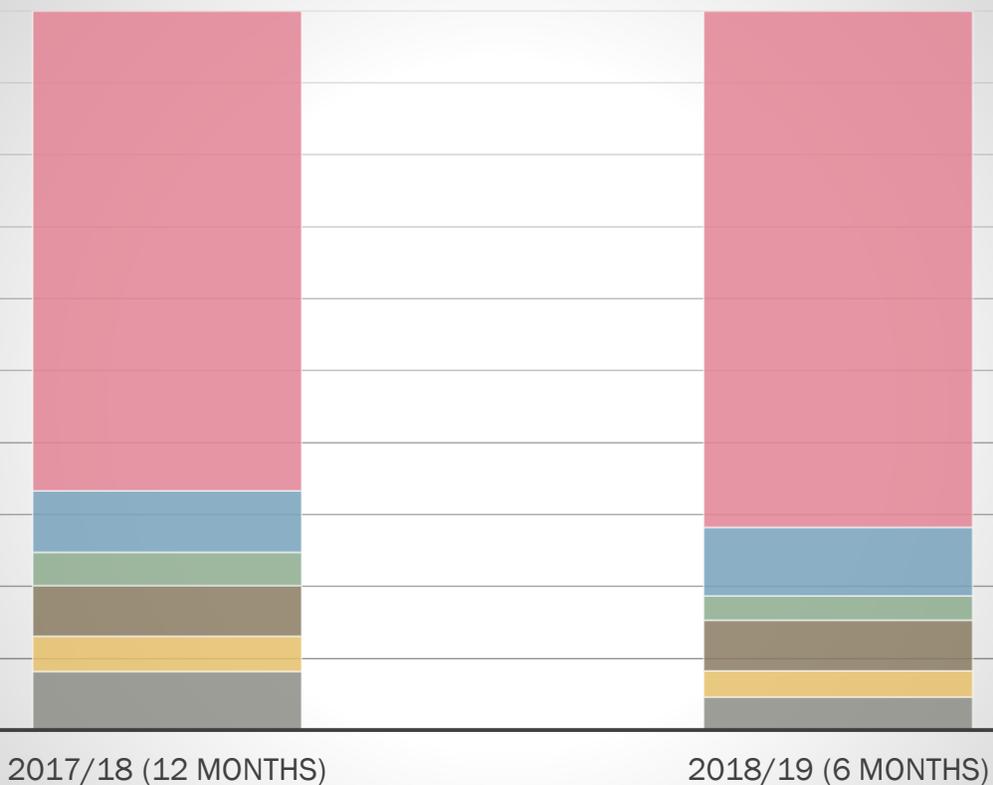
Strategic priority 1: support the Council’s vision for Palmerston North as “provision of small city benefits and big city ambition”, particularly through the goal of a creative and exciting city

