



**Regent Theatre Trust Board**

**REPORT FOR THE HALF YEAR  
ended 31 December 2020**

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## Executive Summary

A challenging half year period strongly impacted by COVID-19 which impacted on every touring show in some form, both those from within New Zealand and from overseas. Although our theatre could host up to 400 people by instituting zones, even local events were also uncertain both through the unknown future and through individual organisations moral as well as legislative positions within this environment.

The performances and events that did proceed were warmly embraced as the people of Palmerston North are really wanting to come together as a community and to have moments of normality, which were all to few and fragile during this time. There were always concerns around safety and cleanliness and gathering at anything above a COVID Level 1 status. The Regent working in partnership with Act 3 Productions were very innovative in developing a way to proceed in offering performances and events under COVID Level 2 status (signed off by the Prime Minister's office). This allowed us to be one of the only operating theatres in the country – maybe even the world – during this period of time. While this was not cost effective enough for some companies, it meant since that time others have been able to and we have been able to offer some level of reassurance to our hirers and partners.

Highlights for this period were:

- Being able to operate under Level 2, with Sister Act by Act 3 Productions.
- The Cat in the Hat, was enthusiastically welcomed by the young of the city
- All the diversity of dance events held over this period, as the pent up energy and passion built during various levels of restrictions were unleashed across our stage
- Tina, Simply the Best – simply wonderful to see a touring show back in the venue!
- 7 Day – always fun and always pulls in a crowd
- All the prize givings and awards shows the year finished with. It was wonderful to see that people had achieved things during a stressful year and wonderful to watch the joy and sense of accomplishment that celebrating them brought.

The theatre was being well utilised with a good balance of shows and events, when it was able to be operational during this six-month period, with a high percentage on community usage as would be expected under these conditions.

## **Working with our Friends**

Contributions made by the Friends of the Regent over many years has provided allowed the theatre to refresh and upgrade it's equipment – improving our patrons experiences in the venue. Along with the City Council they contributed significantly to the upgraded sound system installed during 2020.

We are indebted to the Friends of the Regent for their valuable support, not just financially, but for their time and enthusiasm. The Friends are an integral part of day-to-day theatre operations, providing warm welcoming ushering and front of house services. We are working together with the Friends to look at how we can further improve guests experiences within the venue.

## **Co-operation with Community Events**

The Board's commitment to ensure that the theatre remains accessible to our community hirers continues. This is achieved primarily through the theatre's supportive community pricing rates, which is assisted by our Council funding. Community use has been especially important during this period given the COVID restrictions on travel.

The innovative partnership between the Regent and Act 3 Productions saw the approval to work the venue as five individual zones, allowing the Act 3 production of Sister Act and some other events to continue under COVID Level 2 conditions. The Regent on Broadway Management and Trust Board sees this support as a key investment in the development and the future of the performing arts in our city.

## **Patronage and Theatre Usage**

### **Summary of Patronage** (monitors number of people coming to the Theatre):

Half year to 31 December 2020	38,190
Last half year ending 31 December 2019	60,040
Half year ending 31 December 2018	58,361
Half year ending 31 December 2017	53,999
Half year ending 31 December 2016	59,670
Half year ending 31 December 2015	54,919

### **Summary of live nights** (monitors use of the auditorium):

Half year to 31 December 2020	61
Last half year ending 31 December 2019	96
Half year ending 31 December 2018	94
Half year ending 31 December 2017	89
Half year ending 31 December 2016	120
Half year ending 31 December 2015	104

**Summary of events** (monitors total use of the theatre):

Half year to 31 December 2020	102
Last half year ending 31 December 2019	223
Half year ending 31 December 2018	212
Half year ending 31 December 2017	195
Half year ending 31 December 2016	219
Half year ending 31 December 2015	223

A brief glance at the list below indicates that there was a diverse range of product for Palmerston North and Manawatu residents to participate in and enjoy...

