

THE
PLAYHOUSE
Fredericton

ANNUAL REPORT 2015-2016



Darlene Love,
November 2015

OUR VISION

We create meaningful experiences through the power of live performance, making the Fredericton Playhouse indispensable to the quality of life, health and economic vitality of the community.

OUR VALUES

Fredericton Playhouse Inc. is committed to managing our business based on five core values:

Quality of Experience: We provide enriching and valued live performance experiences.

Inclusivity: We encourage and support broad access to our programs, services and facilities.

Diversity: We embrace diversity in personal attributes and cultural backgrounds throughout our organization.

Integrity: We employ business practices that are professional, progressive, accountable and fiscally responsible.

Environmental Responsibility: We endeavour to minimize our impact on the environment.

OUR MISSION

We deliver programs, services and facilities to provide the community with enriching live performance experiences.



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Letter from the President

I am honoured to serve as President of the Board of Directors of Fredericton Playhouse Inc., and in that capacity I am pleased to present to you the organization's 2015-2016 annual report. This has been another hugely successful year from the perspective of our volunteer board. Along with the Playhouse's staff and volunteers, we work to provide our patrons, partners and the community with meaningful performing arts experiences.

The Fredericton Playhouse continued to see increases in participation in its programs this year, and I believe that is because our community recognizes the vital role of the Playhouse in the cultural life of greater Fredericton.

The Board of Directors is pleased with the ongoing progress that has been made toward developing a new performing arts centre to serve our region. As you will read in this report, we made significant strides toward that goal in 2015-2016, and we look forward to many additional developments over the next year. The board is especially appreciative of Fredericton Playhouse Inc's excellent partnership with the City of Fredericton, as the City's support is crucial in sustaining the Playhouse's current and future operations.

On behalf of my board colleagues, I wish to thank you for supporting the exciting work of the Fredericton Playhouse. We are most appreciative of the breadth and diversity of this support and look forward to involving even more community members in this wonderful organization.

Wayne Burley
President, Board of Directors

Letter from the Executive Director

I'm pleased to report that 2015-2016 was a successful year at the Fredericton Playhouse, with increased activity levels, as well as high levels of fundraising and participation in community outreach programs.

It was a busy season – the main stage was in use a total of 176 days for 130 performances of 97 different offerings. We issued an impressive 58,040 tickets over the course of the year. In total, 23 per cent of city households held a ticket to a Playhouse event last year, and that number doesn't take into account the various free events, graduations and corporate events we hosted.

Another highlight was a successful Friends of the Fredericton Playhouse fundraising campaign, which raised nearly \$50,000 to support community programs. Our signature fundraising event, the Backstage Bash, continues to flourish, and in 2016, the event raised an impressive \$19,500.

We continue to expand our Arts are for Everyone program, which seeks to reduce barriers in participating in the performing arts by working in partnership with local agencies, including the Fredericton Food Centre and the Multicultural Association of Fredericton. In total, 421 individuals redeemed tickets through this program.

While we continued to develop our programs and our activity levels, we also remained committed to addressing our long-term infrastructure issue. The facility is being properly maintained and operating safely, however we know that the building is at the end of its useful life and needs to be replaced. As you'll see in this report, over the past year we made great strides toward this goal, releasing an economic impact analysis, creating a video that explains the current condition of the Playhouse, beginning the process of seeking provincial and federal funding, working with the City of Fredericton toward selecting a site, and naming a campaign chair.

It is an honour to serve the Fredericton Playhouse as its Executive Director. We have an amazing team that works hard to deliver on our promise to "provide the community with enriching live performance experiences."

Special thanks to our staff, board, volunteers and all of the funders, donors, sponsors and partners who continue to provide the community with an organization and a facility that punches far above its weight in achieving these goals.

Yours in great performance,
Tim S. Yerxa
Executive Director



Board of Directors

Mr. Wayne Burley	President
Mr. Patrick Flanagan	Past President
Ms. Susan Holt	Vice President
Mr. Don Harrington	Treasurer
Ms. Germaine Pataki-Thériault	Secretary

Ms. Anne Baldaro
Ms. Lily Chen
Ms. Giselle Goguen
Mr. Ian Howey
Mr. Murray Jamer
Mr. John Leroux (to December 31, 2015)
Mr. Greg MacFarlane
Mr. Paul MacNabb (from January 1, 2016)
Mr. Duncan Matheson (from January 1, 2016)
Ms. Diane Morrison
Ms. Kate Rogers
Ms. Kim Schnarr (from January 1, 2016)
Mr. Stephen Wheatley (to December 31, 2015)
Mr. Paul White (to December 31, 2015)

Staff Members

Bonnie Barlow	Janitorial
Melissa Cameron	Ticketing Supervisor
Wendy Caron	Ticketing and Administration Manager
Wylie Casey	Patron Services Supervisor
David Cook	Technician (Head of Sound)
Alexandra Davis	Communications Director
Jeff Fevens	Technical & Facilities Director
Sally Goodwin	Patron Services Manager
Jonathan Harpur	Technician (Head of Lighting)
Valerie Hillier	Director of Programming
Judy Joe	Head Technician
Charity MacDonald	Ticketing Supervisor
Christina Nicoll	Development Director
Della Shepherd	Accounts and Operations Manager
Corey Wilson	Technician (Head of Carpentry)
Tim S. Yerxa	Executive Director

Strategic Plan

Over the course of 2015-2016, the Fredericton Playhouse management team continued to work toward goals outlined in a strategic plan developed in early 2015. The strategic plan contains five strategic goals to be achieved between 2015-2018, including:

Develop audiences and programs – Fredericton Playhouse Inc. remains committed to developing its audience base ... our priorities for 2015-2018 relate to “diversification” (attracting those segments that are currently not participating). Most notably, our special areas of focus will be youth and cultural diversity. In terms of youth, it is important to note that this market segment is broken down further to reflect the demographic range from children to young adults.

