



**Victoria Theatre Trust
Financial Statements
For The Year Ended 31 October 2014**

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For The Year Ended 31 October 2014**

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The Victoria Theatre Trust Board gratefully acknowledges the support of the following organisations and companies during the 2014 year:

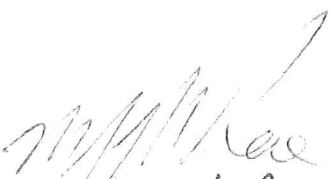


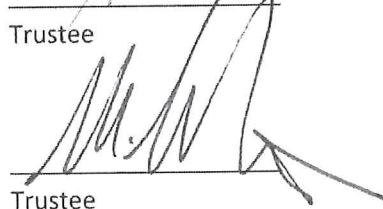
**Victoria Theatre Trust
Trust Directory
As At 31 October 2014**

Location	The Victoria Theatre 48-56 Victoria Road Devonport Auckland, 1309
Trustees	Margot McRae (Joint Chairman) Mark Sigglekow (Joint Chairman) David (Jim) Mason David Downs Gillian Werry Hamish Grotrian Matt Kemp (Treasurer - resigned December 2014) Karen Webster (resigned December 2014)
Auditors	Crowe Horwath New Zealand Audit Partnership PO Box 158 Auckland
Bankers	ASB Bank, Devonport
Principal Activity	Charitable Trust – Registered as a charity on 30 June 2008
Solicitors	McVeagh Fleming
Prepared by	David Downs, Trustee

Victoria Theatre Trust
Statement of Financial Position
As At 31 October 2014

	Note	2014	2013
TRUST EQUITY			
Trust Capital/Current Account		395,787	280,747
Current Year Surplus/(Deficit)		<u>22,188</u>	<u>115,040</u>
TOTAL TRUST EQUITY		<u>417,975</u>	<u>395,787</u>
REPRESENTED BY:			
CURRENT ASSETS			
Cash at Bank		55,251	79,971
Cash on Hand		-	-
Pre-payments		1,749	13,000
Sundry Debtors		<u>6,980</u>	<u>8,923</u>
TOTAL CURRENT ASSETS		<u>63,980</u>	<u>101,894</u>
CURRENT LIABILITIES			
Creditors & Accruals		6,111	5,448
Income in advance	12	<u>8,696</u>	<u>23,313</u>
TOTAL CURRENT LIABILITIES		<u>14,807</u>	<u>28,761</u>
FIXED ASSETS			
	7	354,982	308,834
FIXED ASSETS - WIP	5.4	<u>13,820</u>	<u>13,820</u>
NET ASSETS		<u>417,975</u>	<u>395,787</u>


Trustee


Trustee

23/4/15
Dated

The attached Notes and Audit Report form an integral part of, and should be read in conjunction with these financial statements.



Victoria Theatre Trust
Statement of Financial Performance
For The Year Ended 31 October 2014

	<i>Note</i>	2014	2013
Income			
Interest Income		953	1,485
Other Revenue		13,994	1,413
Rental Income		28,564	30,000
Total Income		43,511	32,898
Plus Other Income			
Donations - 50c fund		21,301	15,902
Donations		45,287	19,276
Other Donations		-	29,629
Other Grants		-	96,697
Total Other Income		66,588	158,504
Gross Income		110,099	191,402
Less Expenses			
Advertising		1,090	414
Audit Fees		2,000	2,000
Bank Fees		447	348
Cleaning		897	-
Consulting & Accounting		509	590
Depreciation	7	63,072	40,559
Equipment Rental		-	6,500
Fire, Health & Safety		5,454	1,805
Freight & Courier		100	-
General Expenses		2,711	552
Insurance		1,383	2,958
Legal expenses		133	-
Office Expenses		170	364
Repairs and Maintenance		9,945	15,583
Other		-	4,689
Total Operating Expenses		87,911	76,362
Net Surplus		22,188	115,040

The attached Notes and Audit Report form an integral part of, and should be read in conjunction with these financial statements.



Victoria Theatre Trust
Statement of Movements in Equity
For The Year Ended 31 October 2014

	<i>Note</i>	<i>2014</i>	<i>2013</i>
EQUITY AT BEGINNING OF YEAR		395,787	280,747
Current Year Surplus/(Deficit)		<u>22,188</u>	<u>115,040</u>
EQUITY AT END OF YEAR		<u><u>417,975</u></u>	<u><u>395,787</u></u>

The attached Notes and Audit Report form an integral part of, and should be read in conjunction with these financial statements.



Victoria Theatre Trust
Notes to The Financial Statements
For the Year Ended 31 October 2014

1. Reporting Entity

The Victoria Theatre Trust is a charitable trust governed by the trust deed dated 16 October 2004.

2. Statutory Base

The financial statements are prepared in accordance with applicable financial reporting standards and generally accepted accounting policies appropriate to the circumstances of the Trust.

3. Measurement Base

The measurement base adopted is historical cost

4. Differential Reporting

The Victoria Theatre Trust is a qualifying entity in accordance with the New Zealand Institute of Chartered Accountants Differential Reporting Framework, as the Trust is not large.

The Trust has taken advantage of differential reporting exemptions available to it under the following standards:

FRS-10	Statement of Cash Flows
SSAP-23	Financial Reporting For Segments
FRS-31	Disclosure of Information About Financial Instruments
FRS-9	Information to be Disclosed in Financial Statements

5. Accounting Policies

The following accounting policies which affect the measurement of financial performance and financial position have been applied.