<p>Outcome 1</p>	<p>Understand and maximize usage through quantifying number of visitors (audiences), number of events and attendees (participants), type of event and hours of use Result at 31 Dec 2017 190 usages including 78 performances Result at 30 June 2018 514 usages including 175 performances</p>
<p>Target 2019 SOI</p>	<p>Comparison with previous year on number of events and type of event: aim for increases – commentary on issues New benchmarks established for numbers of visitors and attendees, and hours of use.</p>
<p>Result at December 2018 (6 months)</p>	<p>On track: 326 usage nights and 123 performance nights (with an audience of any description) 6-month figures have been collated for: Hours of Use by Hirers = 1,268 (does not include box office or café opening hours) No. of discreet participants = 878 (people taking part in multiple “usages” for a single event are counted only once. For example, a play that is rehearsed at the Globe and shown at the Globe with 10 participants is only counted as 10 participants although each rehearsal and performance is a separate hire or “usage”) No. of visitors/audience members = 10,860 (people participating at the Globe as an audience member/attending an event but not as an organiser or performer. For example, someone who has been to multiple events at the Globe as an audience member would be counted for each event they attend. It does not include people visiting the box office or café.)</p>
<p>Outcome 2</p>	<p>Maintain or improve satisfaction ratings of hirers Result at 31 May 2018 = 97% (n=33) Results at 30 June 2018 = 91% (n=35)</p>
<p>Target 2019 SOI</p>	<p>Benchmark (97%) maintained or improved – commentary on issues</p>
<p>Result at December 2018 (6 months)</p>	<p>55 hirers have been sent post-hire surveys and 27 have replied. 81% (22) record an excellent rating, 15% good and 4% fair. Immediately following the hire, all hirers are sent a short survey asking for their satisfaction with their experience hiring the Globe. Comments provided with feedback are considered monthly at Board meetings and issues addressed where appropriate. From 2019, this will include a question on the marketing, promotion and technical support provided by the Theatre Management.</p>
<p>Outcome 3</p>	<p>Maintain or improve satisfaction ratings of visitors (audiences) Benchmark established for visitors up to July 2017 = 78% (n=171) Results at 30 June 2018 = 79% (n=255)</p>
<p>Target 2019 SOI</p>	<p>Provide annual result and commentary on any issues</p>
<p>Result at December 2018 (6 months)</p>	<p>85% (n=62) Audience surveys take place monthly and target ticket buyers through the Globe ticketing system. Comments and feedback are considered at Board meetings. The major influencer for audience members at this stage appears to be front of house/reception, followed by online ticketing and bar/café facilities. At the same time last year (after an extremely hot December in 2017), the major influencer was temperature control.</p>

Strategic priority 1: support the Council’s vision for Palmerston North as “provision of small city benefits and big city ambition”, particularly through the goal of a creative and exciting city

Outcome 4	Bring well-known national and international visiting productions to the venue that are well supported by our community
Target 2019 SOI	5 events co-promoted by the Globe. Target average 67% house sold
Result at December 2018 (6 months)	<p>The following events were brought to the Globe as a co-promotion (i.e. some form of box office split rather than a straightforward hire-fee):</p> <ul style="list-style-type: none"> Anthonie Tonnon Cellophonics David Dondero and the Dauphin Monty Bevins SEED (Playtime Theatre) The Easy Leaves and Fables/Albi and the Wolves (Second Hand News) Alexander Sparrow in Becoming Trump and Pat Goldsack’s Swingers Club and Brothel (Sparrow & Boyle) Stephen Taberner (and Jack) Super Hugh Man (Rutene Spooner) Tim Brown (and the Caramellos) <p>The range of capacity was 11% - 57% and the average was 34%</p>

Category of event



Celebration
 Conference
 Misc. meeting
 Film Performance
 Musical Performance
 Theatre Performance

Strategic priority 2: support the local performing arts community to showcase their talents

Outcome 1	Increasing proportion of use that is driven through MOU arrangements and is performance based Result at 31 May 2018 (11 months) = 51% of which 92% is performance based.
Target 2019 SOI	60% use MOU arrangements of which 90% is performance based
Result at December 2018 (6 months)	Five MOU arrangements are currently in place: MTS, Sunday Matinee Series, Tall Poppies, The Rose Academy and The Comedy Hub. These 5 organisations accounted for 47% of usage of which 96% was performance-based. In addition, Manawatu Youth Theatre was treated as an MOU agency under the umbrella of Manawatu Theatre Society but is not included in these statistics. Similarly, an MOU is under negotiation with Alliance Francaise for regular community events held at the Globe. It is hoped to formalise these arrangements in 2019.
Outcome 2	Monitor the number of uses from established community users as a proportion of overall usage Result at 31 May 2018 (11 months) = 31%
Target 2019 SOI	Comparison with benchmark (31%) – aim to reduce this proportion, converting regular community users to MOU arrangements. Commentary on issues
Result at December 2018 (6 months)	108 (33%) uses from 21 returning hirers (excluding MOU/Professional Groups hiring the venue). This was particularly boosted by including Manawatu Youth Theatre and Alliance Francaise in this category. As above, it is hoped that these groups will move into an MOU arrangement with the Board.
Outcome 3	Monitor the number of uses from new community groups using the complex as a proportion of overall usage Result at 31 May 2018 (11 months) = 3.5
Target 2019 SOI	Comparison with benchmark (3.5%) – commentary on issue
Result at December 2018 (6 months)	24 (7.5%) uses from 16 new hirers. This figure was boosted by the inclusion of 10 performances from new hirers as part of the Palmy Fringe. These hires have been categorized as a Community Festival because normal terms and conditions of hire were waived as part of the Board's contribution to the Festival. Seven bookings have been taken as a result of these new hirers (becoming returning hirers).