**JULY**

Cat In The Hat – Showcase Entertainment Group  
Sister Act pack-in – Act 3

**AUGUST**

Sister Act pack-in – Act 3

**SEPTEMBER**

Sister Act pack-in – Act 3  
DanceNZMade 2020 – Dean McKerras  
Dance Production – Dean McKerras  
Dance Competitions - Palmerston North Dance Association (PNDA)

**OCTOBER**

Dance Competitions - Palmerston North Dance Association (PNDA)  
The Show Must Go On – The Touring Company Ltd  
Dance Production – Danceworks  
Church Service – Arise Church  
Home Made Movie Showing – Hokowhitu School  
School Concert – Manukura School  
School Prize Giving – Manukura School  
Tina, Simply the Best – Showtime Australia Pty Ltd

**NOVEMBER**

Dance Showcase - Dean McKerras School Dance  
Honours Awards 2020 – Awatapu College  
Awards Ceremony - Ko Whiri Tika Mai  
Papaioea Festival Launch  
7 Days – The Downlow Concept  
Body Building Competitions – NZIFBB  
National Young Leaders Day – Kids for Kids Charitable Trust  
Te Moana Glowshow  
Graduation – Massey University  
The Dudes – Brent Eccles Entertainment  
Sleeping Beauty – The Royal New Zealand Ballet  
ABBAsolutely – Showtime Australia  
Hits From The Brits – Simon Kemp-Roberts

DECEMBER

- Annual School Assembly – Winchester School
- Prize Giving – St Mary’s School
- Christmas Showcase – Belly dancing
- Prize Giving – Palmerston North Intermediate Normal School
- Prize Giving – Ross Intermediate School
- School Production – Whakarongo School
- Prize Giving – St Peters College
- Dance Production 2020 – DanceWorks
- ITO Graduation – Palmerston North City Council

**Auditorium Occupancy Statistics - by total days**

Based upon 344 operational days per year (Approximately 57 dark days for annual leave, and the traditional seasonal dark days)

**2020 – 2021 Year Statistics**

**Half year totals – THIS REPORTING YEAR (From July to Dec 2020)**

Total days the Auditorium was used: 103      Total days the Auditorium was available: 173

Professional events	15	8.7%	0.61	Events/week	2.50	Events/month
Community events	89	51.4%	3.60	Events/week	14.83	Events/month
Remaining days the Auditorium is available	70				17.33	Total events per month

**Full year totals – THIS REPORTING YEAR (From Jan to June 2021) - PROJECTED**

Total days the Auditorium was used: 81      Total days the Auditorium was available: 171

Professional events	39	22.8%	1.59	Events/week	6.50	Events/month
Community events	42	24.6%	1.71	Events/week	7.00	Events/month
Remaining days the Auditorium is available	90				13.50	Total events per month

**2019 - 2020 Year Statistics**

**Half Year totals - THIS REPORTING YEAR. (From July to Dec 2019)**

Total days auditorium is used 94      Total days auditorium is available 154

Professional events	14	14.9%	Professional events	14	9.1%	0.59	Events per week	2.58	Events per month
Community events	82	87.2%	Community events	82	53.2%	3.48	Events per week	15.13	Events per month
Remaining days the Auditorium is available			58	37.7%				17.71	Total Events per month

**Full Year totals - THIS REPORTING YEAR (From Jan to June 2020)**

Total days auditorium is used 153      Total days auditorium is available 308

Professional events	0	0.0%	Professional events	0	0.0%	0.00	Events per week	0.00	Events per month
Community events	0	0.0%	Community events	0	0.0%	0.00	Events per week	0.00	Events per month
Remaining days the Auditorium is available			308	100.0%				0.00	Total Events per month

2018 - 2019 Year Statistics									
Half Year totals									
Total days auditorium is used			89	Total days auditorium is available			154		
Professional events	19	21.3%	Professional events	19	12.3%	0.81	Events per week	3.51	Events per month
Community events	75	84.3%	Community events	75	48.7%	3.18	Events per week	13.84	Events per month
Remaining days the Auditorium is available			60	39.0%				17.34	Total Events per month
Full Year totals									
Total days auditorium is used			158	Total days auditorium is available			308		
Professional events	37	23.4%	Professional events	37	12.0%	0.78	Events per week	3.41	Events per month
Community events	116	73.4%	Community events	116	37.7%	2.46	Events per week	10.69	Events per month
Remaining days the Auditorium is available			155	50.3%				14.10	Total Events per month

## Financial Position

The financial performance for this half year period has been put under pressure with the postponement or cancellation of so many bookings. The Regent received the Government Wage subsidy, to assist during lockdown, however the conclusion of lockdown did not see the resumption of business at pre-COVID levels. Quite the opposite, as companies were unable to tour through boarder closures or trouble pinning down bookings for places in MIQ. Many were also concerned about the financial impact should COVID levels change once they were on tour.

