

P THE LAYHOUSE Fredericton

ANNUAL REPORT 2013-2014



Our Vision

All residents of Greater Fredericton recognize and appreciate the value of the Fredericton Playhouse as a performing arts centre that contributes to the quality of their own life and to the health and economic vitality of their community. Fredericton Playhouse Inc. enjoys steady and sustainable growth in public participation, diversity of program offerings, general facility usage, financial resources and physical assets.

Our Values

FPI is committed to managing our business based on five core values:

Accessibility. We encourage and support community accessibility to diverse artistic expression.

Quality of Experience. We strive to provide our patrons, clients and other stakeholders with enriching and valued live performance experience.

Integrity. We respect our patrons, employees, clients and other stakeholders. To ensure mutually beneficial relationships, our business practices are professional, progressive, accountable and fiscally responsible.

Diversity. We embrace the diversity of our community and strive to reflect it throughout our organization and its programs and services.

Environmental responsibility. We endeavour to conduct all aspects of our operations to have minimal impact on the environment.

Our Mission

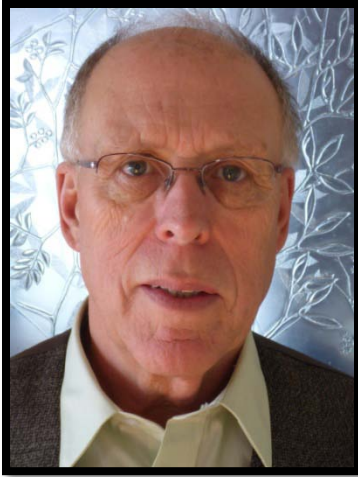
We deliver programs, services and facilities to provide Greater Fredericton with enriching live performance experiences.



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Letter from President



I am delighted to introduce you to the 2013-2014 Annual Report of Fredericton Playhouse Inc. I chair the Board of Directors, the stewards of the Playhouse. As such, we have responsibilities to the City of Fredericton and the community to manage the facility well for today, while making sure we do not lose sight of audience needs for tomorrow.

In the pages that follow, I trust you will find ample evidence that we are making a more than acceptable effort to address the challenges and demands of today, and allowing ourselves to imagine a tomorrow that is worthy of our city and surrounding area, a tomorrow that ensures that citizens will take pride in the legacy they leave for their grandchildren and beyond.

On behalf of the Board, thank you for your ongoing interest and support for the work of Playhouse staff and volunteers. Together, we are shaping an enviable and sustainable future.

Patrick Flanagan
President
Board of Directors

Letter from Executive Director

2013-14 was another remarkable year for the Fredericton Playhouse – punctuated by high activity levels, an increase in fundraising and the continued development of our robust community outreach programs.

If nothing else, we were busy. And in large part, that’s what the community expects most of us. The main stage was in use a total of 201 days– including 145 performances of 95 different offerings. Maintaining a high level of diversity in our offerings is the most effective way of being relevant in the lives of those in the community we serve. Evidence of this relevance can be found in the 21 per cent of city households that held a ticket to a Playhouse event last year (and that doesn’t include the various free events, graduations or corporate activities we hosted).



There were other highlights:

- A successful Friends of the Fredericton Playhouse fundraising campaign, which raised \$43,000 to support community programs – a 20 per cent increase over the previous season.
- Introducing our new 150-seat backstage studio configuration and successfully hosting a number of shows in the intimate venue.
- A leap forward with 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, 378 individuals attended shows through the program.

While we continued to develop our programs and our activity levels, we also remained committed to finding the right way forward in addressing our long-term infrastructure issue. Infrastructure renewal remains the top priority for our organization. While the facility is being properly maintained and operating safely, we know that the building is at the end of its useful life and needs to be refurbished or replaced. Currently, our organization and the City of Fredericton are working on a study to find a solution that is attainable, sustainable and can meet community and regional goals.

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

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

Thank you for your continued interest in our shared success.

Yours in great performance,
Tim S. Yerxa
Executive Director

Board Members

Mr. Patrick Flanagan	President
Mr. Wayne Burley	Vice President
Mr. Don Harrington	Treasurer
Ms. Ruth Chippin (to Dec. 31, 2013)	Secretary 2013
Ms. Germaine Pataki-Thériault	Secretary 2014

Ms. Anne Baldaro
Ms. Jane Blakely
Mr. E. John Bliss (to Dec. 31, 2013)
Mr. Lawrence Durling
Ms. Dorothy Frazier
Ms. Susan Holt
Mr. Ian Howey (from Jan. 1, 2014)
Mr. John Leroux
Mr. Greg MacFarlane (from Jan. 1, 2014)
Ms. Jasmine Murat (from Jan. 1, 2014)
Ms. Kate Rogers
Mr. Steve Wheatley
Mr. Paul White

Staff Members

Bonnie Barlow	Janitorial
Dean Brokop	Development Director (from August 2013)
Melissa Cameron	Ticketing Supervisor
Wendy Caron	Ticketing and Administration Manager
Wylie Casey	Patron Services Supervisor
Crystal Chettiar	Program Coordinator (from August 2013)
David Cook	Head of Sound
Alexandra Davis	Communications Director (from October 2013)
Jeff Fevens	Technical Director
Sally Goodwin	Patron Services Manager
Jonathan Harpur	Head of Lighting
Valerie Hillier	Director of Programming
Judy Joe	Head Technician
Christine Little	Development Director (to August 2013)
Charity MacDonald	Ticketing Supervisor
Jill Scaplen	Communications Director (to September 2013)
Della Shepherd	Accounts and Operations Manager
Amani Wassef	Director of Education/Community Engagement (to August 2013)
Corey Wilson	Technician
Tim S. Yerxa	Executive Director

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 2013-2014, levels of facility usage remained high. The Playhouse stage was in use a total of 201 days. In addition, the gallery and meeting rooms were in use for a variety of receptions, meetings and other functions.