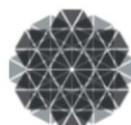
Sunday Matinee Series

globe
t h e a t r e



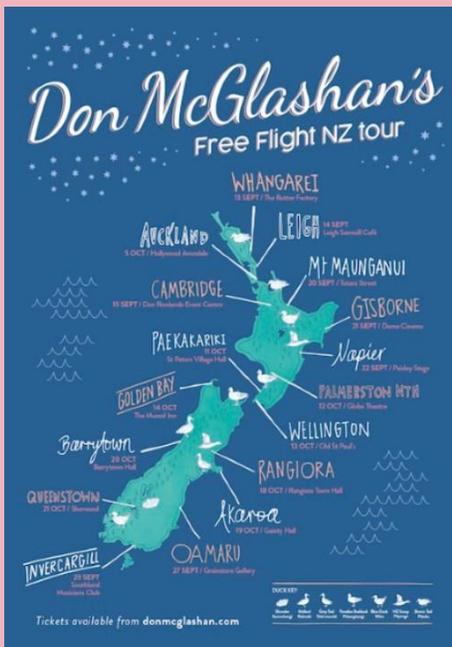
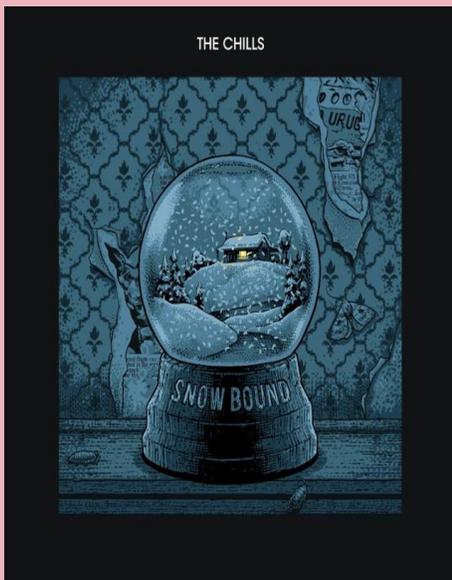
Strategic priority 3: maintain venues equipped to accommodate both community and professional performing arts organisations and events.

Outcome 1	Resolve ongoing issues with the refurbishment of Globe 1 - structural issues, new rigging and lighting equipment installed, heating/air conditioning upgraded
Target 2019 SOI	Report on progress
Result at December 2018 (6 months)	<p>Following the final event in December, the Globe 1 rig has been stripped and put in storage to enable the structural work to be completed in early January. The replacement winches and additional equipment has been ordered and in large part has been received at the Globe pending the theatre systems experts coming to re-assemble the rig in late January. It is intended to have the work completed by early February 2019.</p> <p>Quotes for replacement lighting have been sourced and the target to fundraise is \$90,000. One third of this has been raised and further funding applications will be pursued for the balance. Council staff are working closely with Theatre Management to establish a timeframe for the upgrade of the air conditioning (currently in Council asset maintenance plan for 2019/20)</p>
Outcome 2	Maintenance and renewal schedule initiated through funded depreciation
Target 2019 SOI	33% of depreciation costs funded
Result at December 2018 (6 months)	<p>This is on track to be exceeded by some margin. Several assets will be fully depreciated during 2018/19 and so depreciation will be relatively low. However, it will not last. Two large capital projects will take place in 2019 and 2020 (the new rig and new lighting in Globe 1) and this will increase depreciation costs from 2021 onwards. It does however, mean that the Board has two years to start to build a depreciation reserve for the future. The scheduled renewal programme is being implemented, particularly the office computer has been replaced and the laptops serviced to their original specifications</p>



Financial Statements

Six months to 31 December 2018



STATEMENT OF RESPONSIBILITY

We are responsible for the preparation of the Globe Theatre Trust's financial statements and statement of performance, and for the judgements made in them. We are responsible for any end-of-year performance information provided by the Globe Theatre Trust under section 19A of the Public Finance Act 1989. We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Globe Theatre Trust for the 6 months ended 31 December 2018.

