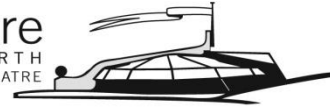


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the globe theatre
PALMERSTON NORTH
MANAWATU'S HOME OF COMMUNITY THEATRE



Globe Theatre Trust Board Statement of Intent For 2015/16, 2016/17 and 2017/18

Version: 2

Date: 29/062015

Prepared by: Globe Theatre Trust Board

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CONTACT DETAILS

Registered Office:	PO Box 132	Legal Status:	The Globe Theatre Trust is a Council Controlled Organisation for the purposes of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trusts Act 1957 and Charities Act 2005.
	Cnr Pitt St and Main St		
	Palmerston North		
Website:	www.globetheatre.co.nz		
Phone:	06 351-4409		
Email:	theglobe@inspire.net.nz		
Main Contact:	Stephen Fisher	Second Contact:	Penny Odell
Role in CCO:	Chairperson	Role in CCO:	Secretary
Address:	30 St Johns Avenue	Address:	c/- PNCC
	Palmerston North		Private Bag 11034
			Palmerston North
Phone:	06 356-4817 xtn 8840	Phone:	06 356-8199 xtn 8333
Email:	stephen_fisher@xtra.co.nz	Email:	penny.odell@pncc.govt.nz

INTRODUCTION

This statement of intent has been prepared following a full six months of operation of the new theatre complex, comprising two auditoria, a foyer and café bar. The building has been extremely well-received by our regular clients and has already begun to attract new clients. The Trust Board remains committed to increasing the client base, increasing bookings and growing regular audiences for our clients.

In line with the Board's commitment in its previous statement of intent, we have reviewed our vision and mission, values and aspirations. The key strategic issues for the coming three years have been identified and our strategic objectives align to these.

Our planned activities aim to help us achieve our objectives and we have identified the Key Performance Indicators that will tell us - and our stakeholders - how well we are performing against our objectives.

The statement of intent format has been amended following feedback from Council and from Audit New Zealand on our 2014/15 statement of intent.

In response to comments from Audit New Zealand, we have included:

- a section on the nature and scope of our activities,
- forecast financial statements;
- accounting policies; and
- the information that will be provided to the shareholder during the financial years, including information to be included in half yearly reports.

In response to comments from Council, the forecast budgets include our aspirations for capital projects which the Board believe is necessary to enable us to meet our objectives. Details are provided in the notes to the budget. In addition, we have detailed the capital projects in our planned activities for this period.

Our number one priority remains to complete the access walkway linking Globe 1 to the café bar. The Trust Board believes that we cannot claim to be a community theatre if there are large sections of our community that are excluded from using our facilities because of physical access issues. We are delighted that the Council will partner with us on this project in order that it, too, may meet its objective to be a liveable city.

My thanks are due to the other members of my Board for their hard work and commitment, to the Councilors and Council staff who have supported us thus far, and to our many community and other regular users and audiences without whose support we could not have dreamed of achieving our vision for the Globe Theatre.

We remain appreciative that this City has seen fit to invest in its arts facilities, and we look forward to the cultural complex, comprising the theatres, the museums, the art gallery, the science centre and the convention centre, becoming the vibrant heart of which we are all proud.

Stephen Fisher

Chairperson, Globe Theatre Trust Board

29 June 2015

NATURE AND SCOPE OF ACTIVITIES OF THE TRUST BOARD

The Trust Board provides number of multi-purpose venues for hire. Principally, the venues are for the performing arts with two theatres; one a 200 seat proscenium theatre and one is a flat-floor performance space with an option of up to 100 proscenium layout. The Trust Board also hires the foyer/cafe-bar area separately as a meeting space. The Trust Board maintains an asset register of equipment, including a screen and projector for film viewings.

The Globe Theatre complex primarily serves the community performing arts in Palmerston North with an operating subsidy from the City Council which ensures that the complex is affordable for amateur and community arts groups. Particularly, the Theatre was developed in 1982 as a partnership project between the City Council and the Manawatu Theatre Society and this relationship remains enshrined on the Board's Trust Deed.

The theatre provides a quality experience that is also available to professional organisations for hire.

Finally, the Trust Board raises funds to maintain its equipment and asset register to ensure that it can continue to offer that quality experience to all its clients. As part of this, the Trust Board also promotes shows to raise funds for this purpose.

