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# Globe Theatre Trust Statement of Intent For the three years to 30 June 2026

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*Version:* V11

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*Date:* 31/05/2023

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*Prepared by:* Globe Theatre Trust Board

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## Trust Details as at 30 June 2023

Nature of Business	Theatre
Establishment Date	15 April 2002
Trustees	J Adams (Chairperson) R Harris C Wilson N Cross R Sheppard
Treasurer	N Cross
Secretary	C Wilson
Theatre Manager	G Keating
Address	312 Main Street PO Box 132 Palmerston North
Telephone	(06) 351 4409
Website	<a href="http://www.globetheatre.co.nz">www.globetheatre.co.nz</a>
Email	<a href="mailto:info@globetheatre.co.nz">info@globetheatre.co.nz</a>
Bankers	Bank of New Zealand
Accountants	AboutTime Accounting Services Ltd
Solicitors	Cooper Rapley
Registered Office	C/ Palmerston North City Council Civic Administration Building The Square Palmerston North
Incorporation Number	1206039
Charity Registration Number	CC28111
Inland Revenue Number	43-006-495

## Foreword

The Globe Theatre Trust Board is pleased to present its Statement of Intent for the three-year period from July 2023 to June 2026. The “COVID Years” are hopefully behind us and we can look forward with great anticipation and excitement as we welcome the large number of shows and events looking to get back on stage.

We acknowledge the devastating impact COVID had on the arts community from 2020 to 2022. But we also acknowledge the immense work of the theatre during this time. The fact that the theatre was able to operate, under the various restrictions, bears testament to the board and staff. Our Performance Measuring figures were revised in May 2023, to take in to account the “cost of living crisis”. It has become evident to theatre management that during the first quarter of 2023, audience figures were down on what was expected. Research with theatre users has shown that patrons are experiencing tough times financially and this has had a negative impact on their ability to attend shows. Going forward, we have adopted a conservative 10% increase in our performance measures.

As of May 31<sup>st</sup>, 2023, the theatre had 87% of usage and 74% of performances from community groups (including the Globe Theatre MOU groups). This aligns very nicely with our Strategic Priority 2: Support the local performing arts community to showcase their diverse talents at the Globe and working to ensure our users represent the diversity of the Palmerston North community.

As of May 31<sup>st</sup>, 2023, the theatre hosted 266 performances. Of those performances, 145 were Community-Led performances with a specific benefit to communities listed in the PNCC Support and Funding Policy 2022, Section 7. The theatre is also an active participant in the Palmy Companion Card scheme and promotes equality of access for people with impairments who may need additional attendant companion support.

The theatre had 32 new hirers for the year and 30 Collaborated Events (Performer/Venue Splits). These collaborated events are widely used by touring groups who appreciate the partnership which helps take the pressure of selling a certain number of seats just to cover the venue hire. This all adds to making Palmerston North an exciting and vibrant city.

The board is happy with the range and diversity of events at the theatre. The Globe Theatre is known throughout New Zealand as a very welcoming theatre. This is evident from the responses to the Hirer Surveys we send out each year and from conversations with hirers while they are at the theatre.

We are engaged with Rangitāne and are confident of very positive outcomes in the near future.

Looking ahead to 2023/2024, the theatre will create a promotional brochure and engage with local community groups who are currently not using the theatre. While the theatre might not be suitable for their events, our goal is to make the theatre known to these groups and work closely with them should they wish to investigate using the theatre in any way. While we are known as a theatre, past usages have shown that we are very well equipped for workshops, presentations, meetings, and similar types of gatherings.

The board recognises the need to collate data on the economic/social impact of the Globe Theatre and will investigate, with council officers/outside agencies, the best way to collect and present this data.

	<b>Theatre Usage</b>	<b>Theatre Performances</b>	<b>Audience</b>	<b>Participants/Performers</b>	<b>Hours of Use</b>
<b>As of May</b>					
<b>2023</b>	<b>494</b>	<b>260</b>	<b>20,000</b>	<b>3,335</b>	<b>2,763</b>
<b>2021/22</b>	<b>478</b>	<b>207</b>	<b>14,657</b>	<b>1,785</b>	<b>1,966</b>
<b>2020/21</b>	<b>534</b>	<b>285</b>	<b>23,225</b>	<b>3,351</b>	<b>2,207</b>
<b>2019/20</b>	<b>533</b>	<b>221</b>	<b>15,393</b>	<b>2,801</b>	<b>1,988</b>
<b>2018/19</b>	<b>680</b>	<b>253</b>	<b>21,409</b>	<b>1,843</b>	<b>2,544</b>

As a Community Theatre, the board and management continue to focus on 'core business'.