This has put the Regent in a tight financial position, as product needs to come into the building to bring in revenue to cover our costs. The impact has been a deficit to the end of the calendar year, meaning there is no cushion to cover expenses during the normal periods of least income, being the months of January through to early March. Average monthly expenses to cover basic operational costs over the year are approximately \$35,000 per month and still continue during these low income months which necessitates this financial buffer. The reduced income for January and February is largely due to the traditional festive and holiday season shut down period. There is also a reduction in ticket sales during those months which we believe is largely due to the impact the festive season has on the discretionary household budget, this also being a key reason for the low numbers of shows and event booked at the theatre during this time.

The budget forecast for year end is a significant deficit for theatre operations of \$89,221 before depreciation.

The following table summarises our financial position for this half year period:

	2020-21 Half year Budget	2020-21 Half year Actual	2020-19 Half year Actual
Income from hire and cost recoveries	273,641	180,979	342,353
Expenses	399,731	365,712	427,454
Surplus (Deficit) before Council grant	(126,090)	(184,733)	(85,101)
Operating Grant from Council	119,143	119,143	117,993
<b>Surplus/(deficit) after Council Grant</b>	<b>(6,946)</b>	<b>(65,590)</b>	<b>\$32,892</b>

The above summary is exclusive of depreciation. Depreciation for this half year period is budgeted at \$69,500

## Future Resourcing

The vision by the Trust to maintain the theatre as state-of-the-art as well as its magnificence as a world class heritage theatre and building continues. A stage 2 of the audio system upgrade is planned in 2020/21 to replace the theatre's aging audio mixing equipment, cost \$43,600.00. A stage 3 is planned in 2022/23 for the upgrade of the back of stage audio monitoring and fold back systems, budgeted cost \$50,000.00.

The Foyer carpet was planned for replacement to be undertaken 2020/21, budget cost \$80,000.00. However, a thorough clean of the carpet has found it to be in better condition than expected, and the replacement has been delayed.

The Fly System is the next theatre facility requiring large investment of ~\$100,000. After research it has been found that this can safely be done over the next three years, with a budget of \$35,000 each year from 2020-21 financial year through to 2022-23. Funding applications will be done to assist in funding this refurbishment project.

## Looking Forward

Forward bookings for the remainder of this reporting year are starting to pick up with a range of local and touring content. However, shifts in the COVID alert levels continue to create uncertainty in promoters, community groups and ticket buyers alike. The Regent Theatre Trust Board and Management continue to invest in future shows through Regent on Broadway Promotions. Alongside this we are working with New Zealand and Australian promoters and theatre companies - who are more likely to be able to provide product than the international organisations at this time – to promote confidence that we are able to deliver at COVID levels one and two.

## Performance Outcomes

The outcome that the Regent Theatre Trust Board is seeking to achieve:

To develop, promote, enhance and maintain the Regent on Broadway as an active civic amenity for use by the community, community groups and as a world-class 1400 seat heritage auditorium as a venue for live performances, community events, graduations and the performing arts, attracting international, national and local performances.

### Performance against strategic priorities for the 2020-21 half year

Summary of Key Performance Outcomes for 2020/21 Half Yearly reporting.

	Key objective for 2020/21	Outcome for this half year reporting period
1. To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawatū region including recognising the role of local Tangata Whenua.	Total number of main auditorium hires annually (days the auditorium is used), to be not less than 158.  Total number of main auditorium national/international venue hirers (actual live performances), to be not less than 30.	Total auditorium hires in this half year were 102 days.  National/international venue hirers used the auditorium in this half year for 14 days.