Contribute to local arts community – While Fredericton Playhouse Inc. enjoys a very positive public image and makes effort to be a regional leader in delivering live performance experiences, we want to ensure we remain connected to our local performing arts community. It is important to us that we leverage our assets both in providing opportunities to emerging performing artists/arts groups to utilize our facility, as well supporting their offerings through our program and audience development expertise.

Achieve financial sustainability – Fredericton Playhouse Inc.’s continued approach to its fiscal management is to maintain an accumulated surplus and to budget its general operations on a break-even basis while making strategic investments from restricted funds. Sustainability of general operations is even more critical as we seek to develop a performing arts centre. We want to pursue infrastructure development within the context of strong core financial operations.

Develop a performing arts centre – In 2013, Fredericton Playhouse Inc. undertook phase one of a feasibility study addressing its infrastructure deficit. The study concluded that the current facility does not meet the requirements of the organization’s or community’s current and future needs. Phase two of the feasibility study, completed early in 2015, recommended definitively that a new (augmented) facility should be constructed and has indicated that the organization is in a strong position to move forward. Thus, central to FPI’s 2015-2018 Strategic Plan is the execution of an infrastructure development strategy.

Strengthen organizational positioning – Although Fredericton Playhouse Inc. is already viewed as a critical community asset, we are desirous of expanding our profile on a regional basis. We want to be known as an innovative sector leader. We also believe it will be advantageous to better define FPI’s direct and indirect impact as we move to deepen the value proposition associated with the development of a performing arts centre. By fulfilling a leadership role we are able to develop a general appreciation of the performing arts and the public becomes more aware of FPI’s role in the community. This results in garnering greater support for the organization which is of particular importance as we seek infrastructure development including a supporting capital campaign.

Facility Usage/Operations

The core business of the Fredericton Playhouse is to provide facilities and services for the presentation of live performance. The facilities include one main stage auditorium and related service amenities including dressing rooms, support spaces, technical facilities and equipment, food and beverage, ticketing and marketing and communications support.

During 2015-2016, levels of facility usage remained high. The Playhouse stage was in use a total of 176 days, a nine per cent increase over the previous season. In addition, the gallery and meeting rooms were in use for a variety of receptions, meetings and other functions.

Approximately 72 per cent of the Playhouse's activity comes from renting the facility to local, regional and national promoters, presenters, festivals, producers and non-profit organizations. Playhouse-sponsored programs (presentations) account for the remainder.

The Playhouse hosted a total of 117 ticketed performances featuring 97 different offerings, and hosted an additional 13 non-ticketed events using the main stage (school, corporate or free events) – a similar number compared to the previous year. Users included:

- Asian Heritage Society
- Atlantic Ballet Theatre of Canada
- Atlantic Business College
- Babzees Entertainment
- Blind Faith Productions
- Bonnie Kilburn Dance
- Buddy Wasisname & the Other Fellers
- Capital Arts Support
- CBC Radio
- Centre for Arts and Technology
- Chinese Cultural Association
- Dance Fredericton
- Da Vinci College
- Harvest Jazz & Blues Festival
- Irish Canadian Cultural Association
- Johnny Showtime
- Leo Hayes High School
- NB Bodybuilding Association
- New Brunswick College of Craft and Design
- New Brunswick Country Showcase
- Paquin Entertainment
- Rocklands Talent & Management
- Ruben Fogel Productions
- Saint John Theatre Company
- Shantero Productions
- Sonic Concerts
- Stanford School of Irish Dance
- Symphony New Brunswick
- Theatre New Brunswick
- UNB Rock and Ice Climbing Club
- UNB Varsity Reds
- X-treme Dance Studio



Blind Faith Productions' Joseph and the Amazing Technicolor Dreamcoat

Stage was in use 176 days in 2015-16

117 ticketed performances

97 different offerings

13 non-ticketed events

Strategic Priority: Developing a New Performing Arts Centre

Addressing the aging physical infrastructure of the Playhouse has been a strategic priority for Fredericton Playhouse Inc. for several years. A feasibility study released in April 2015 determined that a new 6,665 m² downtown facility, built to replace the existing Playhouse, is the preferred way to meet the needs of the region for the next 50 years.

The “preferred option” described in the study is a new building with two major performance venues: an 850-seat main hall and a 300-seat flexible performance space with shared lobbies, amenities and backstage functions. The capital cost of the new facilities is estimated at nearly \$40 million.



