

Fredericton Playhouse Inc.

Annual Report

July 1, 2021 - June 30, 2022



(506) 458-8345

www.theplayhouse.ca

686 Queen St.

Fredericton, NB. E3B 1C2



TABLE OF CONTENTS

03	Vision, Mission & Values
04	President's Letter
05	Executive Director's Letter
06	Board Members & Staff Members
07	COVID-19
09	Strategic Plan 2019-2022
11	Strategic Plan 2022-2025
13	Performing Arts Centre
15	Facility & Operations
16	Playhouse Programming
20	Playhouse Honours
21	Fund Development
23	Communications & Marketing
24	Volunteer Program
25	Financial Results
	Appendix 1: Playhouse Programmed Events
	Appendix 2: All Rental Shows
	Appendix 3: Audited Financial Statements

About Fredericton Playhouse Inc.

Fredericton Playhouse Inc. is a non-profit, volunteer-directed organization which operates a live performance venue in beautiful downtown Fredericton.

The organization functions as a professional performance venue for local, national, and international artists and companies and offers various programs for the community.

We enjoy a mutually beneficial relationship with the City of Fredericton. Although we operate fully at arm's length from the municipality, strong financial, operational, and governance links to the City exist. Embracing our organizational accountability to the City, our funders, partners, donors and the public, an annual report on the Playhouse's activities, results, and organizational performance is provided in this publication.

Vision

A community strengthened by live performance.

Mission

Delivering relevant and sustainable programs, services, and facilities to provide meaningful live performance experiences.

Core Values

We believe:

- The customer's experience is at the centre of our work.
- Diversity in people and points of view makes us better.
- Everyone can find a way to be included in what we do.
- Accountability in our relationships with people, organizations and communities is critical.
- Progress can be found in continuous improvement and a willingness to innovate.

Letter from the President of the Board

As the board of directors of Fredericton Playhouse Inc. looks back on 2021-22, we find ourselves very proud of the way our organization responded to the ongoing challenges presented by the COVID-19 global pandemic. At the same time, bolstered by a major funding announcement in June, we remain committed to leading the charge to get a new performing arts centre built to address our failing infrastructure.

The Playhouse is a charitable non-profit managed by an 11-member board of directors. Along with talented and dedicated staff and volunteers, we work to manage the facility and services, as well as our various programs. As Fredericton's premier venue for live performance, we're proud of the role we play in the community and pleased to share some of the highlights from this season.

Of course, 2021-22 was again marked by COVID-19 and the challenges it posed. With the facility reopening at full capacity in September, only to be closed again in response to the arrival of the Omicron variant until March, the organization once again suffered a major reduction in earned revenues and service to the community. However, through the support of our government partners and the exceptional effort of our board and staff, we continued to keep our organization whole and healthy.

The highlight of the board's work this year was the development of a new strategic plan for Fredericton Playhouse Inc. Through a thoughtful, exhaustive, and inclusive process, we have reconfirmed our mandate and established our priority objectives and key results for the next three years - objectives that will define and inform our work in the years to come.



Our vision, "a community strengthened by live performance," is decidedly broad and speaks to the positive impact that live performance has on individuals, communities, and society -- whether social, cultural or economic. We have never been more committed to this vision. While we anticipate that the 2022-23 season will see us returning to "normal", there continues to be hard work ahead to bring our organization back to sustainable levels of business.

The board played an active role in the pursuit of a partnership with the City, Province, and Federal governments that would secure the necessary public funding to advance the new Performing Arts Centre for our region. Engaging with stakeholders, we continued to demonstrate the need and grassroots support for the project and were thrilled to see a new funding plan announced in June. Now our focus will shift to the important task of raising the required private funding to fully realize the project.

On behalf of my board colleagues, I wish to thank you for your ongoing support and interest in the Fredericton Playhouse.

Murray Jamer
President, Board of Directors

Letter from the Executive Director

It is with great pride that I report that 2021-22 was both a challenging and successful year at the Fredericton Playhouse. To explain, while the COVID-19 global pandemic continued to wreak havoc on our operations and our ability to deliver on our core mandate to deliver live performance experiences to our community, the organization began its journey towards a return to "normal" with more strength and resiliency than it ever had.

Thanks to the generosity of the community and the support of our funding partners, we have been able to maintain the fiscal health of our organization and keep our talented team not only intact, but growing, developing, and innovating. Together we accomplished some important work in setting direction through our strategic plan and preparing for our eventual growth into a new performing arts centre – an exciting game-changing development that is monumentally closer now to being a reality.

We made substantial strides in our goal to provide public services in both official languages, aligning our marketing and communications assets with our newly refreshed brand identity, and strengthening our management structure and employee compliment through a planned growth strategy.

I believe our vision of "a community strengthened by live performance" is an elegant articulation of our shared belief in the power and potential of our work.



As we embarked on what was another challenging year in our organization's history to date, our board leadership and our team of employees and volunteers persevered and continued to find new and effective ways for the Fredericton Playhouse to contribute to a strong community through our work. I am extremely proud of the work our team put forth and the results were stellar.

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 mission to "deliver relevant and sustainable programs, services, and facilities to provide meaningful live performance experiences."