Approximately 70 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.

Stage was in use 201 days in 2013-14

132 ticketed performances

95 different offerings

13 non-ticked events

The Playhouse hosted a total of 132 ticketed performances (91 rentals and 41 presentations) featuring 95 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 of NB
- Association acadienne des Artistes
Profesional.I.e.s du Nouveau-Brunswick
- Atlantic Ballet Theatre of Canada
- Atlantic Business College
- Blind Faith Productions
- Bonnie Kilburn Dance Centre
- Brigus Production
- Buddy Wasisname & the Other Fellers
- Centre for Arts and Technology
- Chemical Institute of Canada
- Christmas & Winter Relief Assoc.
- Dance Fredericton
- Don Cormier/Git-er-Boilin'
- Don Jones Productions
- Downtown Fredericton
- East Coast Production Group
- Fredericton Area Downs Syndrome Assoc.
- Fredericton Chamber Orchestra
- Fredericton District Soccer Assoc.
- Hard As A Rock Productions
- Harvest Jazz and Blues Festival
- Hospice Fredericton
- Impress Productions
- Irish Canadian Cultural Association
- Jason Vautour/Cyrus
- Leo Hayes High School
- Marc Little/Blonde Jovi
- Marina Jay



Buddy Wasisname & the Other Fellers

- Multicultural Association of Fredericton/Cultural Expressions Festival
- NB Bodybuilding Assoc.
- NB Brain Tumour Foundations
- New Brunswick Country Showcase
- New Brunswick Teachers Association
- Paquette Productions
- Paquin Entertainment
- Paul Mercs Concerts
- Reveen – The Next Generation
- Rocklands Entertainment
- Shantero Productions
- Sonic Concerts
- Symphony New Brunswick
- Theatre New Brunswick
- TNB Theatre School
- UNB Rock and Ice Climbing Club
- UNB Varsity Reds
- University of New Brunswick
- X-treme Dance Studio

Total attendance for ticketed events was 55,974, a decrease of eight per cent from the previous year. This decline can be attributed to a number of factors including:

- Reduction of TNB's main stage program from three productions to two
- Downturn in the market, primarily due to local economic conditions
- Several major weather-related incidents that resulted in low sales for specific events



Reveen: The Next Generation

Strategic Priority: Infrastructure Renewal

Addressing the aging physical infrastructure of the Playhouse has been a strategic priority for Fredericton Playhouse Inc. for several years. Having received a series of technical reports on the facility's present state and its potential future (the latest of which was completed by the City of Fredericton in 2013), the board of directors has never been more involved in or committed to resolving this issue: the facility is at the end of its useful life and will soon need either a full refurbishment or be replaced.

The 2013 report commissioned by the City concluded that replacing the Playhouse with a new facility of similar size would be more feasible over its life than refurbishing the existing building. This led to the City and Fredericton Playhouse Inc. partnering on the development of a long-term strategy to find the best solution for the long-term – one that is attainable, sustainable and provides the best outcome for the community.

In 2013-2014, Fredericton Playhouse Inc. was very active in continuing a major study which attempted to answer the following:

- What are the long-term needs of the community in terms of performing arts infrastructure?
- What are the community's expectations (users, leadership, public)?
- What are the local and global trends in performing arts that need to be considered?
- What other community goals could be addressed with such a development? (economic, social, cultural, planning)
- What kinds of facilities would best address these needs and expectations?
- Where and how could these facilities be developed?
- What is the community's capacity to finance the construction and operation of new performing arts facilities?

The study work is jointly funded and lead by the City and FPI under the guidance of a joint steering committee lead by FPI Vice President Wayne Burley. The study is being led by Webb Management Services – a consultancy specializing in cultural infrastructure development.

The study, scheduled to be complete in late 2014, involves the technical expertise of specialized architects, management consultants and fundraising consultants. Its process includes a large consultation element which included interviews with user groups, business and community leaders and the public. In October 2013, nearly 100 people attended a public meeting to discuss a future development.