From the video “Looking Inside the Fredericton Playhouse”

Fredericton Playhouse Inc., along with our partner in the City of Fredericton, is now working diligently to make this project a reality. In 2015-16, significant progress was made:

- An economic impact analysis of the project was completed in summer 2015. The report estimates the construction of a new regional performing arts centre to replace the Fredericton Playhouse will create 714 jobs and contribute over \$141 million to the economy. The report also estimates that the ongoing operation and use of the proposed facility would be responsible for an additional 101 permanent jobs and an annual \$15.5-million injection into the economy.
- The organization began the process of seeking an Infrastructure investment from the federal and provincial governments (\$28 million) towards the capital cost of the project.
- A highly successful video entitled “Looking Inside the Fredericton Playhouse” and accompanying infographic were released in winter 2016. The video explains how the condition of the existing Playhouse makes refurbishing it unfeasible.
- Fredericton Playhouse Inc. began working with the City of Fredericton on selecting and acquiring a site for the new performing arts centre. The City has taken responsibility for delivering a site for the project as part of its previously committed \$14-million contribution. The City of Fredericton has named the new performing arts centre as its top priority for new infrastructure spending.

- In March 2016, Regional Service Commission 11 endorsed a formula as a being a fair and reasonable way for regional communities to participate in the capital and operating funding for the new facility. Discussions then began with municipalities within the RSC11 region. The commission had previously identified the project as a regional infrastructure priority.
- W. Robert (Bob) Scott was appointed campaign chair for a private capital campaign to raise \$3.9M for the project.

Work continues on securing funding and resources to realize this strategic goal. With construction planned to begin in 2018, the effort on the part of board members, staff and our partners has never been greater.

Programs

Spotlight Series

The Fredericton Playhouse's flagship program, the 2015-2016 Spotlight Series featured professional, world-class performers in music, theatre and dance. In total, there were 26 performances in the Spotlight Series and three Kidstage Series performances:

- Whitehorse
- Gordie MacKeeman & his Rhythm Boys and Vishten
- Sweet Dreams: A Tribute to Patsy Cline
- O Vertigo
- Classic Albums Live – Led Zeppelin II
- The Judgment of Paris
- Lemon Bucket Orkestra
- Wingfield Lost and Found
- Darlene Love
- David Myles
- Lunasa
- Snow White
- Bboyizm
- Chris McKhool's Fiddlefire
- DakhaBrakha
- Dave Gunning
- Woody Holler and his Orchestra
- Tim Hus
- Brass Transit
- SEEDS
- La Otra Orilla
- The Velveteen Rabbit
- Robert Post
- Count Basie Orchestra
- Sci-Fi Double Feature
- Sleeping Beauty
- Classic Albums Live – Creedence Clearwater Revival: Chronicle
- Collectif9
- 6 Guitars

The total attendance for Spotlight Series and Kidstage shows in 2015-2016 was 10,815.

Some highlights included Fredericton's own David Myles who performed to a sold-out house, as well as legendary performers like '60s sensation Darlene Love who performed a special Christmas show, and the Count Basie Orchestra, which performed as part of its 80th anniversary celebration.



Lemon Bucket Orkestra

The season included a couple of world music performances, such as balkan-klezmer-gypsy-party-punk superband Lemon Bucket Orkestra and Ukrainian "ethnic chaos" band DakhaBrakha. The popularity of these shows demonstrated patrons' growing interest in contemporary world music.

During the 2015-16 season, the Playhouse launched a new "Pay What You Will program" for two performances. It was a success, with 517 tickets issued for 6 Guitars, and 370 for Fiddlefire.

Experience More!



An Experience More! workshop led by Bboyizm

The Experience More! program is a series of innovative workshops and activities held in conjunction with the Fredericton Playhouse Spotlight Series, intended to further enrich patrons' experiences. In 2015-2016, the Playhouse offered a total of 18 Experience More! activities.

Special highlights of the season's Experience More! activities included a couple of popular food and drink events, such as a whiskey tasting prior to Lunasa's performance, and a pre-show Ukrainian dinner before DakhaBrakha.

Other activities included two hip-hop dance workshops led by members of dance company Bboyizm, a songwriting workshop led by singer-songwriter Dave Gunning, and a film screening of *Twenty Feet from Stardom*, a documentary starring Spotlight performer Darlene Love.

There were also Experience More! offerings for young audiences, such as a special reading of *The Velveteen Rabbit* at the Fredericton Public Library, and a science fiction shadow puppetry workshop, presented in association with Sci-Fi Double Feature.

In total, 687 people participated in Experience More! events over the 2015-2016 season.

Other Enrichment Programming

In September of 2015, the Playhouse once again participated in Open Doors Fredericton and Culture Days, providing public tours of the building.

The Playhouse hosted a week-long March Break Rock Camp for the third year in a row, led by Moncton-based band the Motorleague. The week ended in final performances by newly formed rock bands on the Fredericton Playhouse stage.



March Break Rock Camp participants

School Field Trips

In 2015-2016, the Playhouse offered three school shows providing four performances, featuring a variety of artistic genres: *The Velveteen Rabbit* by Canada's Ballet Jorgen; *Mistatim*, a theatrical production by Red Sky Performance; and *6 Guitars*, a blend of music, comedy and characters performed by Chase Padgett. In addition, Red Sky Performance held a special in-school show for Assinaboine Avenue Elementary School in Oromocto.

