



GATEWAY  
THEATRE

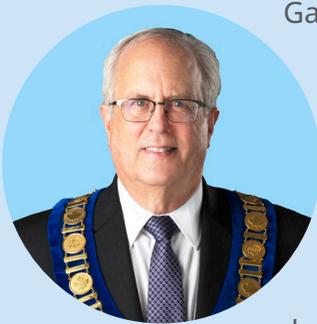
# The Art of Resilience

RICHMOND GATEWAY THEATRE SOCIETY  
2020/21 ANNUAL REPORT

Gateway Theatre *Stages of Bloom*,  
mural by visual artist Carmen Chan

# Greetings from the Mayor

On behalf of City Council and the residents of Richmond, I would like to extend sincere greetings to all the readers of the Richmond Gateway Theatre Society 2020-2021 Annual Report.



Gateway Theatre is Richmond's only live professional theatre, and Richmond City Council is very proud of the company's work over what is now almost four decades.

The COVID-19 pandemic has been a remarkably difficult time for arts organizations around the world. However, it is to the arts that people have turned for escape, for comfort and for entertainment during this challenging period. Our shared experience of isolation has shown us how essential the arts are to humanity's resilience, and the importance of the in-person, collective enjoyment of performance.

The City of Richmond has been pleased to continue its support for Richmond arts organizations such as Gateway Theatre throughout this time. A vibrant arts and culture scene is vital to a healthy community.

Thank you to all of those who have contributed to or participated in Gateway's programs over the past year.

**MALCOLM D. BRODIE, MAYOR**

“...it is to the arts that people have turned for escape, for comfort and for entertainment during this challenging period.”

# Mission

To enrich the quality of life in Richmond and surrounding communities by creating outstanding professional theatre and a dynamic hub for the performing arts.

# Principles & Values

- We engage in long term and reciprocal relationship building with patrons and our community
- We actively participate in our community
- We are committed to openness and inclusivity
- We acknowledge our past whilst building our future and commit to ongoing responsiveness and adaptation. We hold ourselves accountable, as an organization, to our community and to our values.
- We see Performing Arts as essential and as our primary means of expression



# The Art of Resilience

---

Let's just state the obvious: we all had a very unusual year, to say the least. We lived and worked through the global pandemic and here we are—telling the tale. How did we do it? What sustained us?

What helped us successfully weather the events of 2020 was: **resilience**. This points to a fundamental lesson that the pandemic brought home: that resilience is as much about thinking ahead as it is about doing what it takes to respond and recover from a crisis.

When the pandemic hit, one of the first things we did was pull together a crossfunctional team to think about and activate community engagement.

The past year confirms that organizations such as Gateway Theatre, that plan and invest in anticipation of disruption—whether it's gradual transformation or a sudden pandemic—are better positioned to adapt, rebound, and endure. It validates the notion that an ounce of prevention is worth a pound of cure. And it offers proven lessons for increasing organizations' viability and health during adversity.

According to research by Deloitte, there are five attributes of resilient organizations that enable them to promote nimble strategies, adaptive cultures, and the implementation and effective use of advanced technology.

Organizations that can bounce back from unexpected challenges are typically:



These five attributes aren't immutable, nor do they just occur organically. They require desire, effort, investment, and action to cultivate and maintain.

**This report is about how Gateway Theatre embodied these attributes in the 2020-2021 season.**

Even before the pandemic, Gateway was well steeped in and **prepared** for a different, experimental and adaptive way of working. It has helped our organization develop a level of comfort with uncertainty and with holding ideas and expectations lightly.



**Prepared.**



**Adaptable.**

**Adaptability** may be the most obvious of the five resilience characteristics, but it also may be the most difficult to achieve. It is not always easy to take big actions quickly, such as shifting toward new revenue streams or swiftly redeploying workers to more urgent jobs and tasks when their primary roles become temporarily unavailable or not needed. If anything, the 2020-2021 season confirmed for us the importance of having versatile employees, especially after a year like 2020. To that end, flexibility and adaptability was, by far, the workforce trait most critical to our organization's future. It afforded us the ability to question the status quo, to be open to new ways of working, to consider, test, and learn from new ideas, and to explore new ways forward.

We can't emphasize enough the importance of **collaboration** within our organization: while it sometimes might have slowed the decision-making process, it mitigated risk and led to more innovation. In fact, removing silos and increasing collaboration was one of the top strategic actions Gateway took before and during 2020. This past season, instead of hiring talent for specific skillsets, we shifted to hiring for specific mindsets, one of which was collaboration and adaptability. As a collective, we focused, not just on our own individual jobs and agendas but on the bigger picture goals, as well. As individuals, we listened, collaborated, and understood what others were trying to accomplish. It was about working together to achieve mutual goals which, in turn, benefited everyone.



**Collaborative.**



**Trustworthy.**

As they say, trust is built in normal times, but really tested during hard times. In our view, cultivating and sustaining trust is actionable and that's why we considered the needs of our patrons, community, employees and stakeholders across three dimensions of trust: physical, emotional, and digital. The physical safety of employees and customers has remained a vital component of trust and is central to any appropriate post-pandemic response and re-entry strategy. We were open and transparent with our people and customers, telling them both what we knew and what we didn't know, and we led with empathy. In terms of digital trust, to safeguard our colleagues and patrons privacy, we made sure to provide password-protected platforms for participation, such as professional Zoom accounts and controlled online meet-up groups.

