

Performance Report

War Memorial Theatre Gisborne Trust
For the year ended 30 June 2018



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Chairperson's Report

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

Annual Report of the War Memorial Theatre Trust to 30th June 2018

The year began with agreement from the Department of Internal Affairs to allow minor changes to the purpose of the War Memorial Theatre Gisborne Trust allowing for the funds raised to be directed to either of the 2 theatres owned and managed by the Gisborne District Council. The War Memorial Theatre, now completed and seeing increased activity and receiving good reviews from the community and user groups. And the Lawson Field Theatre closed awaiting earthquake strengthening and some modifications and upgrade to the back of house facilities. Once the Lawson Field Theatre is completed the Trust may continue and exist to allow for ongoing fundraising as necessary to meet minor capital works in either theatre.

The Trustees then signed a Memorandum of Understanding with Gisborne District Council to raise the sum of \$1.2 million towards the upgrade. The trustees recognised that the total rebuild may be greater than initially thought, some \$3.1 Million was the estimated total cost and committed themselves to raising near \$1.5 million if that could be achieved.

The trustees gratefully acknowledge the grant of \$1 million from ECT. This was very helpful and indicated to the trust and the community that the goal of the fundraising was achievable . Trustees have approached the community and in particular the supporters of theatre and of the arts in the district and again the community have been most generous and supportive.

Mr Tony Field a trustee and nephew of Lawson Field generously donated a 1 carat diamond ring and that was enthusiastically received by the community and the trust should benefit by more than \$19,000 from the sale of the tickets . The ring was won a by a local person when the raffle was drawn after year end.

The trustees recognising the success of the sale of seats in the War Memorial theatre determined to sell seats plaques at \$200 and that has again been a successful way for the community at large to support fundraising. We have also obtained personal and corporate donations and at the 30 the June we were still awaiting a response to some of our requests.

However as the year end accounts show we have the healthy sum of \$1,311,854 in the bank and invested towards this project. In the new financial year this money will be made available to GDC to meet their timeframes.

I thank the trustees for their commitment to the fundraising and sincere thanks go to Trustee Anne Muir for her attention to the finances of the Trust. We close the year well on the way to meeting our greater target of \$1.5 million.

Sincere thanks to all who have supported the fundraising in various ways.

PA Seymour OBE

Chair of the War Memorial Theatre Trust

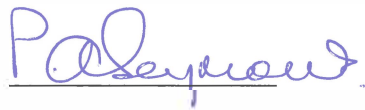


Approval of Financial Report

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

The Trustees are pleased to present the approved financial report including the historical financial statements of War Memorial Theatre Gisborne Trust for year ended 30 June 2018.

APPROVED



Chairperson

Date 24.9.2018



Treasurer

Date 24-09-2018



Entity Information

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

'Who are we?', 'Why do we exist?'

Legal Name of Entity

War Memorial Theatre Gisborne Trust

Entity Type and Legal Basis

Charitable Trust

Registration Number

CC47698

Entity's Purpose or Mission

- (a) To raise funds and to assist others to raise funds for the upgrade and ongoing support of the War Memorial Theatre Gisborne and Lawson Field Theatre.
- (b) To specifically apply such funds towards an upgrade of the War Memorial Theatre Gisborne and Lawson Field Theatre to enable both theatres to be used for the benefit of the community of Gisborne and to ensure that it remains as a War Memorial for those who have served their country during major conflict.
- (c) To accept the custody, control and management of any real and personal property which may be bequeathed or donated to the Trust for the purpose of upgrading the theatres.
- (d) To do all things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above.

Entity Structure

Board of Trustees with Chair Person, Secretary and Treasurer, governed by the Trust Deed.

Main Sources of Entity's Cash and Resources

Grants, donations and fundraising, plus interest from term deposits.

Main Methods Used by Entity to Raise Funds

Applications to local community and national charitable funding entities, donations sought from theatre supporters, fundraising concerts organised. Funds invested to earn interest from term deposits.

Entity's Reliance on Volunteers and Donated Goods or Services

All activities run by unpaid volunteers.