VISION

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

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

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

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

MISSION STATEMENT

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

OUR VALUES/ASPIRATIONS

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

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

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

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

OBJECTIVES OF GLOBE THEATRE TRUST DEED

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

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

KEY ISSUES FOR 2015/16, 2016/17 AND 2017/18

Key issues for the planning period are:

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

KEY STRATEGIC OBJECTIVES 2015/16, 2016/17 AND 2017/18

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

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

This will be achieved by:

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

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

This will be achieved by:

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

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

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

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

KEY PERFORMANCE INDICATORS FOR 2015/16, 2016/17 AND 2017/18

See below under planned activities.

PLANNED ACTIVITIES FOR 2014/15, 2015/16 AND 2016/17

1. Continue with the Theatre's Redevelopment Plans to ensure that the Theatre remains a first class Theatre for hire, providing a quality and accessible resource for community and professional hirers.			
Planned activities	Outputs (KPIs)		
	2015/16	2016/17	2017/18
On-going fundraising for outstanding priorities.	Café/Bar and Piano Box completed. Funding in place for Accessible Walkway	Accessible walkway completed. Funding in place for marketing bollard.	Marketing bollard completed. Funding in place for refurbishment of Globe One.
Review and monitor the technical inventory to prioritise further development	Ongoing implementation of the outcome of the review	Ongoing implementation of the outcome of the review	Ongoing implementation of the outcome of the review
Prepare the Business Plan for 2018/28 onwards	Monitoring of Business Plan as necessary.	Monitoring of Business Plan as necessary.	Review of Business Plan.

2. Develop the relationship with key stakeholders to promote partnerships; increase the usage of the Theatre; ensuring the Theatre is accessible, inclusive and user-friendly			
Planned activities	Outputs (KPIs)		
	2015/16	2016/17	2017/18
Continue to renew and develop the Memorandum of Understanding with the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society	Maintenance of Memorandum of Understanding, continued bookings from the Manawatu Theatre Society

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

Planned activities	Outputs (KPIs)		
	2015/16	2016/17	2017/18
Develop a Memorandum of Understanding arrangement with regular users and key community groups	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise	Maintenance of Memorandum of Understanding arrangements, increasing the number as opportunities arise
Seek additional hirers for the Theatre, including a wider customer base related to the new auditorium space	Capturing the details of the users, both existing and new, on the Theatre's hirer database	Capturing the details of the users, both existing and new, on the Theatre's hirer database	Capturing the details of the users, both existing and new, on the Theatre's hirer database

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

Planned activities	Outputs (KPIs)		
	2015/16	2016/17	2017/18
Fostering a sense of community by encouraging youth, assisting amateurs and promoting participation, delivering outstanding customer service	At least 60% community usage	At least 60% community usage	At least 60% community usage
Delivering all services to the agreed budget	Services delivered within +10% variance	Services delivered within +10% variance	Services delivered within +10% variance
Ongoing promotion and monitoring of usage	150 performance nights and 230 usage nights	165 performance nights and 250 usage nights	180 performance nights and 275 usage nights
Computerised database of Theatre hirers, including details of technical requirements etc	System developed as necessary	System developed as necessary	System developed as necessary

3. Achieve growth to meet usage/performance nights and rental income targets			
Planned activities	Outputs (KPIs)		
	2015/16	2016/17	2017/18
Computerised database of Theatre audience/patrons	Increase in the number of patrons on the database	Increase in the number of patrons on the database	Increase in the number of patrons on the database
Website includes computerized booking and ticketing functions	Monitoring and review of website to ensure it meets needs of users and management	Monitoring and review of website to ensure it meets needs of users and management	Monitoring and review of website to ensure it meets needs of users and management
Continue to organise and promote one-off events to market the theatre to existing and new user groups	At least two events organised and promoted through the Trust Board	At least two events organised and promoted through the Trust Board	At least two events organised and promoted through the Trust Board

GOVERNANCE STATEMENTS

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

INFORMATION TO BE PROVIDED TO PALMERSTON NORTH CITY COUNCIL

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

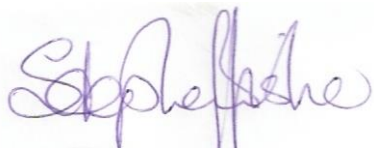
The Annual Report will contain audited financial statements for the full 12 months, including an audited statement of service performance, and will comply with the requirements of the Local Government Act 2002.

SIGNATURES

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

Date: 29 June 2015

Signed:

A handwritten signature in purple ink, appearing to read 'Stephen Fisher', is written over a light blue grid background.