Programs

Spotlight Series

The Fredericton Playhouse's flagship program, the 2013-2014 Spotlight Series featured professional, world-class performers in music, theatre and dance. In total, there were 31 performances:

- Michael Kaeshammer
- Classic Albums Live – Rumours
- Buffy Sainte-Marie
- One Man Lord of the Rings
- The Irish Rovers
- Godspell
- Cecilia String Quartet
- Billy McGuigan – Rock Legends
- Fredericton Chamber Orchestra
- Swingle Singers
- The Barra MacNeils
- Christmas @theplayhouse
- DuffleBag Theatre – Sleeping Beauty
- Late Nite Catechism
- Toronto Dance Theatre
- Fubuki Daiko
- Shane Koyczan
- Nikki Payne
- Maria Osende Flamenco
- Kind of Blue – A tribute to Miles Davis
- The Intergalactic Nemesis
- Les Ballets Jazz de Montreal
- Peggy Baker Dance Projects
- Donna Washington
- Jim Witter's Feelin' Groovy
- Bowfire
- Bouge de la
- Terrance Simien & the Zydeco Experience
- Trick Boxing
- Treasa Levasseur
- Mamma Mia!

Highlights of the season included the presentation of *Mamma Mia!* in May – the two-night run proved to be the most popular Broadway show at the Playhouse.

The total attendance for Spotlight Series shows in 2013-2014 was 16,524.

The Playhouse formed a new partnership with the Fredericton Chamber Orchestra, which led to a special family-oriented presentation of *Peter and the Wolf*, narrated by celebrated playwright Norm Foster. This partnership will continue into the next season.

A performance by Canadian-American Cree singer-songwriter, composer, visual artist, educator and social activist Buffy Sainte-Marie helped attract the largest First Nations audience to date, and has allowed the Playhouse to begin forming new partnerships with First Nations groups.



The Playhouse introduced a new intimate studio space backstage, and presented shows representing a wide variety of genres.



The 2013-2014 season marked an increase in contemporary dance programming, in large part thanks to funds provided by Atlantic Moves' funding program. The Playhouse is seeing increases in audience participation, and in audience members' knowledge and attraction to contemporary dance.

This season featured the Spotlight Series' first spoken word artist – Canadian poet Shane Koyczan, as well as the first storyteller – recording artist and author Donna Washington.

Experience More!



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' experience. In 2013-2014, the Playhouse offered a total of 17 Experience More! activities, as well as two activities outside of the Spotlight Series – Open Doors Fredericton and Culture Days.

Special highlights of the season's Experience

More! included multi-day residencies by Canadian dance artist Peggy Baker and Japanese drumming troupe Fubuki Daiko.

Other activities included ukulele lessons with the Irish Rovers, an instrument petting zoo with the Fredericton Chamber Orchestra, a post-show conversation with comedian Nikki Payne, and dance lessons and workshops with celebrated dance companies, including Toronto Dance Theatre, Maria Osende Flamenco, Les Ballets Jazz de Montreal and Peggy Baker Dance Projects.

During March Break 2014, the Playhouse offered a Rock Camp program with Speed Control, a band from Yukon. This pilot program received overwhelmingly positive feedback, and a different rock camp is in the works for March Break 2015.



In total, 1,027 people participated in Experience More! events over the 2013-2014 season.



School Programs

In 2013-2014, the Playhouse offered three school shows featuring a variety of artistic genres: Fubuki Daiko, a Taiko drumming group; professional storyteller Donna Washington; and *The Intergalactic Nemesis*, a live-action graphic novel. Additionally, three in-school programs were offered: Fubuki Daiko's drum making workshop; Donna Washington's story creation workshop; and Sossy Mechanics' puppetry workshop.

The Playhouse re-implemented a bus subsidy to help schools with the cost of attending matinee shows. In total, through both matinee shows and in-school activities, 1,224 students participated in School Programs at the Playhouse during the season.

After assessing the 2013-2014 season and observing greater competition for school shows/programs with other facilities in the region, the Playhouse has looked at redesigning its School Programs for 2014-2015.



Christmas @theplayhouse



Marking the 12th year of Christmas @theplayhouse, the 2013 production was the largest to date. Led by director Shawn Henry, it featured a full on-stage skating rink meant to mimic Fredericton's own Officers Square, and celebrated holiday traditions with the theme of Light. Christmas @theplayhouse included a mix of classic holiday carols, along with original songs by composer Michael Doherty.

The larger staging also provided a few challenges, most notably difficulties in finding suitable and affordable rehearsal space, as well as increases in crew costs.

In 2014, the Playhouse made the decision to discontinue Christmas @theplayhouse, ending on a high note and opening up the holiday timeslot for new performances.



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 307 requested tickets. Of the requested tickets, 216 were redeemed (a 70 per cent redemption rate). Some of the organizations the Playhouse worked with in 2013-2014 included: Autism Connections, the Women's Disability Network, Family Friends program at the YMCA, Family Enrichment & Counselling Services and OPAL Family Services.

The Playhouse also offered two special complimentary performances under the Arts are for Everyone – one to the Stepping Stone Seniors Centre and one to the NB Literary Coalition. Both were special performances with storyteller Donna Washington. The NB Literary Coalition performance was especially memorable as it was offered to adult learners, many of whom belong to a lower income bracket, and who had never been to the Playhouse, let alone experienced such a unique performing artist. This group was incredibly moved by the performance, and asked Ms. Washington to tell an extra story, keeping them an extra 40 minutes past the scheduled time.



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 32 tickets were redeemed through this program in the 2013-2014 season.