	<p>Total number of events overall that are held over all spaces in the theatre 350.</p> <p>Secure the funding for the theatre’s main auditorium sound system and to progressively improve and add to the system over the next 3 years. Funding to be sourced is \$40,000.</p> <p>Additional capital expenditure funding for other projects from the Friends of the Regent or other funding providers is \$40,000.</p>	<p>Total number of events held over all spaces in the theatre in this half years was 188.</p> <p>This will advised during the next report at the end of the financial year.</p> <p>This will advised during the next report at the end of the financial year.</p>
<p>2. To engage in effective collaboration with our stakeholders and clients, enabling the best customer experience.</p>	<p>Total number of variety type shows such as tribute concerts and professional performers from the commercial sector, not less than 20.</p> <p>Total number of tertiary graduation ceremonies held, not less than 11.</p> <p>Total number of local school concerts held, not less than 10.</p> <p>Total number of school prize-giving held, not less than 14.</p> <p>Total number of ethnically diverse concerts and productions, both community and professionally produced, not less than 6.</p>	<p>This half year period contained 8 variety type shows.</p> <p>4 tertiary graduation ceremonies held in this half year, slightly behind target, but a number of Graduation Ceremonies were delay until the new year.</p> <p>Due to COVID some schools cancelled or postponed their productions. Only 4 school productions were hosted.</p> <p>COVID also impacted prize-givings, with only 9 held in this half year.</p> <p>4 ethnically diverse events were held during this half year.</p>
<p>3. To engage with diverse audiences via a marketing and promotion strategy that is continually developing and responding to regional demographics and artistic/cultural trends.</p>	<p>Total attendances to all events held, not less than 88,600</p>	<p>Due to the number of events cancelled or postponed in response to CIVOD, the total attendances for this this half year period is behind target at 38, 190.</p>



## Financial Performance Against Forecast Budget for 2020-21 Financial Year

Report for half year performance to 31 Dec 2020	Forecast Budget for year ending June 2021	Forecast Budget for half year to Dec 2020	Actual Outcome for half year to Dec 2020	Actual Outcome for half year to Dec 2019
<b>Income: Theatre Operations</b>				
Commissions (merch)	1,398	1,636	559	1,472
Advertising recoveries	5,115	6,545	2,586	5,039
Interest	4,848	1,450	2,636	4,511
Other room hire	6,773	6,545	4,173	8,038
Other recoveries and hireage	150,489	133,647	88,329	131,339
Theatre hireage	115,660	81,818	67,560	122,333
Ticketing Centre	35,528	42,000	15,136	69,621
PNCC operating grant	238,286	119,143	119,143	117,993
<b>TOTAL INCOME</b>	<b>558,097</b>	<b>392,784</b>	<b>300,122</b>	<b>460,346</b>
<b>Expenditure: Theatre Operations</b>				
Audit	26,846	24,320	26,846	12,160
Accounting	11,418	8,115	8,898	6,673
Insurance	12,000	0	0	0
General operating costs	88,615	47,955	46,723	42,625
Recoverables	91,555	61,091	58,325	95,106
Marketing	20,235	22,500	11,641	35,134
Office expenses	3,070	3,600	2,378	2,555
Personnel costs incl Front of House casuals	334,221	196,500	178,957	185,373
<b>Ticket Centre</b>				
Operating costs	4,398	5,400	3,934	9,857
Marketing	2,650	1,750	1,250	2,242
Personnel (wages)	52,310	28,500	26,760	31,787
Retail/Admin premises lease and rates	0	0	0	0
<b>Audience Development</b>				
Personnel	0	0	0	0
Promotion / Marketing	0	0	0	2,333
Website Upgrade – stage 2	0	0	0	1,610
Showroom premises, lease and rates	0	0	0	0
<b>TOTAL EXPENDITURE</b>	<b>647,318</b>	<b>399,731</b>	<b>365,712</b>	<b>427,454</b>
<b>Operations Surplus (Deficit)</b>	<b>-89,221</b>	<b>-6,946</b>	<b>-65,590</b>	<b>32,892</b>
Depreciation (principally donated assets)	139,000	69,500	69,500	40,000
<b>Surplus (Deficit) after Depreciation for Theatre Operations</b>	<b>-228,221</b>	<b>-76,446</b>	<b>-135,090</b>	<b>-7,108</b>
<b>Other Income/Expense</b> (Not included in annual budget)	0	0	0	0
Donations: Friends of the Regent (Donated Assets)	0	0	0	3,588
Regent on Broadway Promotions	0	0	0	10,679
<b>TOTAL Surplus (Deficit) Regent Theatre Trust</b>	<b>-228,221</b>	<b>-76,446</b>	<b>-135,090</b>	<b>7,159</b>