The Playhouse continued to offer a bus subsidy funded by the Fredericton Community Foundation to help schools with the cost of attending matinee shows, and also introduced a new access grant, which allowed 600 students to attend a performance free of charge. In total, 1,954 students participated in School Field Trips at the Playhouse during the 2015-2016 season.

The School Field Trips program is made possible with contributions from the Friends of the Fredericton Playhouse.



Arts are for Everyone

The core Arts are for Everyone ticketing program partnered with community agencies that work on behalf of clients or residents to provide tickets. Over the course of the season, 269 tickets were redeemed. Some of the organizations the Playhouse worked with in 2015-2016 included: Autism Connections, the Women's Disability Network, Family Friends program at the YMCA, Family Enrichment & Counselling Services, Multicultural Association of NB and OPAL Family Services.

The Playhouse also provided a special complimentary performance by Dave Gunning through the Arts are for Everyone program, bringing him to York Care Centre and Pine Grove Nursing Home to perform for their residents.

269 tickets redeemed through Arts are for Everyone

71 tickets redeemed through Food For the Soul

81 tickets redeemed through Making Connections

Food for the Soul

The Food for the Soul ticketing program continued this year through the Fredericton Food Centre. Playhouse staff visited the food bank when clients came to pick up hampers, and offered ticket vouchers to shows in the Spotlight Series. Recipients responded positively, especially when a Kidstage performance was offered, and an additional 71 tickets were redeemed through this program in the 2015-2016 season, a 33 per cent increase over the previous year.

Making Connections

The Playhouse ran the Making Connections program for a second year in partnership with the Multicultural Association of Fredericton. This program gives newcomers in ESL classes an opportunity to understand how to navigate a performing arts centre, from finding information on upcoming events, to purchasing tickets, to attending a performance. The Playhouse offered a series of in-depth tours in early 2014, and also provided ticket vouchers to each participant. In total, 81 tickets were redeemed. For many, this was their first experience taking in a live performance at the Fredericton Playhouse.

In total, 640 tickets were issued through the Arts are for Everyone program, and 421 were redeemed.

The Arts are for Everyone program is made possible with contributions from the Friends of the Fredericton Playhouse.

Playhouse Honours

Playhouse Honours is a program that honours individuals' involvement in the performing arts in Fredericton. The purpose of this program is to foster a deeper appreciation of the value that individuals make to community life through their work in the performing arts (music, theatre, dance, spoken word, multidisciplinary arts).

In 2015, string performers and teachers Hrvoje and Aida Tisler were the recipients of the Playhouse Honours recognition. Since immigrating to Canada from Sarajevo in the mid-1990s, the Tislars have used their considerable skills as string performers to teach new generations of musicians. The couple arrived in Fredericton in 1996, and over the past two decades, the number of highly talented and well-trained young string players in the city has taken a quantum leap forward. They have taught hundreds of students, and have played a pivotal role in raising the standard of musical excellence in our community.



The Playhouse Honours recipients received their award during a private ceremony at the Fredericton Playhouse with their family, friends and collaborators, and the Tislars' names and photograph were added to a permanent display in the west gallery of the Playhouse recognizing the honourees.

Fund Development

Friends of the Fredericton Playhouse



The *Friends of the Fredericton Playhouse* is the private donor program of the Fredericton Playhouse. Donations made through *Friends of the Fredericton Playhouse* play a large role in ensuring that education and outreach initiatives are made available to the community. These initiatives include: Arts are for Everyone, School Field Trips and Experience More!

Although donations are accepted year-round, a targeted campaign took place during the months of October and November 2015.

Two short promotional videos highlighting the primary beneficiaries of the *Friends* program – Arts are for Everyone and the School Program were shared via social media and were also shown prior to select Spotlight Series performances.



During the 2015-2016 season, 230 individual donors contributed a total of more than \$49,000.

Backstage Bash

The Enbridge Backstage Bash is the sole fundraising event held by the Fredericton Playhouse in support of education and outreach initiatives.



Taking place backstage at the Playhouse, guests enjoyed a fantastic evening of incredible music and great food. High energy R&B funk band the Mellotones performed from a specially constructed stage that sat over the seats in the theatre, allowing guests to dance the night away onstage and backstage.

The 2016 Backstage Bash was a sell-out, with 232 tickets sold. The fantastic support of ticket buyers, sponsors, a newly introduced silent auction and a raffle contributed to the event raising nearly \$19,500.

The event was enhanced through the support of a number of partners and sponsors:

Enbridge
National Bank
Edwina's Catering
Wedding & Events Designed by Sylvain
Cox & Palmer
WestJet
Picaroons
Fredericton Convention Centre
Crowne Plaza Lord Beaverbrook
Assante Capital Management
Gallery 78 Fine Art
City of Fredericton
Cain Insurance
The Medicine Shoppe
Teed Saunders Doyle & Co
S&S Tire & Auto Service

Grants, Funders and Sponsors

The Fredericton Playhouse receives generous support from many funders and partners. In 2015-2016, they included:

Funders:

Canadian Heritage – provided a grant in support of the Spotlight Series and the purchase of specialized equipment.