Making Connections

216 tickets redeemed through Arts are for Everyone

32 tickets redeemed through Food For the Soul

130 tickets redeemed through Making Connections

The Playhouse piloted a new program this year in partnership with the Multicultural Association of Fredericton. Making Connections is meant to give 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, 130 tickets

were redeemed. For many, this was their first experience taking in a live performance at 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 2013, Bonnie Kilburn was the recipient of the Playhouse Honours recognition. A linchpin in the community, she has been teaching dance for more than 48 years, and has held an annual Dance Spectacular at the Fredericton Playhouse for 40 years. Ms. Kilburn has acted as a mentor, educator and a philanthropist to many, setting an example for students and parents alike about the importance of giving back to the community.

The Playhouse Honours recipient received her award during a private ceremony at the Fredericton Playhouse with her family, friends and students, and Ms. Kilburn's name 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 Programs and Experience More!

Although donations are accepted year-round, a targeted campaign took place during the months of October and November 2013. During this time, information on the program was distributed to donors from the previous year, individuals who had contributed to “access programs” with a \$2 donation during the online ticket buying process, as well as to

individuals that had attended three or more shows in the preceding year.

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



208 individual donors

Total value of donations equalled more than \$43,000

20% increase in number of donors and amount donated

During the past year, both the number of donors and the total amount donated increased by close to 20 per cent, contributing to the best results in the history of the *Friends of the Fredericton Playhouse* program.

There were 208 individual donors that contributed a total of more than \$43,000.

Backstage Bash

The Bell Aliant Backstage Bash is the sole fundraising event held by the Fredericton Playhouse in support of education and outreach initiatives. Formerly known as the Onstage Gala, the event was rebranded in 2014 to better represent the true nature of the event.



Taking place backstage at the Playhouse, guests enjoyed a fantastic evening of incredible music and great food. The Sounds of Motown – a thirteen piece band from Halifax – 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 2014 Backstage Bash was a complete sell-out, with 200 tickets sold. The fantastic support of ticket buyers, sponsors and a raffle that featured a top prize of a trip for two to Langara Fishing Lodge in British

Columbia valued at 10,000, contributed to the event raising more than \$12,000, close to double the proceeds of the prior year.

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

Bell Aliant
 Crowne Plaza Lord Beaverbrook Hotel
 Langara Fishing Adventures
 Fredericton Convention Centre
 Spicer Cole Fine Jewellers
 Valley Ridge Fine Furnishings
 W.E.D.S.
 The Algonquin Resort
 Gallery 78
 Jackson Triggs
 Kingswood
 Picaroons
 Quoddy Link Marine
 Real Food Connections
 Simm's Home Hardware
 TD Canada Trust

Grants, Funders and Sponsors

The Fredericton Playhouse receives generous support from many funders and partners. In 2013-2014, they included:

Funders:

Heritage Canada – provided a grant in support of the Spotlight Series

Province of New Brunswick – provided a grant in support of production of Peter and the Wolf & Holiday Favourites with the Fredericton Chamber Orchestra; also provided a joint grant with the Province of Quebec in support of Bouge de la.

Province of Quebec – provided a joint grant with the Province of New Brunswick supporting Bouge de la.

City of Fredericton – provided grants to support the Spotlight Series, Peggy Baker Dance Projects and Passport to the Arts

Atlantic Presenters Association - **TIM**



Partners:

Downtown Fredericton

Crowne Plaza Lord Beaverbrook Hotel

Daily Gleaner

CBC Radio NB

CTV

Andrew Craik – BMO Nesbitt Burns

Bell Media

Atlantic Mediaworks

Creative Juices

Delta Fredericton

Eaglewood Specialty Products

Edwina's Catering

Harvest Jazz & Blues

Pepsi

Picaroons

RBC Dominion Securities

Servicemaster Clean

Taylor Printing Group

Valley Graphics

Wilson Insurance

Worrall's Furniture

Kiers Marketing Group

National Bank

Fredericton International Airport Authority

Jim Gilbert's Wheels & Deals

Fredericton Appraisals Associates

New England Pizza Company

Jensen's Powertrain

Bell Aliant

McQuinn Media

Fortis Properties

Facility Improvements

Each year the Playhouse invests in its facility by planning and making improvements to the building, equipment, and systems deployed. In 2013-2014, Fredericton Playhouse Inc. invested \$186,524 in such projects. Funding for these improvements comes primarily from a \$2 surcharge on every ticket issued for events at the facility.

The largest improvement project undertaken in 2013-2014 was the development of the backstage studio space. This included the purchase and installation of sound, lighting, and seating risers. The studio format uses the main stage and places a 150-member audience in the backstage area – creating an intimate studio environment for smaller, more intimate encounters with theatrical and musical performances.

Projects undertaken in 2013-2014 included:

- Backstage Studio:
 - o Electrical upgrades
 - o Lighting truss and console
 - o Sound system and console
 - o Curtains and draperies
 - o Risers
- Cloak Room refurbishment
- Power Distribution Improvements
- House lighting controls
- Cleaning equipment purchases
- Purchase of new holiday décor
- Safe
- Performing Arts Centre feasibility study

Communications

The Fredericton Playhouse employs a number of marketing strategies to reach out to existing audiences and to develop new ones. During the 2013-2014 season, the Playhouse placed an increased emphasis on digital marketing tools to spread messages about upcoming performances, events, programs and other general information about the facility. Facebook Boosts were used to increase social media audiences and promote online contests. The result was more engaged followers, who increasingly turn to the Playhouse's various social media channels, including Facebook and Twitter, as well as the Playhouse blog, for the most up-to-date information.