Special thanks to our staff, board, volunteers and all 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

Murray Jamer	President
Craig Leonard	Vice President
Scott Kennedy	Treasurer
Shae McCarthy	Secretary
Greg MacFarlane	Past President

John Ball	Giselle Goguen (to December 2021)
Tania Breen	Paul McNabb (to December 2021)
Rebekah Chassé	Shawnee Polchis-Lanteigne (to December 2021)
Jennifer Lawson (to September 2021)	Steven Christie (from January 2022)
Sara DeGrace (from September 2021)	Jihad El Zamer (from January 2022)
Molly Demma (to December 2021)	

Staff Members

Bonnie Barlow	Janitorial
Jonathon Best	Technician (Stage Head)
Meghan Callaghan	Marketing & Communications Manager
Melissa Cameron	Asst. Ticketing Operation Manager (to April 2022); Ticketing Operations Manager (from April 2022)
Wendy Caron	Ticketing Operations Manager (to April 2022)
Wylie Casey	Patron Services Supervisor
David Cook	Technician (Sound Head)
Tammy Faulkner	Assistant Technical Services Manager
Jeff Fevens	Facilities & Systems Manager
Julie Friddell	Development Manager
Dave Garson	Technical Services Manager
Katelyn Goodwin	Ticketing Supervisor
Sally Goodwin	Patron Services Manager (to June 2022); Director of Operations (from June 2022)
Jonathan Harpur	Technician (Lighting Head)
Lesandra Dodson	Programming Manager
Della Shepherd	Finance & Administration Manager
Tim Yerxa	Executive Director

COVID-19



The global pandemic has had a significant impact on the organization. Through the 2019-20, 2020-21, and 2021-22 seasons, the organization suffered on many levels as it relates to performing its core functions as defined within FPI's mission, namely the delivery of programs, services and facilities that support live performance experiences.

After a year of reduced capacity and significant health and safety measures, in September 2021, we opened our season to full audience capacity with many measures in place including:

- Vaccination status requirements for workers and patrons
- Mask Usage
- Health Screening
- Travel restrictions

In December, the emergence of "variants of concern" prompted the Province to reintroduce restrictions on capacities and requirements for physical distancing at gatherings. As a result, 39 scheduled public events were impacted:

- 21 events were cancelled
- 13 events were postponed
- 4 events had their capacity reduced
- 1 event required a relaxation of our ticketing refund policy

COVID-19 (cont'd)



In late winter of 2022, the mandatory orders that deeply affected FPI were dropped by the Province and the organization operated under “normal” conditions for the remainder of the season.

The organization continued to take steps to mitigate the transmission of communicable disease by instituting several policies and practices to protect workers, artists, user groups, and patrons. The organization has developed a “muscle” for handling cancellations and procedural changes over the past two years and we are well prepared to execute quickly when required.

COVID-19 had the positive result of providing FPI with two years of surpluses due to the measures taken by the federal government to financially support businesses through the pandemic, including targeted funding for the performing arts sector. These supports came to an end in May 2022 and there is no indication that they will be reinstated. This could prove to be a challenge for the organization as we embark on our recovery from the past two years of business interruption.



Strategic Plan 2019-2022

2021-22 marked the third year of FPI's 3-year strategic plan adopted in 2019.

This three-year planning cycle was most certainly marked, if not fully "thrown off" by the COVID-19 pandemic which emerged in the latter part of the first year of the plan (March 2020). Nevertheless, the organization maintained its focus on its strategic objectives throughout and achieved some significant key results associated with each.



Objective: Recover from the impact of COVID-19, returning to pre-COVID core performance levels in all areas of the organization by 2023. (added in 2021)

Key Results Achieved:

- Program sponsorships at 83% of pre-pandemic levels
- Days of use at 71% of pre-pandemic levels
- Average house % at 86% or pre-pandemic levels
- Positive operating surplus
- Donations exceeded pre-pandemic levels
- 93% confidence of staff in organizational response to COVID-19

Objective: Foster the Community's Sense of Ownership in our Organization

Key Results Achieved:

- Completed rebranding strategy
- Increased e-mail subscribers by 5%
- Increased number of donations by 30%
- Median donation increased by 10%
- Number of accounts with multiple relations (at least 2 of donor, member, or volunteer) increased by 12%

Objective: Collaborate with Artists and Arts Organizations to Develop and Celebrate the Local Arts Community

Key Results Achieved:

- Increased investment in underwriting partnerships with local arts organizations
- Three new creative partnerships with local arts organizations

Strategic Plan 2019-2022 (cont'd)

Objective: Champion and Prepare for a New Performing Arts Centre (PAC) and Prepare for the Risks Associated with our Current Infrastructure

Key Results Achieved:

- Failure plan for existing facilities developed
- Transitional plan moving into a new facility developed
- Increased engagement by stakeholders (downtown businesses, artists and arts organizations)

Objective: Pursue an Innovation Agenda for the Organization

Key Result Achieved:

- Increase in employees' positive perception of the organization's commitment to innovation



A New Strategic Plan 2022-2025

In 2022, the Board adopted a new three-year strategic plan (2022-2025), articulating the mandate of the organization in its mission, vision, and core values.

Through our strategic planning process including both the staff and Board, we establish agreement around our intended outcomes, adjusting our direction in response to evolving conditions, and carefully considering our role alongside our stakeholders in pursuit of each objective.

FPI's four top Objectives for the coming three years are defined as follows. Progress in these areas will be synergistic, i.e., achievement of each Objective serves the other Objectives, clearly reinforcing alignment to our Vision.

Objective 1: Foster the Community's Sense of Ownership in our Organization

We know that we are sometimes seen as "experts" -- deciding what should be offered or pursued for the community; however, we want to redefine our role, and our voice, to ensure that community members see themselves in our organization. We want to move beyond a transactional relationship to a more invested and reciprocal one. Ultimately, we want to empower our community to improve the delivery of live performances in our region, however they might define that to be done.

The local arts community, while a specific tranche of the wider community, should have a stronger sense of ownership in FPI. In recent years, there has been a significant focus on developing relationships and opportunities for collaboration with local artists and arts organizations. This work must continue.