## Financial Position for the Half Year to 31 December 2020

	Financial position to December 2020	Financial position to December 2019 (last year)
<b>ASSETS</b>		
Current Assets		
Chequing/Savings		
Total Chequing/Savings	299,986.91	729,299.12
Accounts Receivable		
Accounts Receivable	29,187.34	51,048.77
Total Accounts Receivable	29,187.34	51,048.77
Other Current Assets		
Seeding funding for PNOS	0.00	0.00
Accrued Revenue	6,712.00	6,712.00
Accounts Receivable - Other	66.10	66.10
Accrued Interest	2610.13	2,610.13
Prepayments	7,180.15	7,180.15
Total Other Current Assets	16,568.38	16,568.38
Total Current Assets	345,742.63	796,916.27
Fixed Assets		
Sound System 2020	331,449.93	0.00
51 Broadway	154,747.59	154,747.59
Accumulated Depreciation	-1,747,513.14	-1,638,013.08
Assets at cost	972,824.90	972,824.90
CentrePort Bar Ventilation	1,443.23	1,443.23
Other	3,923.00	3,923.00
Purchase of Assets		
Friends purchases	244,877.08	244,080.61
Purchase of Assets - Other	325,216.00	321,898.81
Total Purchase of Assets	570,093.08	565,979.42
Regency Rm Tech Upgrade	1,609.19	1,609.19
Retail Development		
Data Installation	5,774.43	5,774.43
Electrical	2,085.23	2,085.23
Security	56.97	56.97
Retail Development - Other	94,458.98	94,458.98
Total Retail Development	102,375.61	102,375.61
Sale of Fixed Assets	-6,896.40	-6,896.40
Stage Sound upgrade	1,150.31	1,150.31
Understairs storage	2,125.57	2,125.57
Fixed Assets - Other	69,918.86	69,918.86
Total Fixed Assets	457,251.73	231,188.20
<b>TOTAL ASSETS</b>	<b>802,994.36</b>	<b>1,028,104.47</b>

	Financial position to December 2020	Financial position to December 2019 (last year)
<b>LIABILITY AND EQUITY</b>		
Current Liabilities		
Accounts payable	22,511.84	30,059.02
Total Accounts Payable	22,511.84	30,059.02
Other Current Liabilities		
COVID-19 Wage Subsidy	101,368.80	0.00
Audit and Accounting Accrual	16,829.00	16,829.00
GST Tax Payable	847.89	10,275.56
Holiday Pay Accrual	42,972.08	42,972.08
Income in Advance	26,928.20	23,199.57
PAYE Payable	9,642.17	15,679.59
Ticketek funds	1,001.85	74.00
Wages Payable	23,471.38	23,471.38
Total Other Current Liabilities	223,061.37	132,501.18
Total Current Liabilities	245,573.21	162,560.20
<b>TOTAL LIABILITIES</b>	<b>245,573.21</b>	<b>162,560.20</b>
<b>NET ASSETS</b>	<b>557,421.15</b>	<b>865,544.27</b>
<b>EQUITY</b>		
Maintenance Reserve	150,000.00	150,000.00
Piano Fund Equity	46,623.89	46,623.89
Regent on Broadway Promotions	91,405.00	91,405.00
Retained Earnings	429,427.09	301,848.52
Net Income	-160,034.83	275,666.86
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>802,994.36</b>	<b>1,028,104.47</b>