Physical Address

C/- Gisborne District Council, 15 Fitzherbert Street, Gisborne, New Zealand, 4010

Postal Address

C/- Gisborne District Council, PO Box 747, Gisborne, New Zealand, 4040



Statement of Service Performance

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

At the beginning of 2017 /2018 financial year the Trust was approached by Council to fund raise for the redevelopment of Lawson Field Theatre. This made an amendment to the Trust's "purpose" necessary.

This amendment was forwarded to the Charities Commission at the Department of Internal Affairs and also included in that amendment were the names of the 2 new trustees, Cherie Mirko and Tony Field, and the removal of the 2 trustees, John Logan and Tina Karaitiana who resigned after the AGM in September 2017. A copy was also sent to the Companies office.

A Programme was agreed by the Trustees for this fundraising for Lawson Field Theatre of \$1.2 million which was later amended to \$1.5 million after tenders were accepted.

Publicity brochures were prepared prior to the launch date of 21 February. Applications have been prepared for various trusts and funding bodies. Donations have been coming in, seat sponsorship is going well. Tony Field donated a 1 carat diamond ring valued at \$18,000 and we are selling raffle tickets @ \$20/ticket. These are selling well.

1 July 2018, the first sod was broken to signify the beginning of the redevelopment of Lawson Field Theatre.

	2018	2017
Description and Quantification of the Entity's Outputs		
Completed payment to Gisborne District Council of the Trust's commitment to fund the War Memorial Theatre's redevelopment cost.	-	160,077
Donations received towards Lawson Field Theatre less interest	1,146,181	-

Additional Output Measures

The Trust's Deed has been amended during the year to update clause 2.1 - The purposes of the Trust. Most significantly the amendment includes the Trust to exist to raise funds for the upgrade and ongoing support of the War Memorial Theatre Gisborne Trust and the Lawson Field Theatre.



Statement of Financial Performance

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

'How was it funded?' and 'What did it cost?'

	NOTES	2018	2017
Revenue			
Donations, fundraising and other similar revenue	1	1,146,181	1,000
Interest, dividends and other investment revenue	1	11,772	6,279
Total Revenue		1,157,953	7,279
Expenses			
Expenses related to public fundraising	2	197	160,769
Total Expenses		197	160,769
Surplus/(Deficit) for the Year		1,157,756	(153,490)



This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Financial Position

War Memorial Theatre Gisborne Trust As at 30 June 2018

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2018	30 JUN 2017
Assets			
Current Assets			
Bank accounts and cash	3	72,165	11,056
Interest accrued		9,689	1,351
Investments	3	1,230,000	142,222
Total Current Assets		1,311,854	154,629
Total Assets		1,311,854	154,629
Liabilities			
Creditors		-	531
Total Liabilities		-	531
Total Assets less Total Liabilities (Net Assets)		1,311,854	154,098
Accumulated Funds			
Accumulated surpluses or (deficits)	4	1,311,854	154,098
Total Accumulated Funds		1,311,854	154,098



This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Cash Flows

War Memorial Theatre Gisborne Trust

For the year ended 30 June 2018

		2018	2017
	Note	Actual \$	Actual \$
Cash flows from Operating Activities			
Donations, fundraising and other similar receipts		1,145,650	1,000
Payments to suppliers and employees		(197)	(160,238)
Interest Received		3,434	6,279
Net cash from / (to) the Operating Activities		1,148,887	(152,959)
Cash flows from Investing Activities			
Other cash items from investing activities		(1,087,778)	107,958
Net cash from / (to) the Investing Activities		(1,087,778)	107,958
Cash flows from Financing Activities			
other cash items from financing activities		-	-
Net cash from Financing Activities		-	-
Net increase/(decrease) in cash and cash equivalents		61,109	(45,001)
Cash and cash equivalents at the beginning of the year	3	11,055	56,056
Cash and cash equivalents at the end of the year	3	72,165	11,055

The above Cash Flow Statement should be read in conjunction with the accompanying notes



Statement of Accounting Policies

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses 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.

Goods and Services Tax (GST)

The entity is not registered for GST. Therefore all amounts are stated inclusive of GST (if any).

Income

Income from grants, fundraising and donations where there is no 'use or return' condition attached is recorded as revenue when cash is received.