The 2013-2014 Marketing Plan also included advertising through traditional media, including newspaper ads in The Daily Gleaner, radio ads through Bell Media and television ads on CTV. Radio advertising for the year focused on each performance in the Spotlight Series, which proved ineffective for certain performances, such as contemporary dance shows. After analyzing the results, the advertising budget for 2014-2015 has been adjusted to better focus on key demographics for each individual performance.

Other marketing initiatives for the year included a poster campaign, e-blast, press release and blog post for each Spotlight Series performance. Nearly all Spotlight Series shows received write-ups in The Daily Gleaner, and a number of performances and initiatives were given feature spots in newspaper, radio or television.

The Playhouse also introduced a new app in 2014, which was downloaded by 1,120 users by June 2014. The free app provides up-to-date listings, mobile-optimized online ticketing and news from the Playhouse blog and social media accounts. It will play a key role in the ongoing campaign to encourage patrons to purchase tickets online.

Canada's Anti-Spam Legislation

The Playhouse took measures to comply with Canada's Anti-Spam Legislation (CASL), which was introduced on July 1, 2014. This involved creating a CASL compliance document, which was shared with all employees; launching a campaign to encourage contacts to provide express consent to receive e-news and other relevant email communications; creating a list of contacts who have provided implied consent; and developing a plan to ensure commercial electronic messages are sent only to those who have provided express consent after the deadline of July 1, 2017.

Volunteers

The Fredericton Playhouse depends heavily on a team of 79 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 tasks outside of those titles. Examples include 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.

The 2013-2014 season was a successful one for the Playhouse's volunteers. Together, they contributed 5,055 hours which is equivalent to 2.7 full time jobs with no vacation. The year provided the volunteers with many opportunities to shine, including the Backstage Bash, the UNB Volunteer Fair, Making Connections tours and rental show Eloize.

The Fredericton Playhouse values its volunteers strongly, and accordingly strives to develop the volunteer program as a robust, successful and appealing enterprise for current members and future members in the community. It was with this in mind that a volunteer survey was developed and distributed electronically to all volunteers in 2014. The data from the survey results was compiled and analyzed in a detailed report. The results of the survey will help us to move forward in developing a refreshed volunteer strategy.



Each year, the organization loses some volunteers and recruits others. As per the Fredericton Playhouse Inc Strategic Plan, the goal is to have a team of 100 volunteers committed to the organization. While the Playhouse has not met that goal in the three years of the strategic plan, it is headed in the right direction, having moved from a 36 per cent turnover rate during the 2009-2010 season to a five per cent turnover rate during the most recent season.

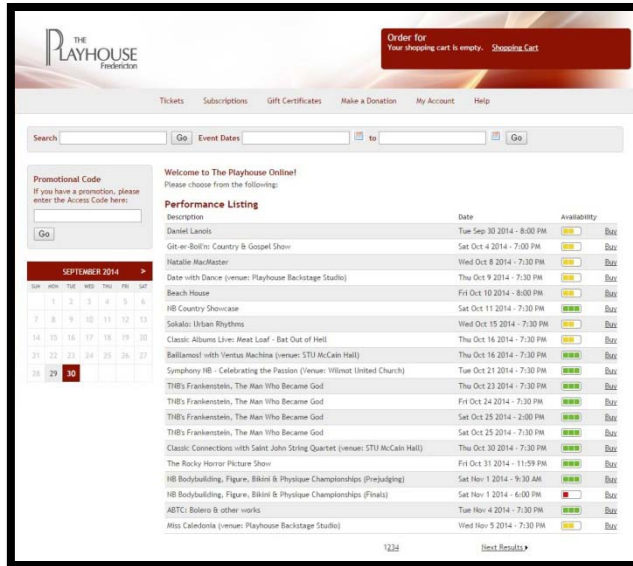
79 volunteers in total

Volunteers contributed 5,055 hours

Volunteer turnover rate of 5%

Box Office/Ticketing

In 2013-2014, the Fredericton Playhouse box office issued 65,348 tickets in 19,292 individual orders. A total value of \$1,724,722 was processed. The consumer trend toward online ticketing continued this year with 38 per cent of all orders being placed online.



This year also saw a major upgrade to the Playhouse's state-of-the-art ticketing software's server environment as the service was moved to a hosting service – providing enhanced Internet service capabilities.

In addition to providing ticketing services for Playhouse events, the organization also provides ticketing services for event organizers using other venues in Fredericton. In 2013-2014, the Playhouse serviced 22 other events in various venues including:

- STU Black Box Theatre
- FHS Tom Morrison Theatre
- Memorial Hall
- Wilnot United Church

The box office employs two full-time ticketing supervisors and several casual ticketing agents who provide an exceptional level of service as evidenced by the 2013 Patron Survey. A special partnership with the Harvest Jazz and Blues Festival saw the Playhouse send one of its full-time supervisors to manage the Festival's ticketing and retail operation in the summer, 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.