Objective 2: Champion and Prepare for a New Performing Arts Centre (PAC) and Prepare for the Risks Associated with our Current Infrastructure

The time for The Playhouse 2.0 is now. As a critical community asset, we see ourselves as champions for the development of sustainable infrastructure. We will continue to devote resources to the realization of a new performing arts centre, working in partnership with the City of Fredericton.

In recent years, we have been able to clarify the parameters of our role with the City of Fredericton towards achievement of this Objective. The relationship is built on mutual benefit and the fundamental understanding that the Playhouse facility is the responsibility of the City while the development and management of the services provided therein are the responsibility of FPI. We serve as a major partner and collaborator to the City; the City ultimately owns this municipal infrastructure project by deciding when, to what extent, and under what conditions the project phases are executed.

A New Strategic Plan 2022-2025 (cont'd)

Objective 3: Advance Equity, Diversity, and Inclusion in all facets of our organization, and take concrete action towards reconciliation with Indigenous peoples

Although the principles of equity, diversity, and inclusion are articulated in our Core Values, the time has come to take action and more fully advance them throughout our organization – on the stage, in the office, and in the seats.

Recent events have shone a light on the injustices and lack of opportunity given to marginalized and equity-seeking groups. The Me Too, Black Lives Matter, and Every Child Matters movements are examples of a larger awakening that society is experiencing in understanding the work that needs to be done to address inequities with which so many in our community live.

Being in the cultural sector, FPI recognizes that we have a heightened responsibility to respond to these challenges and lead the way in positive changemaking.

Objective 4: Strengthen our impact by increasing participation in our programs and services

FPI’s mandate is not achieved unless people are having meaningful live performance experiences. The most direct line to strengthening our impact on people and communities (our Vision) is increasing public participation or developing our “customer base.”

We recognize that audience development is a vast and complex realm. It includes both familiar business principles such as marketing and sales, and more complex and intensive strategies such as community engagement, outreach, and accessibility.

While the organization has experienced success over the years in increasing attendance and delivering various programs and schemes to advance audience development, it is now time to make investments in its capacity to develop our audiences using a more strategic and targeted approach



Performing Arts Centre



Addressing the aging physical infrastructure of the Playhouse has been a strategic priority for Fredericton Playhouse Inc. since 2011. Throughout 2021-22, we supported the City of Fredericton in its pursuit of developing the “preferred option” as described in the 2015 feasibility study – a new performing arts centre (PAC) with an 850-seat main hall and a 300-seat flexible performance space with shared lobbies, amenities, and backstage functions.

Although this project is considered municipal infrastructure, FPI plays a major role in its realization, providing advice, support, and concrete action in bringing the project to fruition. In 2021-22, we continued to make strides toward achieving this shared goal.

Being Prepared

FPI continues to prepare for the risks associated with our current facility’s condition while preparing for the new PAC’s development. This year a plan was developed that will guide the organization and the City in the event that the current Playhouse experiences a failure that results in the cancellation of activities for short and long durations.

Performing Arts Centre (cont'd)

Making Progress

Design of the new PAC began with pre-design work in winter and the commencement of the Schematic Design in the spring. This work, led by a multi-disciplinary team lead by Diamond Schmitt Architects, is being steered by a joint advisory committee of FPI and the City of Fredericton, and managed by Kyle Mathers.

A contribution from the Government of Canada (Canada Cultural Spaces Fund) supported the design work in 2021-22.

The decision on a site is still forthcoming. The potential new site for the PAC on the corner of King and Regent Streets continued to be evaluated for feasibility.

Community Engagement & Support

Ongoing public awareness and communications continued, notably the public awareness and support-building campaign called "Build the Playhouse 2.0".

In addition to numerous information sharing activities on the website, e-mail, and social media channels, we executed a campaign with local artists and arts organizations to garner support and encourage their participation. Two open letters of support from the arts community were coordinated and published in the winter/spring.

New Funding Strategy

In June 2022, the City of Fredericton announced that through partnerships with the federal and provincial governments, a new path to securing the necessary public funding for the project had been established and secured using a reallocation of funds from the Canada Community-Building Fund (formerly Gas Tax Fund). This reallocation was made possible through a contribution from the Integrated Bilateral Agreement to fund core water and sewer projects previously earmarked for the CCBF.

This confirmation of public funding allows for the project to proceed fully through to construction which expected to begin in 2023.



Facility & Operations

127

days in use
(+ 33 over last year)

78

ticketed performances

18

cancelled performances

694

Local artists on stage

30k+

total attendance
(+83% over last year)



The core business of the Fredericton Playhouse is providing facilities and services. Facilities include our main stage auditorium, while related service amenities include: dressing rooms, support spaces, technical facilities and equipment, food and beverage, ticketing and marketing, and communications support.

Naturally, in 2021-22 usage increased significantly from the previous year when major COVID restrictions were in place for the entire season. Approximately 70% of the Playhouse's activity came from renting the facility to local, regional, and national promoters, presenters, etc. Playhouse-sponsored programs account for the remainder.

Attendance increased 83% over 2020-21 - certainly a step towards recovery - but total attendance still remains at 52% of 2018-19 (the last full season pre-pandemic).

Fredericton Playhouse Inc.'s box office issued 30,013 tickets in 11,697 orders in 2021-22. A total value of \$1,145,431.57 was processed.

For the full listing of rental client shows, please see Appendix 2.



Playhouse Programming



In addition to providing facilities and services to our community, the Fredericton Playhouse programs its own series of events throughout the season.