Signed on behalf of the Board:

ENTITY INFORMATION FOR 6 MONTHS TO 31 DECEMBER 2018

LEGAL NAME, TYPE OF ENTITY AND LEGAL BASIS

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

THE TRUST'S PURPOSE OR MISSION

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

STRUCTURE OF THE TRUST'S OPERATIONS, INCLUDING GOVERNANCE ARRANGEMENTS

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

MAIN SOURCES OF THE TRUST'S CASH AND RESOURCES

The Trust Board manages the theatre complex as multi-purpose venues for hire. Principally, the venues are for the performing arts with two theatres; one a 200 tiered-seat theatre and one a flat-floor performance space with an option of up to 100 tiered-seat layouts. The Trust Board also hires the foyer/cafe-bar area separately as a meeting space. The Trust Board maintains an asset register of equipment, including projectors for film viewings. The Globe Theatre complex primarily serves the community performing arts in Palmerston North with an operating subsidy from the City Council which ensures that the complex is affordable for amateur and community arts groups. Particularly, the Theatre was developed in 1982 as a partnership project between the City Council and the Manawatu Theatre Society and this relationship remains enshrined on the Board's Trust Deed.

The theatre provides a quality experience that is also available to professional organisations for hire. Finally, the Trust Board raises funds to maintain its equipment and asset register to ensure that it can continue to offer that quality experience to all its clients. As part of this, the Trust Board also promotes shows to raise funds for this purpose.

Statement Of Financial Performance For The Six Months To 31 Dec 2018

	Notes	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Income				
Donations, Fundraising and other similar revenue	2	58,033	60,000	40,540
Council Funding	3	56,683	113,366	76,582
Investment Revenue		148	83	105
Sales of Goods and Services	4	39,306	84,918	64,401
Total revenue		154,171	258,367	181,628
Expenditure				
Costs related to providing goods and services	5	7,625	25,673	17,720
Employee related costs	6	34,124	89,646	93,880
Administration and Overhead	7	21,826	43,170	34,524
Other Expenses	8	6,092	22,408	25,388
Asset Write-offs		-	-	182
Depreciation		18,705	34,991	37,905
Total Expenditure		88,370	215,888	209,599
Net Surplus/(Deficit)		65,800	42,479	-27,971



Manawatu Youth Theatre
presents

Seussical JR.