Province of New Brunswick – provided a grant in support of the presentation of Orchestra of the Americas; support for professional development; and provided a joint grant with the Province of Quebec in support of Porte Parole's performance of *SEEDS*.

Province of Quebec – provided a joint grant with the Province of New Brunswick supporting Porte Parole's performance of *SEEDS*.

City of Fredericton – provided grants to support general operations; the Spotlight Series and Kidstage series; Ballet Jorgen engagement; and Passport to the Arts.

Fredericton Community Foundation – provided support for our School Field Trips Accessibility Program.

TD Bank – provided funding for TD Student Rush ticket access program.

Partners:

Andrew Craik	Edwina's Catering
Atlantic Mediaworks	The Howey Group
Bell Media (Radio)	Jensen's Powertrain
CBC Radio	Kiers Marketing
Creative Juices	Newcap (Radio)
Crowne Plaza Fredericton Lord Beaverbrook Hotel	Pepsi
Downtown Fredericton	Picaroons
Daily Gleaner	Taylor Printing
Delta Fredericton	Valley Graphics
Eaglewood	Wilson Insurance



Facility Improvements

Each year the Playhouse invests in its facility by planning and making improvements to the building, equipment, and systems deployed. In 2015-2016, Fredericton Playhouse Inc. invested \$127,739 in such projects. Funding for these improvements comes primarily from a \$2 surcharge on every ticket issued for events at the facility.

Some of the major projects undertaken in 2015-2016 included the implementation of full recycling in the building, moving our EventPro software to cloud-based hosting, and upgrades to the fly system. Because of the plan to develop a new performing arts centre that will replace the existing Playhouse, Fredericton Playhouse Inc. has made the decision to invest only in projects that are necessary to maintain functionality and safety.

Projects undertaken in 2015-2016:

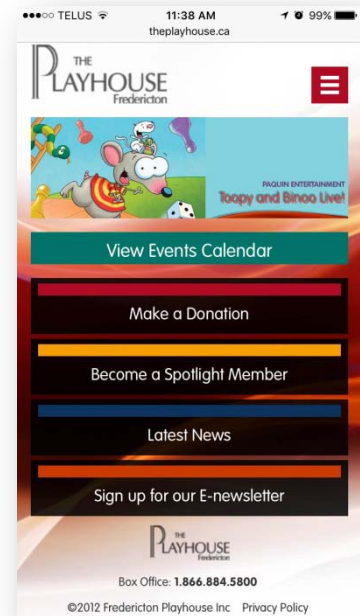
- Replaced fresh air dampers
- Repaired patio steps
- Snow blower/yard tool storage shed
- Anti-fatigue mats for tech areas
- Implemented full recycling throughout the building
- Changed over wifi system to F6
- Moved EventPro software to cloud-based hosting
- Handheld radios in tech dept
- New monitors and amplifiers
- Upgrades to fly systems
- New dance floor
- New pallet jack

Communications

The Fredericton Playhouse employs a number of marketing strategies to reach out to existing audiences and to develop new ones. During the 2015-2016 season, the Playhouse continued to use digital tools to spread messages about upcoming performances, events, programs and other general information about the facility. The Playhouse regularly uses Facebook, Twitter, YouTube, Wordpress, Instagram and a dedicated app to engage online users, and offer additional contests and other content. In 2015-2016, the Playhouse's website was updated to a new mobile-responsive version, allowing patrons to more easily navigate the site from smartphones and other devices.

Some new youth marketing initiatives were introduced during the season, such as promoting the newly branded TD Student Rush program, and promoting Under 19 pricing. Other tactics were intended to raise the public's awareness of the Playhouse brand, including a new monthly column in The Daily Gleaner, and a series of staff profiles published to the Playhouse blog.

Other marketing initiatives for the year included a poster campaign, e-blast, press release and blog post for each Spotlight and Kidstage Series performance, as well as targeted newspaper and radio ads for select shows. Holiday performances were highlighted in a special blog post, and shows and gift certificates were promoted during a Christmas gift giving campaign that included a blog post, social media and radio ads. A number of performances, events and initiatives received media coverage over a variety of platforms.



Volunteers

The Fredericton Playhouse depends heavily on a team of 69 volunteers to provide a high level of service to patrons at each public and private function. Volunteers fill the roles of usher, greeter and coat check attendant at each performance, and they occasionally perform additional tasks, like wine pouring, envelope stuffing and assisting at off-site events. In addition, volunteers play an integral role in the event of an emergency evacuation or power outage.

69 volunteers in total

Volunteers contributed 4,720 hours

Volunteer turnover rate of 6.7%

During the 2015-2016 season, Playhouse volunteers contributed an impressive 4,720 hours. Jeanette Fox was named Volunteer of the Year for the

third time – she contributed 218 hours, and a total of 16 volunteers contributed more than 100 hours each. Twenty-six per cent of Playhouse volunteers are bilingual.

The Fredericton Playhouse values its volunteers strongly, and strives to develop the volunteer program as a robust, successful and appealing enterprise for current members and future members in the community. The Playhouse engages in active recruitment throughout the year, with a special focus on youth and diversity.