65,338 tickets issued

19,292 individual orders

Total value of \$1,724,722 processed

Financial Results

Audited financial statements can be found in Appendix 1.

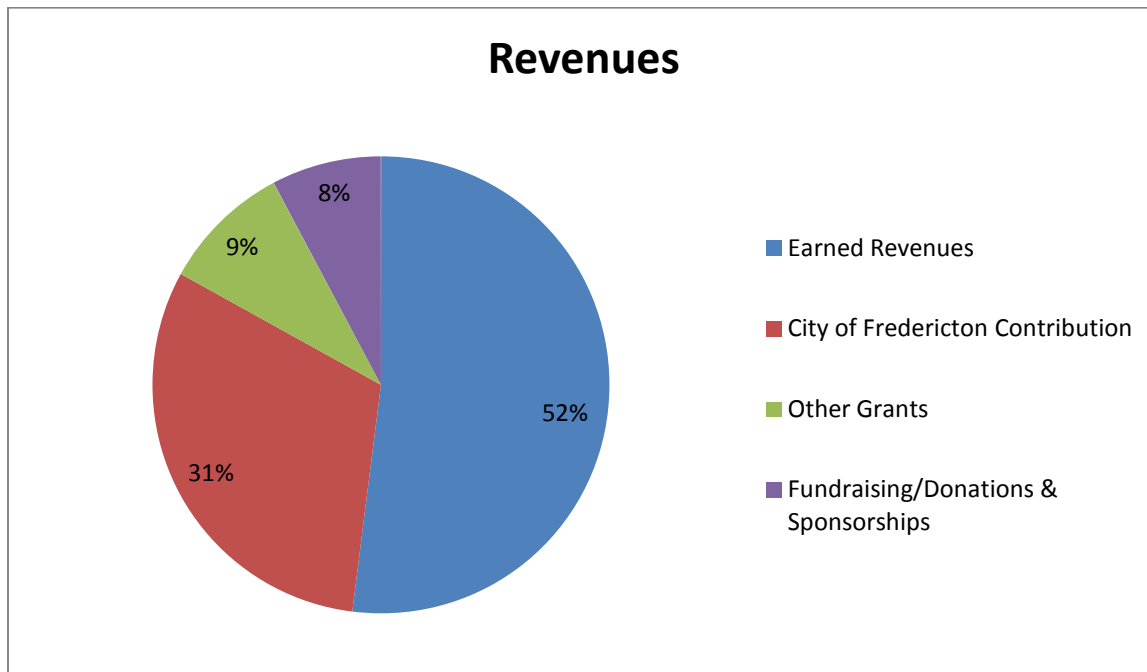
Balance Sheet Summary:

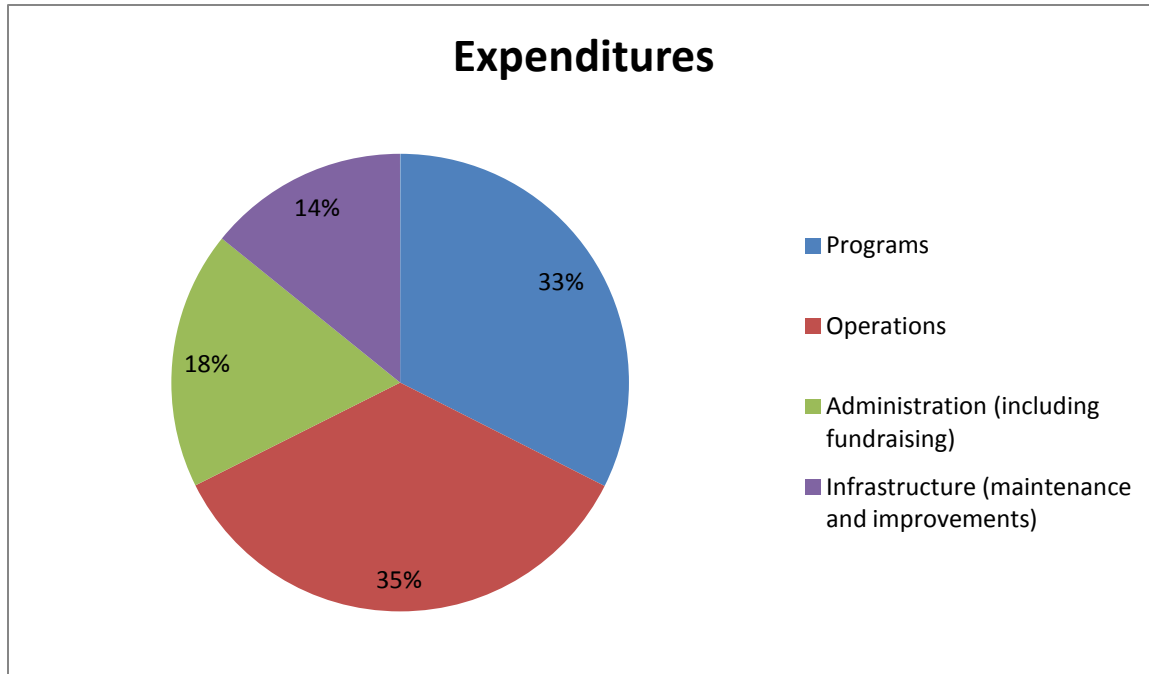
Assets	2,000,252
Liabilities	1,780,733
Net Assets	219,519

FPI's operations were a \$2.13 million concern in 2014-15.