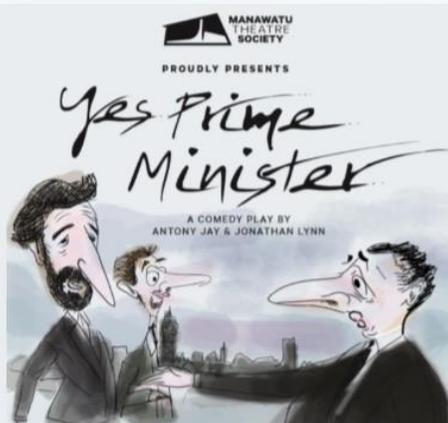
The stories of Dr Seuss

JULY 12 - 21
GLOBE THEATRE



Statement Of Financial Position For The Six Months To 31 Dec 2018

	Notes	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Assets				
Current Assets				
Bank Accounts and Cash	9	47,775	23,059	32,909
Debtors and Prepayments	10	55,500	18,185	9,882
Total Current Assets		103,274	41,244	42,791
Non-Current Assets				
Property, Plant and Equipment	11	267,405	320,046	228,051
Total Non-Current Assets		267,405	320,046	228,051
Total Assets		370,679	361,290	270,841
Liabilities				
Current Liabilities				
Creditors and Accrued Expenses	12	60,546	20,265	26,359
Employee costs payable	13	-	-	16,150
Unused Grants and Donations with Conditions	14	16,500	-	500
Rounding		3	-	-
Total Current Liabilities		77,049	20,265	43,010
Non-Current Liabilities				
Total Non- Current Liabilities			-	-
Total Liabilities		77,049	20,265	43,010
Net Assets		293,631	341,025	227,831
Trust Equity				
Contributed capital		100	100	100
Retained surpluses		293,531	340,925	227,731
Total Trust Equity		293,631	341,025	227,831



Manawatu Theatre Society
Thurs 22 Nov—Fri 7 Dec
Show days and times vary
Tickets available at the Box Office
 or online at
www.globetheatre.co.nz

Statement Of Changes In Accumulated Funds For The Six Months To 31 Dec 2018

	Notes	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Balance at 1 July		227,831	298,546	255,802
Current Period Surplus/(Deficit)		65,800	42,479	-27,971
Balance at 30 June	15	293,631	341,025	227,831

Statement Of Cashflow For The Six Months To 31 Dec 2018

	Notes	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Cash Flows from Operating Activities				
Receipts of Council Grants		56,683	113,366	76,582
Donations, Fundraising and other similar revenue		5,987	59,622	34,516
Receipts from sale of goods and services		100,244	84,917	69,769
Interest Received		148	83	105
Payments to Suppliers		-143,552	-180,518	-157,266
Goods and Services Tax (net)		-199	-	223
Net Cash Flows from Operating Activities		19,312	77,469	23,930
Cash Flows from Investing & Financing Activities				
Purchase of Fixed Assets		-565	-50,000	-23,011
Renewals		-3,881	-11,547	-
Net Cash Flow from Investing & Financing Activities		-4,446	-61,547	-23,011
Net Increase/(Decrease) in Cash		14,865	15,922	919
Opening Cash Balance		32,909	7,137	31,990
Closing bank accounts and cash	9	47,775	23,059	32,909

Notes To The Financial Statements

1. Statement of Accounting Policies

REPORTING ENTITY

The financial statements for the Trust are for six months ended 31 December 2018 and were approved by the Board of Trustees on 18 February 2019.

BASIS OF PREPARATION

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

Statement of compliance

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

Measurement base

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Changes in Accounting Policies

There have been no changes to accounting policies this year.

GST

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

Sale of goods

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

Sale of services

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

Theatre Hire

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

Interest Revenue

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

Grants

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed. Council, government, and non-government grants are recognised as revenue when they are received unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Fundraising and Donations

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

Donated assets revenue

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

Advertising, marketing, administration, overhead and fundraising costs

These are expensed when the related service has been received.

Bank Accounts and Cash

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

Debtors and other receivables

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

Investments

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

Property, plant, and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses. Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

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

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

Depreciation

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

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

Creditors and other payables

Creditors and accrued expenses are measured at the amount owed.

Employee and contractor costs

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

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

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

Employee Costs Payable

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

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

Provisions

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

Income Tax

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

Accumulated Funds

Accumulated Funds are measured through the following components:

- Retained Earnings
- Contributed Capital

Budget figures

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

Tier 2 PBE Accounting Standards applied

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

Grant expenditure

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

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

2. Donations, Fundraising and Other Similar Revenue

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Donations and Fundraising	962	10,000	2,994
Other	57,071	50,000	37,545
Total Donations and Fundraising Revenue	58,033	60,000	40,539

“Other” fundraising comprises:

	Dec-18 (unaudited) (6 months)	Actual 2018 (12 months)
NZ Guardian Trust		1,750
Palmerston North City Council		8,804
Central Energy Trust	53,071	5,459
Community Organisation Grants Scheme	4,000	4,600
Lottery Community Fund		7,500
Mainland Foundation		4,487
Pub Charity Ltd		3,751
Infinity Trust		
Lion Foundation		1,195
Other		
Total Donations and Fundraising Revenue	57,071	37,546

Revenue with conditions that has not been recorded as a liability:

Description	Original Amount	Not fulfilled amount	Purpose and nature of conditions
Community Organisation Grants Scheme	\$4,000	\$2,000	The grant requires the Trust to spend the funds on developing usage with new and diverse hirers, providing additional promotional support September 2018 and June 2019. Although this grant is for this specific purpose, there are no "use or return" conditions and so no liability has been recorded for the unspent amount.