1. Memorandum Of Understanding Groups – 12 local organisations/performing groups view the Globe Theatre as their home. With regular shows & events taking place, these groups form the backbone of the theatre and provided 30% of theatre usage and 48% of theatre performances during the 2021/22 year.
2. Community Groups – Other local and national community groups use the theatre on a regular basis or when they require a Palmerston North/Manawatu venue. During the 2021/22 year, Community Groups provided 37% of theatre usage and 28% of theatre performances
3. Professional Groups – Management continues to maintain and enhance the theatre's current network of professional groups. Our state of the art theatre gives professional groups confidence that their shows and events will be well catered for. Professional groups provided 31% of theatre usage and 24% of theatre performances during the 2021/22 year.

The Globe Theatre Trust Board met in January 2023 to review the current 10 Year Strategic Plan. While some small changes were made to the strategic plan, the board is content that the theatre is operating in accordance with the Theatre Trust Deed and is meeting the Board's vision for the theatre.

***Strategic Statement – To be the centre for the performing arts community in Palmerston North***

The Globe Theatre's Strategic Statement contributes to the Palmerston North City Council's Arts Plan and the council's vision of "Small City Benefits, Big City Ambition".

The theatre currently has Memorandum Of Understanding (MOU) agreements with 12 local community groups that use the theatre on a regular basis. These MOU agreements contribute to the Arts Plan Priorities 1, 3, 4 & 5. As these relationships continue to flourish, the Globe Theatre will continue to support the increase in arts participation and attendance rates of Palmerston North city residents. As our usages and performances continue to grow, this will support the council's desire to increase patronage of council-owned cultural facilities. This increase will enable residents to see the value in our cultural facilities.

The theatre also plays host to many national and international performers and through the dedicated work of the past 7 years, is now recognised as a "welcoming theatre to perform in" for many performing and promotional businesses and organisations. The ability to provide a first rate, first class, performing facility fits nicely with the council's goal of a Creative and Exciting City.

Globe Theatre Trust Board  
May 2023

# Purpose of the Statement of Intent

This Statement of Intent is presented by The Globe Theatre Trust in accordance with the requirements of s 64(1) of the Local Government Act 2002.

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intention of The Globe Theatre Trust for the next three years, and the objectives to which those activities will contribute.

This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

## About the Globe Theatre Trust

### GOVERNANCE STATEMENTS

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

#### Objectives of Globe Theatre Trust Deed

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

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

The primary objective of the Trust is to promote the performing 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 and governance

The Board of up to seven Trustees (five appointed by Palmerston North City Council and up to two co-opted Trustees) is responsible for the strategic direction and control of The Globe Theatre Trust's activities. The Board guides and monitors the business and affairs of the Trust, in accordance with the Trustee Act 1956, the Local Government Act 2002, the Trust Deed and this Statement of Intent. The Board's approach to governance is to adopt "good practice" with respect to:

- (i) the operation and performance of the Board, including being a good employer.
- (ii) managing the relationship with the Theatre Manager.
- (iii) being accountable to the community and reporting to the Palmerston North City Council.
- (iv) reflecting the diversity of Palmerston North.

The Theatre Manager is responsible for the day-to-day operations of the Globe Theatre, engaging and oversight of staff/volunteers and reporting to the Trustees on performance against The Trust's objectives.

# STRATEGIC STATEMENT

“To be the centre for the performing arts community in Palmerston North.”

## VALUES

Integrity

Excellence

Respect

Teamwork

Collaboration

## Contribution to Small City Benefits, Big City Ambition

Palmerston North is the heart of the Manawātū region within central New Zealand - a small city with a lot to offer, and ambitious about where it is going. The City Council vision is Palmerston North: Small city benefits, big city ambition.