In 2021-22, a full season of live performances were scheduled for Spotlight Series, Kidstage Series, Experience More!, School Field Trips, and more. Due to the changing restrictions around COVID-19, each of these series was adjusted throughout the year - many shows were cancelled or rescheduled, and some were offered only to a restricted audience capacity. Thankfully, most shows were able to operate as 'normal', and we were able to continue working with local organizations and marketing partners.

For the full listing of Playhouse programmed events, please see Appendix 1.



COVID-19 Programming Impacts

- 6 of the 30 scheduled Spotlight Series shows were cancelled; in addition, 3 shows had a reduced capacity audience.
- 3 of the 4 scheduled Kidstage Series shows were cancelled, while the only performance that did happen, did so to a reduced capacity audience.
- 8 of the 15 planned Experience More! activities were cancelled.
- 1 of 2 Special Presentations were cancelled.
- InterMISSION Artist residency program continued, with 4 residencies (21 total artists).

Spotlight Series



The Spotlight Series, Fredericton Playhouse's flagship program, features professional performances in music, theatre, comedy, circus, and dance from local, national and international artists. In 2021-2022, we presented 23 performances in this series, with a total attendance of 13,214, despite cancellations and restrictions due to COVID-19.

The Spotlight Series is also made possible in part due to our community marketing partners. In the 2021-22 season, we partnered with 7 local organizations to promote and present Spotlight events.

Experience More!

A few *Experience More!* events were able to return during the 2021-22 season as well: two musical workshops with Wesli; a ballet master class with Ballet Kelowna; an improv workshop with the comedic pair of MIDDLE RAGED; two activities run through the Fredericton Public Library featuring the books *Anne of Green Gables* and *Somebody Loves You Mr. Hatch*; lastly, the Playhouse hosted an *Anne of Green Gables* themed high tea. These events saw a total of 445 participants.

Arts Are For Everyone

Arts are for Everyone helps open our doors by offering complimentary tickets to enriching live performances in our Spotlight Series and by taking professional artists into the community to present performances for those who may not be able to come to the Playhouse.

In 2021-22 we partnered with 12 community agencies to provide tickets to their clients or residents, providing 1239 tickets, and seeing 518 used.



Kidstage Series



The Kidstage Series is designed to introduce young audiences to the magic of live performance. All shows in the Kidstage Series use a "pay what you will" pricing model.

In 2021-22 we presented 1 Kidstage show, with a total of 360 attendees; three shows were cancelled due to COVID-19.



School Field Trips

In 2021-22, the Playhouse scheduled 8 different performances to school field trip groups; 4 were cancelled due to COVID-19. In total, 2176 students experienced the magic of live performance at the Playhouse through this program.

We continue to offer a bus subsidy to help schools with the cost of attending matinee shows, as well as an access grant, funded in part by the Fredericton Community Foundation and Day & Ross, which allowed up to 1000 students to attend a performance free of charge.

InterMISSION Artist Residency Program

In the 2021-22 season, the Fredericton Playhouse continued its InterMISSION Artist Residency program, hosting 21 artists in four different residencies.



Sydney Hallett
Dancer/choreographer
Total # artists= 7



Natalie Sappier
Wolastoqiyik Indigenous artist
Total # artists= 3-7



Elm City String Quartet
Classical string quartet
Total # artists= 6



Laura Forrester
Visual artist
Total # artists= 1

Playhouse Honours

Established in 2008, the Playhouse Honours is given to an individual selected by the Fredericton Playhouse Board of Directors. Generously presented by Atlantic Mediaworks, the program recognizes an individual's involvement in the performing arts in Fredericton, fostering a deeper appreciation of the value that people can bring to community life through their work in music, theatre, dance, spoken-word and multidisciplinary performing arts.



2021 Recipient: Don Bossé



Don is an engaged, active musician with an impressive record of service in New Brunswick. For over 35 years he taught music in public schools, beginning at the elementary school level, and eventually reinvigorating the music program as head of the Fine Arts Department at Fredericton High School over a period of 2 decades. He currently lectures in the Faculty of Fine Arts and the School of Education at St. Thomas University, and has been the founder and director of the St. Thomas University Jazz Ensemble for the past 26 years.

In 2015 Bossé was presented with the Lieutenant-Governor's New Brunswick Youth Orchestra Award, followed by the 2016 MusiCounts Canada's Teacher of the Year award, and was honoured as a VIP at the 2016 Juno Awards in Calgary. He currently serves on the Fredericton Arts Alliance Board, and is on the Board of Governors, the Academic Senate, and the Alumni Association at St. Thomas University.

In consultation with the Office of First Nations Education, Bossé has recently completed a Grade 9 to 12 Indigenous Music Resource guide and is currently working on a Middle School Indigenous Music guide. He is an active musician with several jazz groups in the region, while continuing to work as a clinician, adjudicator, conductor, and lecturer, promoting jazz music and championing methods in early childhood development as well as secondary and post-secondary music education.

Fund Development

The "Take Your Seat" Raffle was the first fundraising raffle since Spring 2020; over \$9.500 was raised.

Donations from individuals and businesses in our community play a major role in supporting our special access programs each year. The 2021-22 season saw record-breaking donation levels to our Friends of the Fredericton Playhouse campaign, the return of a springtime fundraising raffle, and continued support and engagement by our community sponsors.

The Friends of the Fredericton Playhouse campaign ran from October to December 2021, including special focus on Giving Tuesday on November 30. 424 Friends donors gave a total of 447 individual donations totaling \$155,197.32; this includes Friends and micro-donations (\$2 donations when purchasing tickets) collected through the year, as well as a \$30,000 donation to the FPI Endowment Fund at the Fredericton Community Foundation. Friends donations give us the opportunity to support increased access to live performances at the Playhouse for people in our community who face financial and other barriers to attending performances.