3. Council Funding

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
PNCC grant	56,683	113,366	76,582
Total grants revenue	56,683	113,366	76,582

4. Sales of Goods and Services

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Foyer rental	1,768	10,800	3,401
Theatre Hire	29,387	44,603	44,226
Recoverable income	2,059	8,121	4,658
Sales	58	-	703
Ticket Sales (commission and shows)	6,034	21,394	11,415
Total Sales of Goods and Services	39,306	84,918	64,402

5. Costs relating to providing goods and services

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Project Expenses	348	-	4,384
Recoverable expenses	2,357	8,095	4,574
Shows Expenses	4,920	17,578	8,760
Total Costs of Goods Sold	7,625	25,673	17,720

6. Employee and Contractor Related Costs

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Salaries, wages and employment related costs	25,956	78,595	87,871
Contractor costs	3,957	3,673	3,960
Trustee Remuneration	2,947	5,100	-
KiwiSaver Employer Contributions	1,263	2,278	2,048
Total Employee Related Costs	34,124	89,646	93,880

7. Administration and Overheads

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Cleaning	1,479	4,164	3,382
Hire of Plant and Equipment	100	204	1,170
Light, heating and power	8,969	14,104	14,209
Marketing	2,374	6,086	4,788
Repairs and Maintenance	6,565	1,414	6,628
Office Costs	316	2,672	133
Postage, Printing and Stationery	610	12,000	1,648
Telephones and Internet	1,412	2,526	2,565
Total Administration and Overheads Costs	21,826	43,170	34,524

8. Other Expenses

	Dec-18 (unaudited) (6 months)	SOI Budget 2019 (12 months)	Actual 2018 (12 months)
Audit Fees	1	8,687	8,449
Bank Charges	40	42	41
Consulting and Accountancy	393	2,271	2,147
General Expenses	814	4,664	3,226
Insurance	2,723	2,447	2,394
Legal expenses	0	1,000	4,760
Professional Development	505	1,030	912
Provision for impairment	-	-	-287
Security	246	646	562
Subscriptions and compliance costs	663	652	2,220
Waste Disposal	706	969	965
Total Other Expenses	6,092	22,408	25,388

9. Bank Accounts and Cash

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Cash on hand	458	458
Non-profit current	13,263	29,286
Rapid Save (donations)	34,054	2,247
Total Cash and Cash Equivalent	47,775	31,990

10. Debtors and Prepayments

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Accounts Receivable	55,500	16,340
Less provision for impairment	-	(287)
GST Receivable	-	-
Prepayments	-	-
Sundry Debtors Accruals	-	-
Total Debtors and Other Receivables	55,500	16,053

11. Property, Plant and Equipment

	Furniture and Fittings	Theatre Equipment	Computer Equipment	Total
Balance at 1 July 2017	39,680	454,763	6,226	500,669
Additions	1,694	17,665	-	19,359
Disposals	-	-15,446	-2,727	-18,173
Balance at 30 June 2018	41,374	456,982	3,499	501,855
Accumulated Depreciation and Impairment Losses				
Balance at 1 July 2017	9,017	240,867	4,006	253,890
Depreciation Expense	4,658	32,548	700	37,905
Impairment Losses	-	-	-	-
Disposals	-	-15,446	-2,546	-17,992
Balance at 30 June 2018	13,675	257,969	2,160	273,803
Carrying Amount	27,699	199,013	1,339	228,051
Cost				
Balance at 1 July 2018	41,374	456,982	3,499	501,855
Additions	250	-	-	250
Renewals	1,767	1,596	518	3,881
Disposals	-	-	-	-
Work in Progress	-	53,928	-	53,928
Balance at 31 December 2018	43,390	512,506	4,017	559,914
Accumulated Depreciation and Impairment Losses				
Balance at 1 July 2018	13,675	257,969	2,160	273,803
Depreciation Expense	2,329	16,026	350	18,705
Impairment Losses	-	-	-	-
Disposals	-	-	-	-
Balance at 31 December 2018	16,004	273,995	2,509	292,508
Carrying Amount	27,386	238,511	1,508	267,405