Box Office/Ticketing

In 2015-2016, the Fredericton Playhouse box office issued 58,040 tickets in 17,986 individual orders. A total transaction value of \$1,488,303 was processed. The consumer trend toward online ticketing continued this year with 43 per cent of all orders being placed online.

In addition to providing ticketing services for Playhouse events, the organization also provides ticketing services for event organizers using other venues in Fredericton. In 2015-2016, the Playhouse serviced 33 other events in various venues including:

- TNB Open Space Theatre
- Oromocto Pioneer Days
- Fredericton High School Tom Morrison Theatre

58,040 tickets issued

17,986 individual orders

**Total value of \$1,488,303
processed**

The box office employs two full-time ticketing supervisors and several casual ticketing agents who provide an exceptional level of service. A special partnership with the Harvest Jazz and Blues Festival saw the Playhouse once again send one of its full-time supervisors to manage the Festival's ticketing and retail operation in the summer of 2015, when the box office is somewhat slower. This is an excellent example of how two non-profit arts organizations can truly partner to develop a mutually beneficial business relationship.

Financial Results

Audited financial statements can be found in Appendix 1.

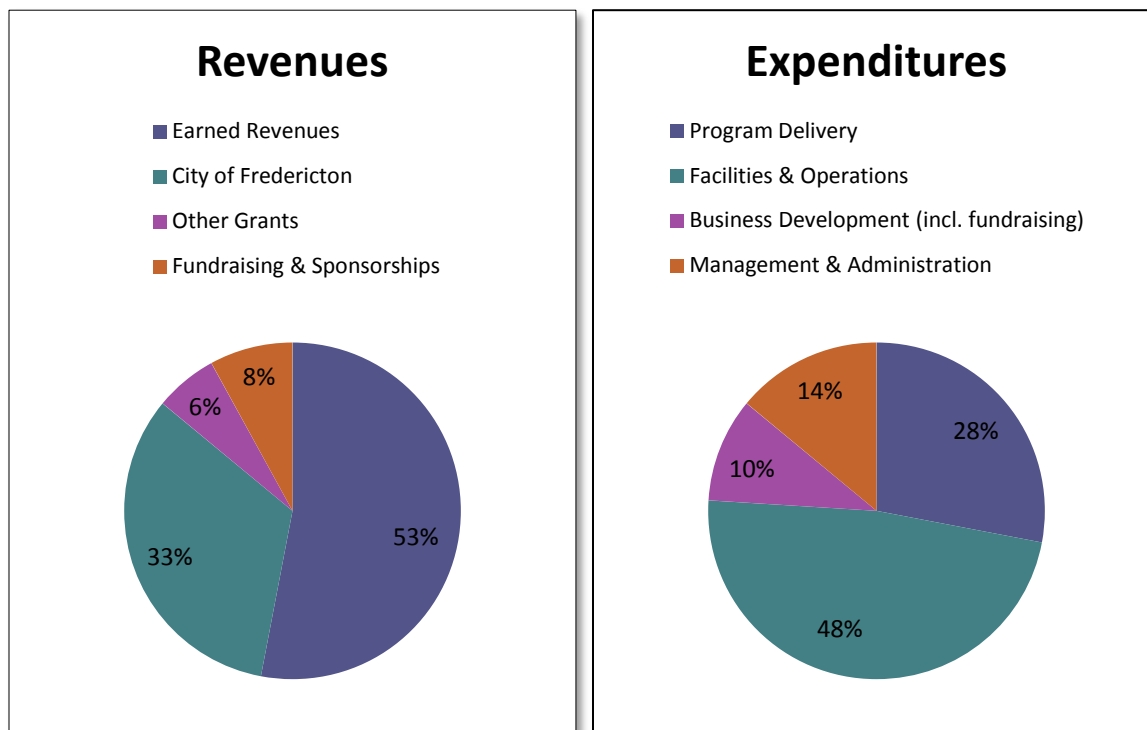
Balance Sheet Summary:

Assets	1,946,763
Liabilities	1,678,987
Net Assets	267,776

FPI's operations were a \$2.0 million concern in 2015-16.

The company posted an excess of revenue over expenses for the year in the amount of \$32,726. It represents less than two per cent of the annual budget.

The following illustrates the source of income and general areas of expenditure of the Playhouse operations (not including non-cash items such as amortization and adjustments):



Fredericton Playhouse Inc. remains in a stable financial position with reasonable levels of working capital and no debt or financing requirement.

FREDERICTON PLAYHOUSE INC.

Financial Statements

Year Ended June 30, 2016

FREDERICTON PLAYHOUSE INC.

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Year Ended June 30, 2016

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Suite 102
Priestman Centre
565 Priestman Street
Fredericton
New Brunswick
E3B 5X8

Tel (506) 458-8727
Fax (506) 450-3777
E-mail tsdfr@tsdca.com

**TEED
SAUNDERS
DOYLE & CO.**
Chartered Accountants

An Independent Member of
DFK Canada Inc. and DFK International

INDEPENDENT AUDITOR'S REPORT

To the Members of Fredericton Playhouse Inc.