5.1 Valuation of Fixed Assets

Fixed assets are measured at cost, less accumulated depreciation and impairment losses.

<i>Asset Category</i>	<i>Depreciation Rate (DV)</i>
Computer Equipment	50%
Leasehold Improvements	10%
Drapes	25%
Theatre Seats	20%
Digital Projectors/Screens	20%
Central Heating System	20%
Air Conditioning Equipment	12%
Sound System/Speakers	40%



5.2 Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax (GST) except for receivables and payables which are stated inclusive.

The net amount recoverable from, or payable to, the Inland Revenue Department, is included as part of receivables or payables in the statement of financial position.

5.3 Taxation

The Victoria Theatre Trust has charitable status and is exempt from income tax.

5.4 Depreciation

Fixed assets are depreciated over their estimated useful lives on a diminishing value basis. Depreciation is charged to the Statement of Financial Performance.

The statement of financial position also includes a capitalised work in progress balance relating to capital works undertaken which as at balance date were not part of depreciable property but will at a future date form part of depreciable fixed assets.

5.5 Inventories

There are no inventories.

5.6 Revenue

Revenue derived by the Trust is disclosed on a gross basis. The exception to this is fundraising events organised for the benefit of the Trust by other parties. In this case, only net revenue (gross income generated from the event less costs incurred by the fundraising party) is recognised in the Statement of Financial Performance of the Trust. In the 2014 year, net proceeds raised from a fund-raising theatre production have been accounted for on a net basis by the Trust.

Grants (or part of Grants) received but not yet spent at balance date are recorded as a liability.

6. Change in Accounting Policies

There have been no changes in accounting policies which have been applied on a basis inconsistent with the previous year.

7. Fixed Assets:

	2014	2013
Computers	2,540	2,540
Less Accumulated Depreciation	(2,477)	(2,415)
	63	125
Leasehold refurbishment	299,500	277,299
Less Accumulated Depreciation	(116,998)	(93,850)
	182,502	183,449
Projectors, Screens & Sound Systems	246,610	166,655
Less Accumulated Depreciation	(81,880)	(43,019)
	164,730	123,636



Note 7 (Continued)

<i>Other Assets</i>	10,186	3,121
<i>Less Accumulated Depreciation</i>	<u>(2,498)</u>	<u>(1,498)</u>
	7,688	1,623
Total Net Fixed Assets	<u>354,983</u>	<u>308,834</u>

Current year depreciation charges by asset category are as follows:

Asset Category	Current Year Depn	Cost Price	Accum Depn	Closing Book Value
Air conditioning	2,674	37,232	14,549	22,683
Computer Equipment	63	2,540	2,478	63
Equipment	292	3,500	292	3,208
Leasehold Improvements	16,883	225,307	76,580	148,727
Projection Equipment	37,249	234,980	78,933	156,046
Screen	1,612	11,631	2,947	8,684
Seating	3,650	40,526	25,928	14,598
Sound System	649	3,121	2,147	974
Total	63,072	558,837	203,854	354,983

8. Capital Expenditure Commitments

There were no capital commitments at balance date (2013: \$43,545).

9. Contingent Liabilities

There were no contingent liabilities at balance date (2013: \$nil)

10. Related Parties

In 2014 there were no related party transactions (2013: \$nil)

11. Lease

The Victoria Theatre Trust Board has leased the Victoria Picture Theatre Building located at 48-56 Victoria Road Devonport from the Auckland Council (former North Shore City Council). This lease was entered into on 10 March 2010 for a term of 33 years. The annual rental payable under the lease is \$1 per annum.

12. Income in advance

During the 2014 year the Trust received the following grant funding which remains unspent:

- Pub Charities - \$4,500 towards poster boxes and façade improvements
- Trillian Foundation - \$4,196 towards poster boxes and façade improvements

12. Operation of the Theatre

The Victoria Theatre Trust entered a new operator agreement with The Vic Limited, who commenced operations of the theatre on 1 October 2012.

The agreement with The Vic Limited is for a 5 year term with a further right of renewal of 5 years, subject to meeting certain conditions and performance levels.

13. Significant Events After Balance Date

In December 2014, the Victoria Theatre Trust approved a request from Glengarry Hancocks, sublease, to assign their sublease to The Vic Ltd. Glengarry Hancocks remains liable for rental payments.

14. Going Concern

The Trust has made a net surplus of \$22,188 during the year. The normal cash operating costs associated with ensuring the maintenance of the Theatre are expected to continue to be met by current and budgeted income. However, the Trust is reliant upon, amongst others, obtaining sufficient funding in the form of grants, donations and other revenue and cash flows from Theatre operations to advance its medium to longer term activities and progress the refurbishment and development of the Theatre.



INDEPENDENT AUDITOR'S REPORT

To the Trustees of Victoria Theatre Trust

Report on the Financial Statements

We have audited the financial statements of Victoria Theatre Trust on pages 5 to 11, which comprise the statement of financial position as at 31 October 2014, the statement of comprehensive income, and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand; and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the trust.

Opinion

In our opinion, the financial statements on pages 5 to 11 present fairly, in all material respects, the financial position of Victoria Theatre Trust as at 31 October 2014, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations that we have required

In our opinion, proper accounting records have been kept by Victoria Theatre Trust as far as appears from our examination of those records.



Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

24 April 2015