Council has identified five strategic goals for achieving this vision and the Globe Theatre Trust contributes primarily to Goal 2: A creative and exciting city. Council has developed five priorities for Goal 2: A creative and exciting city. The Globe Theatre Trust contributes primarily to Priority 3: Be a creative city that nurtures and celebrates the arts, and to a lesser but still significant extent, Priority 4: Develop a national reputation as an exciting city with plenty to do at night and on weekends.

The Globe Theatre Trust also has a part to play in Goal 4: An eco-city, particularly in Priority 2 to work with Council to reduce carbon emissions.

The Globe Theatre Trust believes that its contribution to the Council’s vision, strategic goals and underpinning strategies can be realized as it works towards its vision to deliver a dynamic, bustling, vibrant centre for the performing arts community in Palmerston North.

## The Globe Theatre Trust’s Strategic Objectives

The Trust Board has identified three strategic objectives which describe the change that it will endeavour to bring about to support the Council in developing Palmerston North as a creative and exciting city with a national reputation for creativity and the arts.

Firstly, it will ensure that there are more, and more visible, arts and activities at the Globe that contribute to the Council’s aspirations as a creative and exciting city.

Secondly, it will support the local performing arts community to showcase their diverse talents at the Globe.

Thirdly, it will maintain and develop facilities that enable our communities to produce and enjoy the very best performing arts that can be offered, ensuring that the Globe remains a cutting edge, visible and resilient cultural institution/facility. In addition, the Board will encourage and support Council, as asset manager, to ensure that these developments incorporate incremental sustainability and environmental improvements to contribute to the reduction in CO<sup>2</sup> emissions.

# Nature and scope of activities of the Trust Board – what we do

To achieve its objectives, the Trust Board aims to:

1. Increase the number of events that take place at the Globe Theatre and the number of people who are involved in these events (actively organising or participating in a performance or performing art).

This will entail:

- Providing a seamless, customer-focused hire service that is responsive to the needs of hirers and is enabling and supportive.
- Ensuring that there are friendly, helpful, and knowledgeable staff/volunteers who can support our hirers in delivering a successful event, whether it is negotiating an appropriate contract, advising on promotion, securing front of house/ushering volunteers, or providing technical support.
- Encouraging national and international visiting productions and artists to perform at the venue.

2. Maximize the use of the venues by local community performing arts groups and events and to represent the diversity of the Palmerston North community.

This will entail:

- Undertaking community outreach and collaborating with other agencies and organisations to demonstrate how the Globe may contribute to their aspirations to showcase and develop their cultural heritage.
- Working particularly with community hirers to support them to showcase their cultural and performing arts heritage, ensuring that the venues are available and accessible for them and encouraging them to become regular users of the theatres.

3. Maintain the fixtures, fittings, and theatre equipment to ensure it continues to offer a professional experience to all its clients/customers/users.

This will entail:

- Working with the local performing arts community to identify future needs and advancing technologies to support developing performing arts practice.
- Working closely with PNCC as the building owner, local suppliers with theatre specialisms and local philanthropic organisations which contribute necessary funding.
- Encouraging and supporting PNCC as the building owner, working closely with local suppliers with theatre specialisms and local philanthropic organisations, to incorporate low carbon choices.



# Performance Measures

## DEFINITIONS

### USER GROUPS

**MOU Group** – has an MOU arrangement with the Globe Theatre. May or may not be performance based

**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

### USAGE AND PERFORMANCE

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

**Performance** – The “usage” involves an audience of any description

### USEAGE DEFINITIONS:

**Theatre** – a dramatic 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

**Dance** – a 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

**Music** – 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

**Comedy** – a comedy 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** – a film shown to an audience, open to the public, may be ticketed or not

**Conference** – a workshop, presentation, etc. to an audience, may be private or open to the public, may be ticketed or not

**Other** – none of the above. May include weddings, birthdays, meetings, etc.

### HOURS OF USE BY HIRERS

Approximate length of each usage from pack in to pack out (does not include box office or café opening hours)

### NO. OF DISCREET PARTICIPANTS

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 ten participants is only counted as ten participants although each rehearsal and performance is a separate hire or “usage”

### NO. OF VISITORS/AUDIENCE MEMBERS

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.