We have audited the accompanying financial statements of Fredericton Playhouse Inc., which comprise the statement of financial position as at June 30, 2016 and the statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines 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 Canadian generally accepted auditing standards. 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 judgment, 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 made by management, as well as evaluating the overall 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fredericton Playhouse Inc. as at June 30, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Teed Saunders Doyle & Co.

Fredericton, New Brunswick
September 29, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS

Fredericton Partners
Brian J. Saunders David H. Bradley
Jeffrey E. Saunders John H. Landry
T.J. Smith Kenneth H. Kyle



Saint John Partners
Andrew P. Logan Peter L. Logan
Jean-Marc Poirier

FREDERICTON PLAYHOUSE INC.

Statement of Financial Position

June 30, 2016

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 553,220	\$ 589,958
Accounts receivable	29,681	16,530
Inventory	10,463	12,702
Prepaid expenses	92,376	74,427
	<u>685,740</u>	<u>693,617</u>
PROPERTY AND EQUIPMENT (Note 4)	<u>1,261,023</u>	<u>1,354,554</u>
	<u>\$ 1,946,763</u>	<u>\$ 2,048,171</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable (Note 8)	\$ 173,950	\$ 144,746
Unearned revenue	428,011	506,153
	<u>601,961</u>	<u>650,899</u>
DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT (Note 5)	<u>1,077,026</u>	<u>1,162,222</u>
	<u>1,678,987</u>	<u>1,813,121</u>
NET ASSETS		
Invested in property and equipment (Note 6)	183,997	192,332
Internally restricted (Note 7)	34,754	14,131
Unrestricted	49,025	28,587
	<u>267,776</u>	<u>235,050</u>
	<u>\$ 1,946,763</u>	<u>\$ 2,048,171</u>

ON BEHALF OF THE BOARD

 _____ Director

 _____ Director

**TEED
SAUNDERS
DOYLE & CO.**
Chartered Accountants

FREDERICTON PLAYHOUSE INC.

Statement of Changes in Net Assets

Year Ended June 30, 2016

	Unrestricted	Internally Restricted	Invested in Property and Equipment	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 28,587	\$ 14,131	\$ 192,332	\$ 235,050	\$ 219,519
EXCESS OF REVENUE OVER EXPENSES	123,271	-	(90,545)	32,726	15,531
TICKET SURCHARGE	(102,132)	102,132	-	-	-
BUILDING IMPROVEMENT EXPENDITURES	81,509	(81,509)	-	-	-
INVESTED IN PROPERTY AND EQUIPMENT	(82,210)	-	82,210	-	-
NET ASSETS - END OF YEAR	\$ 49,025	\$ 34,754	\$ 183,997	\$ 267,776	\$ 235,050

FREDERICTON PLAYHOUSE INC.**Statement of Operations****Year Ended June 30, 2016**

	2016	2015
REVENUE		
Amortization of deferred contributions related to property and equipment	\$ 131,426	\$ 142,899
Box office services	154,099	143,097
City of Fredericton grant - in-kind	178,151	223,256
City of Fredericton grant - operations	474,800	470,700
Concessions and commissions	58,534	60,454
Miscellaneous	124,145	151,579
Other grants	21,861	19,162
Presentations - admissions	361,024	309,440
Presentations - contributions	138,353	176,163
Presentations - other earned	26,331	20,941
Rentals	232,307	235,312
Ticket surcharge	102,132	95,654
	<u>2,003,163</u>	<u>2,048,657</u>
EXPENSES		
Administrative overhead	112,392	110,606
Amortization	221,971	242,178
Building operations	148,125	237,308
Credit card charges	32,416	33,913
Faculty advertising	20,414	19,319
Memberships	4,348	3,612
Miscellaneous (including bad debts)	5,196	8,224
Presentations	438,403	453,610
Professional fees	6,180	11,000
Repairs and maintenance	84,536	79,617
Salaries and wages - administration	174,961	165,722
Salaries and wages - operations	642,807	601,409
Supplies	50,781	39,320
Ticketing system maintenance and supplies	24,580	25,359
Travel	3,327	1,929
	<u>1,970,437</u>	<u>2,033,126</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 32,726</u>	<u>\$ 15,531</u>

FREDERICTON PLAYHOUSE INC.

**Statement of Cash Flow
Year Ended June 30, 2016**

	2016	2015
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 32,726	\$ 15,531
Items not affecting cash:		
Amortization	221,971	242,178
Amortization of deferred contributions related to property and equipment	<u>(131,426)</u>	<u>(142,899)</u>
	<u>123,271</u>	<u>114,810</u>
Changes in non-cash working capital:		
Accounts receivable	(13,151)	43,322
Inventory	2,239	(1,859)
Prepaid expenses	(17,949)	3,611
Accounts payable	29,204	26,960
Unearned revenue	<u>(78,142)</u>	<u>148,327</u>
	<u>(77,799)</u>	<u>220,361</u>
	<u>45,472</u>	<u>335,171</u>
INVESTING ACTIVITY		
Purchase of property and equipment	<u>(128,440)</u>	<u>(58,766)</u>
FINANCING ACTIVITY		
Deferred contributions related to capital assets	<u>46,230</u>	<u>-</u>
INCREASE (DECREASE) IN CASH	(36,738)	276,405
CASH - BEGINNING OF YEAR	<u>589,958</u>	<u>313,553</u>
CASH - END OF YEAR	<u>\$ 553,220</u>	<u>\$ 589,958</u>

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2016

1. OPERATIONS

Fredericton Playhouse Inc. (the "Theatre") is a registered charity incorporated under the New Brunswick Companies Act and its principal business activities include providing a venue for presentation and enjoyment of the arts in general and in particular the arts of the theatre and music. As a registered charity the Theatre is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Cash and cash equivalents

The Theatre considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be financing activities.