In addition to the Friends campaign, this year saw the return of a fundraising raffle for the first time since 2020. 709 tickets were sold for the Take Your Seat Raffle, representing one for each seat in the theatre. In total, \$9,773.29 net profit was raised, partly thanks to donations of 28 prizes and gift cards from local businesses, notably Scott's Nursery, who donated the grand prize of \$1000 and a home gardening consultation by George Scott.



\$155,197 fundraised
(+\$40k over last year)



46% donor retention
(-23% over previous year)

Fund Development (cont'd)

The Spotlight and Kidstage Series had 22 sponsors for the season, representing a 69% sponsor retention rate. These local businesses include season and media partners, performance partners, school series partner, Playhouse Honours sponsor, as well as concessions partners and new local craft beer partners.



The Fredericton Playhouse also received generous support from many funding partners in 2021-22. Through 14 new grant applications, we secured \$606,877 in funding, in addition to funders which had continued forward from cancelled programs in 2019-20 and 2020-21.

Grant funding came from: the Department of Canadian Heritage, the Fredericton Community Foundation, Province of NB, Province of QC, City of Fredericton, Atlantic Presenters Association, LearnSphere, and CAPACOA.



Communications & Marketing

In 2021-22, FPI continued to use a variety of marketing outlets to share news of the increased number of shows and activity happening at the Playhouse. In September of 2021, we were able to launch a full season of Spotlight and Kidstage Series shows; and again in June 2022 we launched a full season for the upcoming 22-23 year.

Due to COVID-19, many of the 21-22 shows were cancelled or rescheduled throughout the winter, and we continued to see a fluctuation in online engagement. Despite this unpredictable season, our social media platforms continued to grow, surpassing our total follower count from pre-pandemic, with a significant increase in online engagement as well.

Continuing work from the previous year's re-branding and bilingualism focus, by June of 2022, our ticketing website, direct email marketing contact list, and Playhouse website split to be delivered in both English and French. Patrons using our ticketing site, and signing up for our email marketing, are now able to choose their language preference to receive our information.

The largest piece of rebranding work – launching a new website for theplayhouse.ca – was completed in January of 2022. This project was done with local website developers, Blaze Studios. Using our new brand voice and colours, a new website was launched to better situate the Playhouse's events as the internet search usage continues to evolve.

310

New Instagram followers
(fastest growing platform)

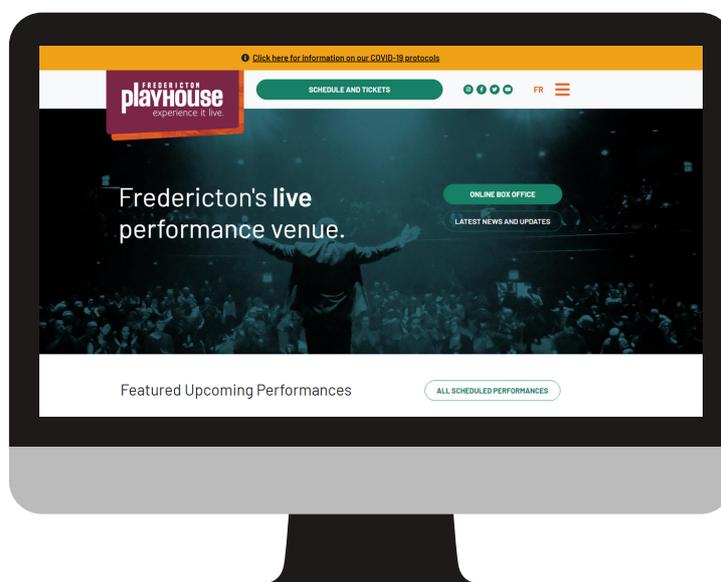
19.8k

online audience

+1.7% over
previous year

86.6%

increase in online
engagement rate



www.theplayhouse.ca got a facelift in January of 2022, focusing on usability, new brand colours, and directing traffic to our "online box office at tickets.theplayhouse.ca.

Volunteer Program



73
volunteers



3,755
Hours



51.4
average # hours
per volunteer

The Playhouse depends heavily on a team of 70+ volunteers to provide excellent service to our patrons. Volunteers fill the roles of usher, greeter and coat check attendant at every performance. They welcome our patrons to the event and help make every night a night to remember.

This year, our volunteers contributed over 3,700 hours. The Volunteer of the Year was Diane Hull, contributing 239.25 hours.

During the 2021-22 season, we saw a 43% increase of volunteers. As the restrictions due to COVID-19 changed, and volunteers returned, the number of hours available returned to 60% of what was available in the 2018-19 season.

The volunteer program has not yet fully recovered to pre-pandemic levels, but we continue to retain engaged and committed volunteers.

Thank you to each and every one of our volunteers for their support and commitment to our organization! We couldn't do it without you

Financial Results

Audited financial statements can be found in Appendix 3.

Balance Sheet Summary:

Assets: \$2,834,243
 Liabilities: \$1,626,687
 Net Assets: \$1,207,556

Fredericton Playhouse Inc.'s operations were a \$2.4 million concern in 2021-22.