The company posted an excess of expenses over revenue for the year in the amount of \$93,466. More than half of this amount (\$48,429) is a one-time event that attributed to a change in accounting procedure that addresses how gift certificates and patron credits are held as a liability with the company. The remainder of this deficit (~\$46K) is largely the result of an underachievement of revenues. It represents a shortfall of approximately 2.4 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 requirements.

Financial Statements

Fredericton Playhouse Inc.

June 30, 2014





INDEPENDENT AUDITORS' REPORT

To the Directors of the
Fredericton Playhouse Inc.

We have audited the accompanying financial statements of the **Fredericton Playhouse Inc.**, which comprise the balance sheet as at June 30, 2014 and the statements of operations, net assets and cash flows 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.

Auditors' 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 auditors' 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 auditors consider 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.

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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 the **Fredericton Playhouse Inc.** as at June 30, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Ernst + Young LLP

Saint John, Canada,
September 23, 2014.

Chartered Professional Accountants

Fredericton Playhouse Inc.

BALANCE SHEET

As at June 30

	2014	2013
	\$	\$
ASSETS		
Current		
Cash	313,553	563,243
Accounts receivable	59,852	27,574
Prepaid expenses	88,881	63,940
	<u>462,286</u>	<u>654,757</u>
Capital assets, net <i>[note 4]</i>	1,537,966	1,659,594
	<u>2,000,252</u>	<u>2,314,351</u>
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities <i>[note 8]</i>	180,842	131,108
Unearned revenue	294,770	401,083
	<u>475,612</u>	<u>532,191</u>
Deferred contributions related to capital assets <i>[note 5]</i>	1,305,121	1,469,175
	<u>1,780,733</u>	<u>2,001,366</u>
Net assets		
Investment in capital assets <i>[note 6]</i>	232,845	190,419
Internally restricted <i>[note 7]</i>	20,791	60,673
Unrestricted	(34,117)	61,893
	<u>219,519</u>	<u>312,985</u>
	<u>2,000,252</u>	<u>2,314,351</u>

See accompanying notes

On behalf of the Board:



Director



Director

Fredericton Playhouse Inc.

STATEMENT OF OPERATIONS

Year ended June 30

	2014	2013
	\$	\$
REVENUE		
Presentations		
Admissions	434,057	542,960
Grant		
Canadian Heritage	45,000	45,000
Other presentation grants	35,538	29,991
Sponsorship and advertising	60,081	62,018
Sponsorship – in-kind	36,909	41,805
Memberships	13,063	13,434
City of Fredericton grants		
Operating	470,700	410,700
In-kind	191,412	176,988
Other grants	116,166	6,297
Rentals	288,209	297,129
Ticket surcharge <i>[note 7]</i>	97,524	106,196
Box office services	130,382	128,679
Miscellaneous	87,468	115,651
Concessions and commissions	66,064	74,489
Amortization of deferred contributions related to capital assets <i>[note 6]</i>	164,054	180,989
	<u>2,236,627</u>	<u>2,232,326</u>
EXPENSES		
Presentations	595,774	635,794
Salaries and employee benefits		
Administration	453,919	507,365
Operations	371,521	335,730
Amortization of capital assets	255,480	267,699
Building operations	247,470	145,267
Supplies	55,774	71,744
Administrative overhead	105,716	108,597
Repairs and maintenance	93,040	103,034
Credit card charges	47,697	41,462
Professional services	10,430	10,152
Travel	2,619	3,561
Ticketing system maintenance and supplies	22,851	22,116
Miscellaneous [including bad debt]	52,961	6,130
Facility advertising	9,646	17,185
Memberships	5,195	3,654
	<u>2,330,093</u>	<u>2,279,490</u>
Excess of expenses over revenue for the year	<u>(93,466)</u>	<u>(47,164)</u>

See accompanying notes

Frederickton Playhouse Inc.

STATEMENT OF NET ASSETS

Year ended June 30

	Investment in capital assets \$	Internally restricted \$	Unrestricted \$	2014 Total \$	2013 Total \$
	<i>[note 6]</i>	<i>[note 7]</i>			
Balance, beginning of year	190,419	60,673	61,893	312,985	360,149
Excess of expenses over revenues	(91,426)	—	(2,040)	(93,466)	(47,164)
Ticket surcharge	—	97,524	(97,524)	—	—
Building improvement expenditures	—	(137,406)	137,406	—	—
Invested in capital assets <i>[note 6]</i>	133,852	—	(133,852)	—	—
Balance, end of year	232,845	20,791	(34,117)	219,519	312,985

See accompanying notes

Fredericton Playhouse Inc.