Economic dependence

The Theatre is economically dependent on the City of Fredericton (the "City") for annual operating and in-kind grants, which represent a significant portion of the Theatre's revenue.

Financial instruments policy

The Theatre considers any contracts a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The Theatre accounts for the following as financial instruments:.

1. Cash and cash equivalents
2. Trade and other receivables
3. Payables and accruals

A financial asset or liability is recognized when the Theatre becomes party to contractual provisions of the instrument.

The Theatre initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Theatre is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Theatre subsequently measures its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment.

The Theatre removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

(continues)

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Revenue recognition

Revenue from operating activities is recognized when the services are provided,

The Theatre follows the deferral method of accounting for contributions, which includes donations and government grants. Restricted contributions are recognized as revenue in the year during which the related expenses are incurred.

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of the accounting period are accrued. Unearned revenue is comprised of advance ticket sales, sponsorships, advertising sales, deposits on rentals and gift certificate sales relating to future activities, and in is recognized as revenue in the period during which the related event is held.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received is reasonably assured.

In-kind sponsorships and grants are recorded as both revenue and expenses at fair market value.

Government assistance towards the acquisition of capital assets is deferred and amortized over the same period as the asset to which it relates. Government assistance relating to operating activities is recorded as revenue.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life on a straight-line basis at the following rates:

Building	4%
Equipment	20%
Office equipment	30%

The Theatre regularly reviews its property and equipment to eliminate obsolete items.

Contributed materials and services

Contributed materials and services are recognized in the financial statements at fair market value. During the year the Theatre recorded in-kind City of Fredericton grants of \$178,151 (2015 - \$223,256) in exchange for building operations expenses. The Theatre also recorded in-kind sponsorship revenue of \$46,869 (2015 - \$53,224) in exchange for various presentation expenses.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Employee future benefits

The Theatre has a defined contribution pension plan for its permanent employees. Contributions to this plan are recognized on an accrual basis. During the year, the Theatre expensed an amount of \$20,933 (2015 - \$17,880) for this plan.

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2016

3. FINANCIAL INSTRUMENTS

The Theatre is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Theatre's risk exposure and concentration as of June 30, 2016.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Theatre is exposed to credit risk in connection with accounts receivable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Theatre is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, contributions to the pension plan, and accounts payable.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Theatre is exposed to foreign currency exchange risk on cash held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 345,000	\$ -	\$ 345,000	\$ 345,000
Building	1,800,000	1,152,000	648,000	720,000
Equipment	1,596,934	1,342,991	253,943	270,928
Office equipment	184,906	170,826	14,080	18,626
	<u>\$ 3,926,840</u>	<u>\$ 2,665,817</u>	<u>\$ 1,261,023</u>	<u>\$ 1,354,554</u>

5. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT

Deferred contributions related to property and equipment represent the unamortized and unspent amount of donations and grants received for the purchase of capital assets. Amortization of capital contributions is calculated on the same rates and the related capital assets and is recorded as revenue in the statement of operations.

	2016	2015
Balance, beginning of year	\$ 1,162,222	\$ 1,305,121
Add: current year funding received	46,230	-
Less: amounts amortized to revenue	<u>(131,426)</u>	<u>(142,899)</u>
Balance, end of year	<u>\$ 1,077,026</u>	<u>\$ 1,162,222</u>

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2016

6. INVESTMENT IN PROPERTY AND EQUIPMENT

	<u>2016</u>	<u>2015</u>
a) <u>Investment in property and equipment is calculated as follows:</u>		
Property and equipment, net	\$ 1,261,023	\$ 1,354,554
Amounts financed by deferred contributions	<u>(1,077,026)</u>	<u>(1,162,222)</u>
	<u>183,997</u>	<u>192,332</u>
b) <u>Changes in net assets invested in property and equipment is calculated as follows:</u>		
Amortization of deferred contributions related to property and equipment	131,426	142,899
Amortization of property and equipment	<u>(221,971)</u>	<u>(242,178)</u>
Excess of expenses over revenue	<u>(90,545)</u>	<u>(99,279)</u>
Net capital assets acquired	128,440	58,766
Amount funded by deferred contributions	<u>(46,230)</u>	<u>-</u>
	<u>82,210</u>	<u>58,766</u>
Total change	<u>(8,335)</u>	<u>\$ (40,513)</u>

7. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors (the "Board") has appropriated net assets for building improvement purposes. Increases and decreases from the appropriation are at the discretion of the Board. The Board currently appropriates a ticket surcharge for this purpose.

8. GOVERNMENT REMITTANCES PAYABLE

As of June 30, 2016, accounts payable includes government remittances payable of \$49,116 (2015 - \$34,630).

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.