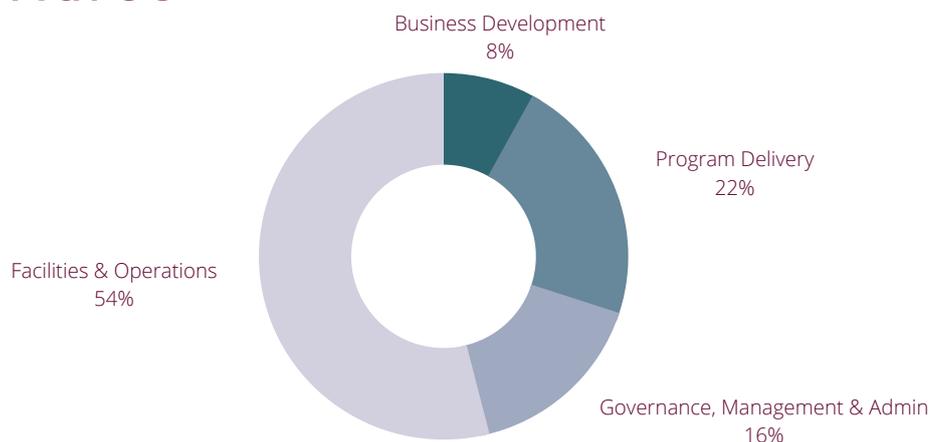
The organization posted an excess of revenue over expenses for the year in the amount of \$204,919. It represents less than 11.2% of the annual budget.

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

Revenues



Expenditures



FPI remains in a stable financial position with reasonable levels of working capital, only \$60,000 in debt, and no financing requirement.

**Appendix 1:
Summary of Fredericton
Playhouse Programmed Events
2021-22 season**

Playhouse Programmed Events for 2021-22 Season

Date	Series	Event Name
August 19- 27, 2021	InterMISSION Residency	Sydney Hallett
October 13, 2021	Spotlight Series	Twin Flames
October 22, 2021	Spotlight Series	God is a Scottish Drag Queen 2
October 28, 2021	Spotlight Series	Frankenstein (1931) with live score
October 30, 2021	Spotlight Series	Classic Albums Live: Tom Petty: Damn the Torpedoes
November 9, 2021	Playhouse Honours	Playhouse Honours presentation
November 16-21, 2021	InterMISSION Residency	Natalie Sappier
November 18, 2021	Spotlight Series	Person of Interest
November 30, 2021	Spotlight Series	Christine Tassan et les Imposteures
December 12, 2021	Special Presentation	Fredericton Symphony Orchestra
December 16, 2021	Spotlight Series	Chantal Kreviazuk
February 18, 2022	Spotlight Series	Wesli
February 18, 2022	Experience More!	Workshop with Wesli with NBAA
February 18, 2022	Experience More!	Video workshop with Wesli with CCSA
February 19, 27-28, 2022	InterMISSION Residency	Elm City String Quartet
February 23-24, 2022	Spotlight Series	Ballet Kelowna, <i>Mambo & Other Works</i>
March 4, 2022	Spotlight Series	Red Sky Performance, <i>Trace</i>
March 11, 2022	Spotlight Series	Hawksley Workman & Sarah Slean
March 12, 2022	Spotlight Series	The Debaters Live
March 16, 2022	Spotlight Series	Knot, Nikki & JD
March 29, 2022	Spotlight Series	Raine Hamilton String Trio
March 31, 2022	Spotlight Series	Bromance
April 1, 2022	Spotlight Series	Ben Caplan
April 7, 2022	Spotlight Series	Classic Albums Live: Led Zeppelin II
April 15, 2022	Spotlight Series	Myles Goodwyn
April 24, 2022	Spotlight Series	MIDDLE RAGED
April 25, 2022	Experience More!	Workshop with MIDDLE RAGED
May 1, 2022	Kidstage Series	Somebody Loves You, Mr. Hatch
May 2, 2022	School Show	Somebody Loves You, Mr. Hatch
May 24, 2022	Spotlight Series	Brent Mason's Bob Dylan Birthday Bash
May 31, 2022	School Show	Anne of Green Gables - The Ballet
May 31, 2022	Spotlight Series	Anne of Green Gables - The Ballet
May 31, 2022	Experience More!	Anne of Green Gables high tea
June 1, 2022	School Show	Anne of Green Gables - The Ballet