STATEMENT OF CASH FLOWS

Year ended June 30

	2014	2013
	\$	\$
OPERATING ACTIVITIES		
Excess of expenses over revenue	(93,466)	(47,164)
Add (deduct) items not affecting cash		
Amortization of capital assets	255,480	267,699
Amortization of deferred contributions related to capital assets	(164,054)	(180,989)
Changes in non-cash working capital balances		
Accounts receivable	(32,278)	(10,538)
Prepaid expenses	(24,941)	46,664
Accounts payable and accrued liabilities	49,734	6,445
Unearned revenue	(106,313)	63,510
Cash provided by (used in) operating activities	(115,838)	145,627
INVESTING ACTIVITY		
Acquisition of capital assets	(133,852)	(114,363)
Cash used in investing activity	(133,852)	(114,363)
FINANCING ACTIVITY		
Increase in deferred contributions related to capital assets	—	60,000
Cash provided by financing activity	—	60,000
Net increase (decrease) in cash during the year	(249,690)	91,264
Cash, beginning of year	563,243	471,979
Cash, end of year	313,553	563,243

See accompanying notes

Fredericton Playhouse Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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, it is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Part III of the Chartered Professional Accountants of Canada ["CPA Canada"] Handbook – Accounting standards for not-for-profit organizations, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

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.

Cash

Cash consists of cash on hand and balances with banks.

Financial Instruments

Financial instruments are recorded at amortized cost.

Revenue recognition

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

The Theatre follows the deferral method of accounting for contributions, which include 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 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.

Fredericton Playhouse Inc.**NOTES TO FINANCIAL STATEMENTS**

June 30, 2014

2. SIGNIFICANT ACCOUNTING POLICIES [Cont'd]

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.

Capital assets

Purchased capital assets are recorded at acquisition cost. Contributed capital assets are recorded at fair value at the date of contribution. Betterments, which extend the estimated life of an asset, are capitalized. When a capital asset no longer contributes to the Theatre's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

Building	4%
Equipment	20%
Office equipment	30%

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 \$191,412 [2013 – \$176,988] in exchange for building operations expenses. The Theatre also recorded in-kind sponsorship revenue of \$36,909 [2013 – \$41,805] in exchange for various presentation expenses.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions based on information available as of the date of the financial statements. Actual results may differ from those estimates.

Change in accounting estimates

During the year ending June 30, 2014, the Theatre changed its method of estimating the number of gift certificates and patron account credits expected to be redeemed in future periods. The revised estimate better reflects the amount of gift certificates and patron account credits that are expected to be redeemed with the Theatre in future periods and updates the corresponding liability to reflect these expectations. The change has been applied prospectively. The change in estimates resulted in an increase to the gift certificate and patron account credit liabilities of \$48,429, with the corresponding adjustment recorded in the miscellaneous expenses.

Fredericton Playhouse Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

2. SIGNIFICANT ACCOUNTING POLICIES [Cont'd]

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 \$12,739 [2013 – \$18,380] for this plan.

3. FINANCIAL INSTRUMENTS

The Theatre is exposed to various financial risks through transactions in financial instruments.

Credit risk

The Theatre is exposed to credit risk in connection with accounts receivable because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

Liquidity risk

The Theatre is exposed to the risk that it will encounter difficulty in meeting obligations associated with its financial liabilities.

4. CAPITAL ASSETS

	Cost \$	Accumulated amortization \$	Net book value \$
2014			
Land	345,000	—	345,000
Building	1,800,000	1,008,000	792,000
Equipment	1,435,135	1,046,415	388,720
Office equipment	159,498	147,252	12,246
	<u>3,739,633</u>	<u>2,201,667</u>	<u>1,537,966</u>
2013			
Land	345,000	—	345,000
Building	1,800,000	936,000	864,000
Equipment	1,305,580	875,874	429,706
Office equipment	158,909	138,021	20,888
	<u>3,609,489</u>	<u>1,949,895</u>	<u>1,659,594</u>

Fredericton Playhouse Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

5. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets 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 as the related capital assets and is recorded as revenue in the statement of operations.

	2014 \$	2013 \$
Balance, beginning of year	1,469,175	1,590,164
Contributions received	—	60,000
Less: amounts amortized to revenue	(164,054)	(180,989)
Balance, end of year	1,305,121	1,469,175

Contributions received are comprised of the following:

	2014 \$	2013 \$
City of Fredericton – capital grant	—	60,000
	—	60,000

6. INVESTMENT IN CAPITAL ASSETS

[a] Investment in capital assets is calculated as follows:

	2014 \$	2013 \$
Capital assets, net	1,537,966	1,659,594
Amounts financed by deferred contributions	(1,305,121)	(1,469,175)
	232,845	190,419

Fredericton Playhouse Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

6. INVESTMENT IN CAPITAL ASSETS [Cont'd]

[b] Changes in net assets invested in capital assets is calculated as follows:

	2014	2013
	\$	\$
Excess of expenses over revenue		
Amortization of deferred contributions related to capital assets	164,054	180,989
Amortization of capital assets	<u>(255,480)</u>	<u>(267,699)</u>
	<u>(91,426)</u>	<u>(86,710)</u>
Invested in capital assets		
Net capital assets acquired	133,852	114,363
Amount funded by deferred contributions [note 5]	—	(60,000)
	<u>133,852</u>	<u>54,363</u>
Total change	<u>42,426</u>	<u>(32,347)</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 at June 30, 2014, accounts payable and accrued liabilities include government remittances payable of \$33,156 [2013 – \$29,872].