## Strategic priorities and performance monitoring for 2023/24, 2024/25, 2025/26

Strategic Priority 1: Ensure that there are more, and more visible, arts and activities at the Globe that contribute to the Council's aspirations for Palmerston North to be a creative and exciting city.

Performance Measures	Actual		Target		
	2021/22	at 31 December 2022	2023/24	2024/25	2025/26
Number of usages	478	314	526	579	637
Number of performances	207	178	228	251	276
Hours of Use by Hirers	1,966	1,674	2,163	2,379	2,617
No. of discreet participants	1,785	1,885	1,963	2,159	2,375
No. of audience members	14,657	14,693	16,123	17,735	19,509
Number of national/international visiting productions performing at the theatre	21	16	23	25	28
Number of collaborated performances (box office splits)	Not measured	15	20	22	24

Strategic Priority 2: Support the local performing arts community to showcase their diverse talents at the Globe and working to ensure our users represent the diversity of the Palmerston North community.					
Performance Measures	Actual		Target		
	2021/22	at 31 December 2022	2023/24	2024/25	2025/26
% of total theatre usage attributed to MOU group	30%	48%	30%	30%	30%
% of total theatre usage attributed to Community group	38%	40%	40%	40%	40%

Strategic Priority 3: Maintain and develop facilities that enable our communities to produce and enjoy the very best performing arts that can be offered, ensuring that the Globe remains a cutting edge, visible and resilient cultural institution/facility.					
Performance measure	Actual		Target		
	2021/22	2022/23	2023/24	2024/25	2025/26
Carry out capital development programme	Globe 1: New backstage roller door	Investigate digital signage options	Upgrade pulley system in Globe 1	Upgrade seating in Globe 2	Upgrade Rehearsal Room
Contribution to environmental sustainability	New measure for 2022/23	All Globe stage lighting to be LED	All theatre lighting to be LED	Investigate solar panels on theatre roof	Investigate more efficient heating and cooling of theatre spaces

## How we operate

The team at the Globe Theatre are a passionate group of people driven to grow and develop the performing arts in the city and wider region. We recognise, and take responsibility for, our role in contributing to the common vision to develop the city into a creative and exciting city with a national reputation for arts and creativity. We will work to:

- Increase the culture of supporting performing arts events from the local community (residents and businesses) to grow the sector.
- Collaborate with all cultural organisations to support each other's contribution towards the common vision.
- Liaise effectively with a City Council committed to and contributing to the common vision.
- Participate in decision-making – governance and operational – that is co-creational building trust and capacity within and between each collaboration partner.

In keeping with best management practice, the Globe Theatre Trust aims to operate efficiently and effectively, reducing any adverse impacts on the natural and built environment. The Theatre management will work towards zero waste in its operations and in developing technologies and processes which reduce the carbon footprint of the theatre's day-to-day operations.

As a future-focused organisation, we aim to promote the social and cultural well-being of our communities through participation in the arts. The Trust regularly reviews its internal processes, seeking continuous improvement to deliver value for money to the shareholders and the ratepayer. As a Council Controlled Organisation (CCO), the Trust is also aware that much of its funding is derived from public monies and therefore all expenditure should be subject to a standard of probity and financial prudence that is to be expected of a CCO and be able to withstand public scrutiny. The Trust recognises the principles of the Treaty of Waitangi and acknowledges the importance of partnering with local Iwi and recognition of Tāngata Whenua in the region.

The Trust is committed to the health and safety of all workers, volunteers, visitors, and the public across its premises by undertaking all measures reasonably practicable to provide a safe working environment. The Trust believes that creating and maintaining a healthy work environment is a shared, co-operative venture, where employees, volunteers and employers have roles and responsibilities, including the maintenance of a balance between work and non-work activities. As such, the Trust will ensure it meets its obligations with respect to New Zealand laws and regulations and will undertake annual reviews based on established best practice guidelines.