**Appendix 2:
Summary of All Rental Shows
2021-22 season**

Rental Events for 2021-22 Season

* Local User

Date From	Client	Event Name
September 5, 2021	St. Thomas University*	Student Orientation - Cyrus
September 9, 2021	University of New Brunswick*	Student Orientation - performance
September 10, 14, 17, 18, 2021	Harvest Jazz & Blues Festival*	Harvest Jazz & Blues Festival concerts
October 16, 2021	Word Feast*	Words and Music
October 21, 2021	Shantero Productions	Lunch at Allens
October 23, 2021	Symphony NB*	Camerata - O(u)verture
October 27, 2021	Premiere Entertainment	Halifax Comedy Festival
October 29, 2021	Shaggypup Productions	Menopause the Musical
November 5, 6, 2021	NB Filmmakers' Co-op*	Silverwave Film Festival screenings
November 11, 2022	Shantero Productions	Ron James
November 12, 2021	Sonic Concerts	Alan Doyle
November 20, 2021	Symphony NB*	Camerata - Galactic Journey
November 22, 23, 2021	Atlantic Ballet Theatre of Canada	Amadeus
November 24, 25, 26, 27, 28, 2021	Dance Fredericton*	Nutcracker
December 1, 2021	Sonic Concerts	Matt Anderson
December 3, 2021	Gallant Efforts Production	Lennie Gallant - The Innkeeper's Christmas
December 4, 2021	NB Country Showcase*	NB Country Showcase
December 5 to 11, 2021	Theatre NB*	Miss Bennet - Christmas at Pemberley
December 18, 2021	Symphony NB*	Camerata - My Dear Ludwig
January 9, 2022	Chinese Cultural Association*	Video recording of Chinese New Year's Celebration
February 26, 2022	NB Youth Orchestra	NB Youth Orchestra
March 19, 2022	Symphony NB*	Camerata - Puzzles for the Ears
April 5, 2022	Brookes Diamond	Island Girls
April 6, 2022	Snowed In Comedy Tour	Snowed In Comedy Tour
April 8, 9, 10, 2022	Elite Dance	Dance Competition
April 12, 2022	Symphony NB*	Camerata - Ad Astra
April 13, 2022	Capital Arts Support*	Bahamas
April 16, 2022	NB Country Showcase*	NB Country Showcase
April 17 to 23, 2022	Theatre NB's Theatre School*	Anne and Gilbert & Little Women
April 26, 2022	United Way*	Songs of the City
April 28 & 29, 2022	UNB Rock & Ice Climbing Club*	Banff Mountain Film Festival
April 30, 2022	Sonic Concerts	Jeremy Hotz
May 6, 7, 8, 2022	ECMA	ECMA Showcases
May 10, 2022	Diesel Entertainment	Downchild Blues Band
May 11, 2022	Roxy Saskatoon	The Alan Jackson Experience
May 13, 2022	Johnny Showtime	Queen - It's a Kinda Magic
May 14, 2022	Whitecap Entertainment	Washboard Union
May 20, 2022	Edit Media	James Mullinger
May 22, 2022	NB Country Showcase*	NB Country Showcase
May 28, 2022	X-treme Dance Studio*	Dance recital
June 2, 2022	Symphony NB*	Camerata - Our French Connection
June 3, 4, 2022	Dance Fredericton*	Celestial Dreams - dance recital
June 7, 2022	Sonic Concerts	Henry Rollins
June 10, 2022	NB College of Craft and Design*	NBCCD Graduation
June 11, 2022	Mawi' Art Wabanaki Artist Collective*	Petapan showcase
June 12, 2022	Paquette Productions	Leaders of the Pack
June 15, 2022	VaughnCo Entertainment	ABBA Revisited
June 16, 2022	Embou Productions	Thane Dunn's Elvis
June 17 & 19, 2022	Sakamoto Promotions	Johnny Reid
June 30, 2022	Kehkimin*	Kehkimin Benefit with Jeremy Dutcher

Appendix 3: Audited Financial Statements

FREDERICTON PLAYHOUSE INC.

Financial Statements

Year Ended June 30, 2022

FREDERICTON PLAYHOUSE INC.

Index to Financial Statements

Year Ended June 30, 2022

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 12

INDEPENDENT AUDITOR'S REPORT

To the Members of Fredericton Playhouse Inc.

Opinion

We have audited the financial statements of Fredericton Playhouse Inc. (the Theatre), which comprise the statement of financial position as at June 30, 2022, and the statements of changes in net assets, operations and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Theatre as at June 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Theatre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Theatre's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Theatre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Theatre's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the Members of Fredericton Playhouse Inc. *(continued)*

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

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

Teed Saunders Doyle

Fredericton, New Brunswick
September 27, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

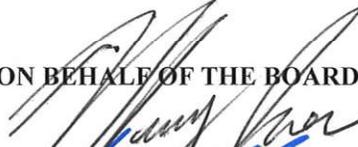
FREDERICTON PLAYHOUSE INC.

Statement of Financial Position

June 30, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 1,381,991	\$ 764,373
Accounts receivable (Note 5)	149,792	162,157
Inventory	7,547	12,754
Prepaid expenses	43,968	44,838
	1,583,298	984,122
PROPERTY AND EQUIPMENT (Note 4)	1,250,945	895,635
	\$ 2,834,243	\$ 1,879,757
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable (Note 5)	\$ 234,805	\$ 137,213
Unearned revenue (Note 6)	631,958	370,006
	866,763	507,219
DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT (Note 7)	699,924	345,901
LONG TERM DEBT (Note 8)	60,000	60,000
	1,626,687	913,120
NET ASSETS		
Invested in property and equipment (Note 9)	551,021	549,734
Internally restricted (Note 10)	14,985	55,475
Unrestricted	641,550	361,428
	1,207,556	966,637
	\$ 2,834,243	\$ 1,879,757

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

FREDERICTON PLAYHOUSE INC.

Statement of Changes in Net Assets

Year Ended June 30, 2022

	Unrestricted	Internally Restricted	Invested in Property and Equipment	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 361,428	\$ 55,475	\$ 549,734	\$ 966,637	\$ 778,428
EXCESS OF REVENUE OVER EXPENSES	332,323	-	(91,404)	240,919	188,209
TICKET SURCHARGE	(60,762)	60,762	-	-	-
BUILDING IMPROVEMENT EXPENDITURES	101,252	(101,252)	-	-	-
INVESTED IN PROPERTY AND EQUIPMENT	(92,691)	-	92,691	-	-
NET ASSETS - END OF YEAR	\$ 641,550	\$ 14,985	\$ 551,021	\$ 1,207,556	\$ 966,637

FREDERICTON PLAYHOUSE INC.

Statement of Operations

Year Ended June 30, 2022

	2022	2021
REVENUE		
Box office services	\$ 125,978	\$ 16,645
City of Fredericton grant - in-kind	255,118	252,431
City of Fredericton grant - operations	540,800	539,100
Concessions and commissions	61,995	591
Government wage subsidy	328,755	564,303
Miscellaneous	235,444	120,519
Other grants	104,708	121,485
Presentations - admissions	222,358	29,446
Presentations - contributions	193,652	152,397
Presentations - other earned	15,470	-
Rentals	188,555	13,250
	<u>2,272,833</u>	<u>1,810,167</u>
EXPENSES		
Administrative overhead	137,275	104,203
Building operations	198,454	160,989
Credit card charges	30,643	5,636
Faculty advertising	18,701	8,727
Memberships	3,140	2,204
Miscellaneous (including bad debts)	4,932	228
Presentations	350,639	136,794
Professional fees	23,782	32,907
Repairs and maintenance	119,380	148,405
Salaries and wages - administration	209,477	208,060
Salaries and wages - operations	824,731	699,093
Supplies	37,783	1,182
Ticketing system maintenance and supplies	41,867	39,776
Travel	468	17
	<u>2,001,272</u>	<u>1,548,221</u>
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	<u>271,561</u>	<u>261,946</u>
OTHER INCOME (EXPENSES) - RESTRICTED		
Amortization	(191,451)	(189,051)
Amortization of deferred contributions related to property and equipment	100,047	106,982
Ticket surcharge	60,762	8,332
	<u>(30,642)</u>	<u>(73,737)</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 240,919</u>	<u>\$ 188,209</u>

FREDERICTON PLAYHOUSE INC.