For grants and donations where there is a 'use or return' condition an a liability is recorded. As conditions are met the liability is reduced and revenue is recorded.

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

Income Tax

War Memorial Theatre Gisborne Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.



Notes to the Performance Report

War Memorial Theatre Gisborne Trust For the year ended 30 June 2018

	2018	2017
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
ECT Grant	1,000,000	-
Major Donors	35,000	-
Platinum, Gold, Silver Donors	32,000	-
Other Donors	10,890	1,000
Income: WMT fundraising events	68,291	-
Total Donations, fundraising and other similar revenue	1,146,181	1,000
Interest, dividends and other investment revenue		
Interest Receivable: BNZ Bank	11,772	6,279
Total Interest, dividends and other investment revenue	11,772	6,279
	2018	2017
2. Analysis of Expenses		
Expenses related to public fundraising		
Advertising	31	58
Computer	166	531
GDC Grants for Theatre Extras	-	160,077
General	-	102
Total Expenses related to public fundraising	197	160,769
	2018	2017
3. Analysis of Assets		
Bank accounts and cash		
BNZ cheque account	46,761	1,318
BNZ savings account	25,404	9,738
Total Bank accounts and cash	72,165	11,056
Investments		
Term Deposits	1,230,000	142,222
Total Investments	1,230,000	142,222
	2018	2017
4. Accumulated Funds		
Accumulated Funds		
Opening Balance	154,098	307,587



	2018	2017
Accumulated surpluses or (deficits)	1,157,756	(153,490)
Total Accumulated Funds	1,311,854	154,098
Total Accumulated Funds	1,311,854	154,098

5. Commitments

Fundraising for the benefit of the Lawson Field Theatre will be paid to the Gisborne District Council to cover costs of renovations.

Unspent ECT Grant funding is required to be repaid under the funding agreement. At balance date the committee confirms that all funds will be spent in accordance with the funding agreement. The total grant has been recognised as income at year end. (2017: nil).

6. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018 (2017: nil).

7. Related Parties

Pat Seymour (Chairperson) and Rehette Stoltz (Trustee) are also Councillors of the Gisborne District Council (GDC). The GDC is recipient of all funds received for the renovation of the War Memorial Theatre and Lawson field Theatre Gisborne.

8. Events After the Balance Date

There are no significant events as at 30 June 2018 (2017: In 2017 the Trustees filed changes to the objects of the Trust deed with Department of Internal Affairs (DIA) to allow the Trust to continue to raise funds to support the War Memorial Theatre and Lawson Field Theatres.)

9. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

10. Audit

Audit is performed by BDO Gisborne Limited on an honorary basis.



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WAR MEMORIAL THEATRE GISBORNE TRUST

Report on the Performance Report

Opinions

We have audited the performance report of War Memorial Theatre Gisborne Trust ("the Trust"), which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2018, the statement of financial position as at 30 June 2018, and the statement of accounting policies and other explanatory information.

Opinion on the entity information, the statement of service performance, the statement of cash flows and the statement of financial position

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year ended 30 June 2018;
 - the service performance for the year then ended; and
 - the financial position of the Trust as at 30 June 2018, and its cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Qualified Opinion on the statement of financial performance

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the performance report presents fairly, in all material respects, the financial performance of the Trust for the year ended 30 June 2018 in accordance with Public Benefit Entity Standards Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

In common with other similar organisations, control over cash revenues prior to being recorded is limited and there are no practical audit procedures to determine the effect of this limited control. Accordingly, the completeness of income from donations is unable to be determined. Consequently, we were unable to determine whether any adjustments should be made to the reported amounts for income from donations.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) *Assurance*

Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE (NZ) 3000 (Revised)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition to audit services, our firm also provides other services in the areas of accounting software support. We have no other relationship with or interest in the War Memorial Theatre Gisborne Trust.

Other Information

The Chairperson is responsible for the Chairperson’s report. The other information included in the Chairperson’s report obtained at the date of this auditor’s report is information contained in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the 30 June 2018 of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report on behalf of the Trust which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board; and

- c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the 30 June 2018 of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Gisborne Ltd

BDO Gisborne Limited
Gisborne
New Zealand
24 September 2018