## Working together

### HALF-YEARLY REPORT

By the end of February each year, The Globe Theatre Trust will provide the Council with a half-yearly report complying with s66 of the Local Government Act 2002. The report will include the following information:

- Theatre Manager's commentary on operations for the relevant six-month period.
- Comparison of The Globe Theatre Trust's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

### ANNUAL REPORT

By 30 September each year, The Globe Theatre Trust will provide the Council with an annual report complying with ss 67–69 of the Local Government Act 2002. Financial statements and audit clearance will be provided in early August to ensure timely availability of PNCC's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of The Globe Theatre Trust, and will include the following information:

- Commentary on operations for the year.
- Comparison of The Globe Theatre Trust's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cashflows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.
- Any other information that the Trustees consider appropriate.

This Statement of Intent was approved by the Globe Theatre Trust Board on 29<sup>th</sup> May 2023.

Signed:

John Adams, Chairperson, Globe Theatre Trust Board

# Forecast financial statements

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2024, 2025 & 2026

	Actual 2022	Forecast 2023	Indicative 2024	Indicative 2025	Indicative 2026
<b>Revenue</b>					
Donations, fundraising and other similar income	5,367	100,000	15,000	15,000	15,000
COVID-19 Wage Subsidy	28,301	0	0	0	0
Council funding	118,075	119,257	170,450	172,154	173,876
Investment income	764	3,642	3,600	3,600	3,600
Sales of Goods and Services	114,309	229,700	200,000	200,000	200,000
<b>Total Revenue</b>	<b>266,816</b>	<b>452,599</b>	<b>389,050</b>	<b>390,754</b>	<b>392,476</b>
<b>Expenditure</b>					
Costs related to providing goods and services	33,888	49,946	50,446	50,950	51,460
Administration and Overhead Costs	27,416	36,650	37,016	37,386	37,760
Employee, Trustee and Contractor Costs	132,480	155,170	206,722	208,789	210,877
Other Expenses	34,488	33,111	33,442	33,777	34,114
Asset Write offs	0	0	0	0	0
Depreciation	58,572	60,000	50,000	50,000	50,000
<b>Total Expenditure</b>	<b>286,844</b>	<b>334,877</b>	<b>377,626</b>	<b>380,902</b>	<b>384,211</b>
<b>Net surplus/(Deficit)</b>	<b>-20,028</b>	<b>117,722</b>	<b>11,424</b>	<b>9,852</b>	<b>8,264</b>

Note 1: Funding for capital additions and renewals is recorded as income whilst the corresponding expenditure is recorded as an increase in assets. Large capital programmes are reflected in the Net surplus in those years and consequently (through increased depreciation) as a net deficit in the 2023, 2024 and 2025 financial years. The Globe Theatre Trust has traditionally not funded depreciation but is moving towards partially funding depreciation through this SOI period.

## STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 30 JUNE 2024, 2025 & 2026

	Actual 2022	Forecast 2023	Indicative 2024	Indicative 2025	Indicative 2026
<b>Assets</b>					
<b>Bank</b>					
Cash and Cash Equivalents	206,544	334,232	384,107	437,411	495,408
<b>Total Bank</b>	<b>206,544</b>	<b>334,232</b>	<b>384,107</b>	<b>437,411</b>	<b>495,408</b>
<b>Current Assets</b>					
Accounts Receivable	4,569	4,000	4,000	4,000	4,000
Provision for impairment	0	0	0	0	0
Accrued Revenue	0	0	0	0	0
GST Receivable	0	0	0	0	0
Prepayments	0	0	0	0	0
Sundry debtor accruals	0	0	0	0	0