Stephen Fisher, Chairperson, Globe Theatre Trust Board

BUDGET FOR THE YEARS ENDED 30 JUNE 2016, 2017, 2018

		Forecast	Indicative	Indicative	Indicative	
		Jun-14	Jun-15	Jun-16	Jun-17	Jun-18
Income	Note					
Interest Income		3,539	335	300	300	300
PNCC Grant	1	52,770	53,614	74,043	74,635	75,233
Project Contributions		207,578	17,658	6,000	6,180	6,365
Capital Grants	2		25,148	6,000	140,000	45,000
Fundraising						
Donations		43,941				
Total Fundraising		307,828	96,755	86,343	221,115	126,898
Other Revenue						
Other Revenue		5,000				
Sales		686				
Ticket Sales		33,288	30,000	30,000	30,450	30,909
Total Other Revenue		38,974	30,000	30,000	30,450	30,909
Theatre Hire						
Globe 1 Theatre Hire		3,821	21,323	25,000	27,500	30,250
Globe 2 Theatre Hire			7,383	10,000	11,000	12,100
Foyer Income			2,366	4,000	4,400	4,840
Recoverable income		8,844	16,249	20,000	22,000	24,200
Total Theatre Hire		12,665	47,321	59,000	64,900	71,390
Total Income		359,467	174,076	175,343	316,465	229,197
Cost of Goods Sold						
Show expenses		12,882	18,521	6,000	6,180	6,365
Ticket proceeds for external parties		22,438	20,683	20,000	20,150	20,300
Gross Profit		324,147	134,872	149,343	290,135	202,532
Less Operating Expenses						
Depreciation		10,637	34,848	37,000	37,000	37,000
PNCC - Project Grant	3	30,000	0	6,000	140,000	0

Board Costs						
Audit Fees		6,572	7,296	7,515	7,740	7,972
Insurance		1,972	3,150	3,245	3,342	3,442
Secretarial Costs			0	5,500	5,500	5,500
Legal expenses		44	100	103	106	109
Total Board Costs		8,588	10,546	16,363	16,688	17,023
Management Costs						
Asst Manager Fees		17,596	23,893	21,192	21,828	22,483
Bank Fees		196	138	138	142	146
Consulting & Accounting		1,772	2,250	2,318	2,387	2,459
Fundraising		162				
Manager Fees		23,815	23,795	25,080	25,832	26,607
Marketing		3,950	6,167	5,000	5,150	5,305
Professional Development			500	500	515	530
Travel - National		806	1,295	1,300	1,339	1,379
Total Management Costs		48,297	58,038	55,528	57,193	58,909
Operational Costs						
Advertising		24,364				
Cleaning		960	4,440	4,574	4,711	4,852
General Expenses		4,792	720	742	764	787
Hire of Plant & Equipment		80				
Interest Expense		5				
Light, Power, Heating		6,609	11,495	11,840	12,195	12,561
Printing, Post & Stationery			1,326	1,365	1,406	1,448
Recoverable Expenses		2,562	16,209	20,000	22,000	24,200
Repairs and Maintenance		3,918	3,000	3,090	3,183	3,278
Security		1,188	1,437	1,480	1,524	1,570
Subscriptions & Compliance			1,386	1,428	1,471	1,515
Technician	4	9,272	3,817	10,000	10,300	10,609
Telephone & Internet		2,481	2,352	2,423	2,496	2,571
Waste Management			1,317	1,357	1,397	1,439
Total Operational Costs		56,231	47,499	58,299	61,447	64,830
Total Operating Expenses		153,753	150,931	173,190	312,328	177,762
Net Profit		170,394	-16,059	-23,847	-22,193	24,770

Notes to the budgets

1. PNCC operating subsidy: The Trust Board is aware of increasing administrative and compliance costs that it will incur over the next year. These include board secretarial support (previously supplied in-house through Council staff), increasing insurance costs (previously born by PNCC) and increasing financial reporting requirements requiring increased financial advice and support. It is assuming that the Council will continue to fund these compliance costs (some incurred purely because of its status as a Council Controlled Organisation) through an increase in the operating subsidy from \$55,222 to \$75,222 in 2015/16, and maintained thereafter.
2. Fundraising for capital projects is assumed to be received in one year for expenditure the following year

Capital expenditure is anticipated as follows:

2014/15:	Fit out kitchen to enable café bar operations (\$15, 000) Build piano box for baby grand piano (\$10,000)
2015/16:	Feasibility study and design drawings for access walkway linking Globe 1 and café bar
2016/17:	Access walkway linking Globe1 and café bar
2017/18:	Electronic notice board for promoting events within Globe/ Te Manawa/Rugby Museum (\$45,000)
2018onwards:	Refurbishment of Globe 1 (\$100,000)

3. Capital project to add access walkway linking Globe1 and café bar (in 2015/6 and 2016/16) will be carried as an asset for PNCC and is shown as a project grant.
4. The Trust Board is planning to provide an in-house technical service from 2015/16 onwards. This will enable it to renew, maintain and repair technical equipment more cheaply and also to provide users with more affordable technical support.