There are no restrictions over the title of the Trust's property, plant, and equipment; nor is any pledged as security for liabilities.

Fri 19—Sun 21 October 2018
National Young Performer Awards
Tickets from Ticket Direct
allow access to both venues
(the Globe / The Regent Theatre)



Ballet : Tap Dance : Vocal : Pianoforte : Troupes

12. Creditors and Accrued Expenses

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Accrued Expenses	0	11,686
Revenue in Advance	-	-
PAYE Payable	1,723	1,451
Creditors	66,571	12,935
GST Payable	-7,748	287
Total Creditors and Other Payables	60,546	26,359

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

13. Employee and Contractor Related Costs Payable

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Annual Leave	-	3,200
Wages and bonus accrual	-	12,950
Total Employee Costs Payable	0	16,150

14. Unused Donations and Grants with Conditions

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

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Pub Charity Ltd	6,000	-
Lions Club of Middle Districts	500	500
Lion Foundation	10,000	-
Total Unused Donations and Grants with Conditions	16,500	500

15. Accumulated surpluses

	Dec 18 (unaudited) (6 months)	Actual 2018 (12 months)
Contributed Capital		
Balance at 1 July	100	100
Capital Contribution		
Balance at 30 June	100	100
Retained Surplus		
Balance at 1 July	227,731	255,702
Surplus/(Deficit) for the Year	65,800	-27,971
Balance at 30 June	293,531	227,731
Total Equity	293,631	227,831



16. Capital Commitments and Operating Leases

The Trust has no capital commitments and no operating lease commitments (2018 \$nil).

17. Contingencies

CONTINGENT LIABILITY

The Trust has no contingent liabilities (2018 nil).

CONTINGENT ASSETS

The Trust has no contingent assets (2018 \$nil).

18. Capital Management

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

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

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

19. Explanation of major variances against budget

At this stage in the year, generally income and expenditure should be at about 50% of annual budget. There are the following exceptions/variances:

REVENUE

Donations, Fundraising and other similar revenue: The bulk of the major capital grant to supply and fit a new rig which will enable LED lighting equipment has been supplied and invoiced. The balance of this project will be due in January/February 2019 and it is anticipated that the total grant of \$70,000 will be drawn down.

Sales of Good and Services: Theatre hire income is over the 50% budget and has compensated for lower than anticipated income from foyer rental. Recoverable income is much lower than the 50% budget but is compensated for by much lower recoverable expenses (these two figures should, and do, balance out). Nett sales from ticketing is lower than anticipated but is compensated for to some extent by lower show expenses than anticipated. Overall, revenue from ticket sales less show expenses is \$1,100 against a 12-month budget figure of \$4,000.

EXPENDITURE

Costs related to goods and services is lower than the 50% budgeted figure. This relates to lower recoverable expenses and show expenses as outlined above.

Employee and contractor costs are below 50% budget. This reflects that some employee and contractor costs are loaded towards the end of the year (leave accruals and bonus payments).

Other Expenses: Expenditure is much lower than the 50% budget mainly because the largest expense in this area is the annual audit fee which is due at year end.

BALANCE SHEET

The Bank accounts and cash balance is higher than budgeted primarily because several key capital, renewal and maintenance expenses will be incurred in the latter part of the year.

Creditors and accrued expenses includes about \$50,000 relating to the capital programme to replace the rig in Globe 1.

20. Events after Balance Date

There were no events after balance date that require disclosure.

21. Ability to continue operating

The Trust intends to continue operating in future periods.