**Statement of Cash Flow
Year Ended June 30, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 240,919	\$ 188,209
Items not affecting cash:		
Amortization	191,451	189,051
Amortization of deferred contributions related to property and equipment	(100,047)	(106,982)
	332,323	270,278
Changes in non-cash working capital:		
Accounts receivable	12,365	(35,074)
Inventory	5,207	(542)
Prepaid expenses	870	(7,531)
Accounts payable	97,592	19,907
Unearned revenue	261,952	(89,898)
	377,986	(113,138)
	710,309	157,140
INVESTING ACTIVITY		
Purchase of property and equipment	(546,762)	(76,575)
FINANCING ACTIVITIES		
Proceeds from long term debt	-	20,000
Proceeds from deferred contributions related to property and equipment	454,071	-
	454,071	20,000
INCREASE IN CASH	617,618	100,565
CASH - BEGINNING OF YEAR	764,373	663,808
CASH - END OF YEAR	\$ 1,381,991	\$ 764,373

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

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.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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.

(continues)

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

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

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.

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 is relates. Government assistance relating to operating activities is recorded as revenue.

(continues)

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

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

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 \$255,118 (2021 - \$252,431) in exchange for building operations expenses. The Theatre also recorded in-kind sponsorship revenue of \$49,937 (2021 - \$19,880) 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. Significant estimates include useful lives of property and equipment. 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 \$28,883 (2021 - \$26,141) for this plan.

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, 2022.

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.

(continues)

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

3. FINANCIAL INSTRUMENTS *(continued)*

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	2022 Net book value	2021 Net book value
Land	\$ 345,000	\$ -	\$ 345,000	\$ 345,000
Building	1,800,000	1,584,000	216,000	288,000
Performing Arts Centre	454,071	-	454,071	-
Equipment	2,129,188	1,921,048	208,140	216,216
Office equipment	265,510	237,776	27,734	46,419
	\$ 4,993,769	\$ 3,742,824	\$ 1,250,945	\$ 895,635

5. GOVERNMENT REMITTANCES RECEIVABLE AND PAYABLE

As of June 30, 2022, accounts receivable includes government remittances receivable of \$13,489 (2021 - \$14,154) and accounts payable includes government remittances payable of \$24,131 (2021 - \$34,872).

6. UNEARNED REVENUE

	2022	2021
Deferred sponsorships, donations and contributions	\$ 78,200	\$ 77,913
Gift certificates and patrons' account credits	94,172	153,918
Rental deposits	75,650	45,089
Deferred ticket sales	356,923	86,257
Other	27,013	6,829
	\$ 631,958	\$ 370,006

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

7. 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.

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 345,901	\$ 452,883
Add: current year funding received	454,070	-
Less: amounts amortized to revenue	<u>(100,047)</u>	<u>(106,982)</u>
Balance, end of year	<u>\$ 699,924</u>	<u>\$ 345,901</u>

8. LONG TERM DEBT

	<u>2022</u>	<u>2021</u>
CEBA interest-free loan with no principal repayments, (with \$20,000 forgiven if \$40,000 repaid by December 31, 2022 or covert to a 5% monthly interest-only term loan on January 1, 2023 with \$60,000 principal repayment to be repaid in full by December 31, 2025).	\$ 60,000	\$ 60,000
Amounts payable within one year	<u>-</u>	<u>-</u>
	<u>\$ 60,000</u>	<u>\$ 60,000</u>

FREDERICTON PLAYHOUSE INC.

Notes to Financial Statements

Year Ended June 30, 2022

9. INVESTMENT IN PROPERTY AND EQUIPMENT

	<u>2022</u>	<u>2021</u>
a) Investment in property and equipment is calculated as follows:		
Property and equipment, net	\$ 1,250,945	\$ 895,635
Amounts financed by deferred contributions	<u>(699,924)</u>	<u>(345,901)</u>
	<u>551,021</u>	<u>549,734</u>
b) Changes in net assets invested in property and equipment is calculated as follows:		
Amortization of deferred contributions related to property and equipment	100,047	106,982
Amortization of property and equipment	<u>(191,451)</u>	<u>(189,051)</u>
Excess of expenses over revenue	<u>(91,404)</u>	<u>(82,069)</u>
Net capital assets acquired	546,762	76,575
Amount funded by deferred contributions	<u>(454,071)</u>	<u>-</u>
	<u>92,691</u>	<u>76,575</u>
Total change	<u>1,287</u>	<u>\$ (5,494)</u>

10. 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.

11. SIGNIFICANT EVENTS

COVID-19 Pandemic

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial assets and condition of the Theatre in future periods.

Replacement Venue Agreement

Fredericton Playhouse Inc. and the City of Fredericton have established a design advisory committee to provide insight, advice and guidance relating to the design of a replacement venue. Costs incurred throughout this process will be recorded as a capital asset and all funding received will be deferred.