FORECAST FINANCIAL STATEMENTS

Statement of Financial Position

		Forecast	Indicative	Indicative	Indicative
	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18
Assets					
Bank					
Cash & Cash Equivalents	123,265	15,235	170,924	93,918	169,543
Total Bank	123,265	15,235	170,924	93,918	169,543
Current Assets					
Accounts Receivable	4,911	5,000	5,000	5,000	5,000
Accrued Revenue	25,312	0	0	0	0
GST Receivable	17,621	3,000	3,000	3,000	3,000
Prepayments	3,462	3,500	3,500	3,500	3,500
Total Current Assets	51,307	11,500	11,500	11,500	11,500
Fixed Assets					
Property Plant & Equipment					
Computer Equipment	4,767	4,767	4,767	4,767	4,767
Less Accumulated Depreciation on Computer Equipment	-1,656	-2,456	-3,456	-4,456	-5,456
Furniture & Fittings	22,143	37,291	37,291	37,291	82,291
Less Accumulated Depn on Furniture & Fittings	-382	-2,582	-5,582	-8,582	-11,582
Theatre Equipment	419,297	434,857	434,857	434,857	434,857
Less Accumulated Depreciation on Theatre Equipment	-155,981	-187,829	-220,829	-253,829	-286,829
Total Property Plant & Equipment	288,189	284,049	247,049	210,049	218,049
Total Fixed Assets	288,189	284,049	247,049	210,049	218,049
Total Assets	462,762	310,784	429,473	315,468	399,092
Liabilities					
Current Liabilities					
Creditors & Other Payables					
Accounts Payable	95,888	12,000	12,000	12,000	12,000
Grants in Advance	5,000	5,000	145,000	50,000	105,000
Loan - PNCC - Current Portion	30,000	0	0	0	0
Sundry Creditor Accruals	23,347	0	0	0	0
Total Creditors & Other Payables	154,235	17,000	157,000	62,000	117,000
Total Current Liabilities	154,235	17,000	157,000	62,000	117,000
Total Liabilities	154,235	17,000	157,000	62,000	117,000
Net Assets	308,526	293,784	272,473	253,468	282,092
Equity					
Current Year Earnings	170,393	-14,742	-21,311	-19,005	28,624
Retained Earnings	138,134	308,526	293,784	272,473	253,468
Total Equity	308,526	293,784	272,473	253,468	282,092

Statement of Changes in Equity

		Forecast	Indicative	Indicative	Indicative
	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18
Opening balance at 1 July	\$138,134	\$308,527	\$293,785	\$272,474	\$253,468
Comprehensive Income					
Surplus/(Deficit)	\$170,393	-\$14,742	-\$21,311	-\$19,005	\$28,624
Balance as at 30 June	\$308,527	\$293,785	\$272,474	\$253,468	\$282,093

Cashflow

		Forecast	Indicative	Indicative	Indicative
	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18
Cash Flows from operating Activities					
Grants & Donations	77,496	86,804	232,505	132,889	189,296
Theatre Hire	3,821	64,740	44,850	49,335	54,269
Sundry	42,623	53,186	57,500	60,318	63,375
Contributions Projects	90,000	20,307	6,900	7,107	7,320
Interest Received	5,095	335	300	300	300
Payments to Suppliers	-119,213	-209,911	-184,937	-345,279	-190,864
Goods & Services tax (net)	-4,562	11,624	-1,429	18,325	-3,071
Net cash flows from operating Activities	95,260	27,084	155,689	-77,005	120,624
Cash flows from investing activities					
Purchase of Fixed Assets	-112,906	-105,115	0	0	-45,000
Sale of Fixed Assets	0				
Net Cash flows from investing activities	-112,906	-105,115	0	0	-45,000
Cash Flows from Financing					
Loan Drawdown	0				
Loan Repayment	0	-30,000			
Net Cash Flows from Financing	0	-30,000	0	0	0
Net Increase/(Decrease) in cash and Cash Equivalents	-17,646	-108,031	155,689	-77,005	75,624
Cash and Cash Equivalents at the start of the year	140,911	123,265	15,234	170,923	93,918
Cash and Cash Equivalents at the end of the year	123,265	15,234	170,923	93,918	169,542