<b>Total Current Assets</b>	<b>211,113</b>	<b>338,232</b>	<b>388,107</b>	<b>441,411</b>	<b>499,408</b>
<b>Fixed Assets</b>					
<b>Property, Plant and Equipment</b>					
Value of equipment purchased	728,518	728,518	758,518	768,518	768,518
Less accumulated depreciation	-458,280	-518,280	-568,280	-618,280	-668,280
New Capital purchase		30,000	10,000	0	0
<b>Total Property Plant and Equipment</b>	<b>270,238</b>	<b>240,238</b>	<b>200,238</b>	<b>150,238</b>	<b>100,238</b>
<b>Total Fixed Assets</b>	<b>270,238</b>	<b>240,238</b>	<b>200,238</b>	<b>150,238</b>	<b>100,238</b>
<b>Total Assets</b>	<b>481,351</b>	<b>578,470</b>	<b>588,345</b>	<b>591,649</b>	<b>599,646</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable	8,781	7,360	7,360	7,360	7,360
Income in advance	39,478	20,000	20,000	15,000	15,000
Grants in advance	0	0	0	0	0
Accrued Expenses	9,500	9,500	9,500	9,500	9,500
PAYE Payable	4,479	4,500	4,500	4,500	4,500
Unpaid Expense Claim	0	0	0	0	0
GST	702	2,525	2,525	2,525	2,525
<b>Total Creditors &amp; Other Payables</b>	<b>62,940</b>	<b>43,885</b>	<b>43,885</b>	<b>38,885</b>	<b>38,885</b>
<b>Employee Costs Payable</b>					
Holiday pay liability	9,594	9,594	9,594	9,594	9,594
Wages accrual	1,935	1,935	1,935	1,935	1,935
<b>Total Employee Costs Payable</b>	<b>11,529</b>	<b>11,529</b>	<b>11,529</b>	<b>11,529</b>	<b>11,529</b>
<b>Unused Grants/Donations with conditions</b>					
COVID-19 Wage Subsidy Extension	0	0	0	0	0
Grants/Donations	1,500	1,500	1,500	1,500	1,500
<b>Total Unused Grants/Donations with conditions</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Total Current Liabilities</b>	<b>75,969</b>	<b>56,914</b>	<b>56,914</b>	<b>51,914</b>	<b>51,914</b>
<b>Non-Current Liabilities</b>					
Non-Current Liabilities	4,911	3,363	1,815	267	0
<b>Total Non-Current Liabilities</b>	<b>4,911</b>	<b>3,363</b>	<b>1,815</b>	<b>267</b>	<b>0</b>
<b>Total Liabilities</b>	<b>80,880</b>	<b>60,277</b>	<b>58,729</b>	<b>52,181</b>	<b>51,914</b>
<b>Net Assets</b>	<b>400,471</b>	<b>518,193</b>	<b>529,616</b>	<b>539,468</b>	<b>547,732</b>

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEARS ENDED 30 JUNE 2024, 2025 & 2026**

	Actual 2022	Forecast 2023	Indicative 2024	Indicative 2025	Indicative 2026
Opening balance as at 1 July	420,499	400,471	518,193	529,616	539,468
Surplus/(Deficit)	-20,028	117,722	11,424	9,852	8,264
<b>Balance at 30 June</b>	<b>400,471</b>	<b>518,193</b>	<b>529,616</b>	<b>539,468</b>	<b>547,732</b>

**STATEMENT OF CASHFLOW FOR THE YEARS ENDED 30 JUNE 2024, 2025 & 2026**

	Actual 2022	Forecast 2023	Indicative 2024	Indicative 2025	Indicative 2026
<b>Cash Flows from Operating Activities</b>					
Donations and Fundraising	7,310	100,000	15,000	15,000	15,000
Receipts from Council grants	118,075	119,257	170,450	172,154	173,876
Receipts from sale of goods and services	260,653	210,791	200,000	195,000	200,000
COVID-19 Wage Subsidy	28,301	0	0	0	0
Interest Received	764	3,642	3,600	3,600	3,600
Payments to Suppliers & staff	-372,303	-276,277	-327,626	-330,902	-334,211
Goods and Services Tax (net)	-592	1,823	0	0	0
<b>Net Cash Flows from Operating Activities</b>	<b>42,208</b>	<b>159,236</b>	<b>61,424</b>	<b>54,852</b>	<b>58,264</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of Fixed Assets	-21,708	-30,000	-10,000	0	0
Repayment of Non-Current Liabilities	0	-1,548	-1,548	-1,548	-267
<b>Net Cash Flow from Investing Activities</b>	<b>-21,708</b>	<b>-31,548</b>	<b>-11,548</b>	<b>-1,548</b>	<b>-267</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>20,500</b>	<b>127,688</b>	<b>49,876</b>	<b>53,304</b>	<b>57,997</b>
Cash and Cash Equivalents at the start of the Year	186,044	206,544	334,232	384,107	437,411
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>206,544</b>	<b>334,232</b>	<b>384,107</b>	<b>437,411</b>	<b>495,408</b>



# 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.