## THE ART OF RESILIENCE

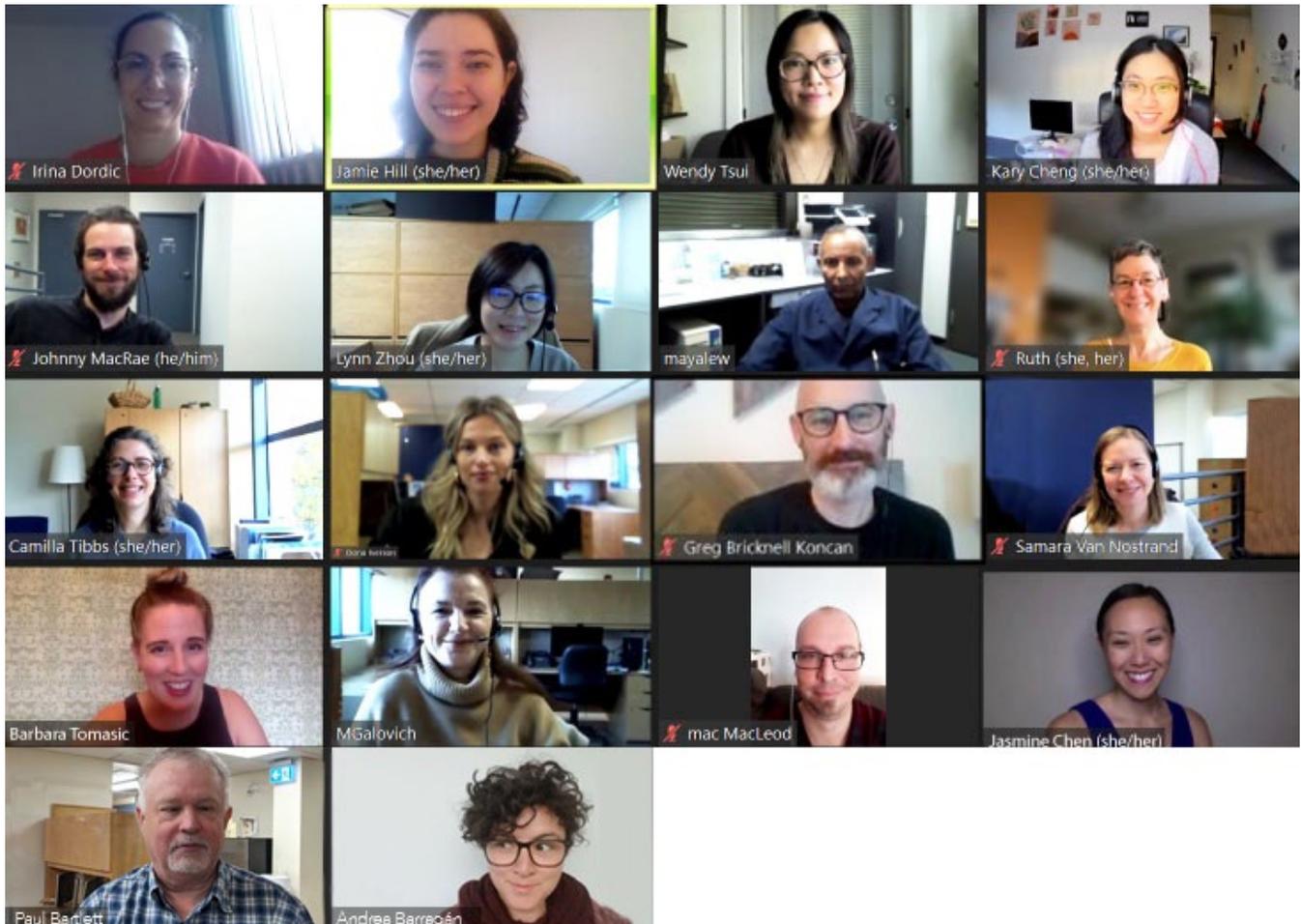
Besides having a **responsibility** towards our funders, we have a responsibility towards the community we serve. We have been listening to what the community needs and have learned that we can offer more than just 'traditional' theatre, with performing arts still being our primary means of expression. We have done very well at balancing all of our stakeholders' needs and could quickly adapt and change in response to disruptive events.



Looking ahead, the path remains uncertain; our industry will be one of the last to return to full operation and full attendance, and we do not know how long this might take. As we plan for the next couple of years, we are relieved to be in a good financial position with some funds in reserve to ensure our stability.

Making decisions about our future requires clarity, not certainty. And finding clarity has not been easy under these circumstances. It takes work and action. And as you will learn from this report: it takes a great amount of courage and resilience.

### The Gateway Theatre Team



# Gateway's 2020/21 Impact

## Gateway Salon Series: BUILDING BRIDGES

**3** SALONS

PARTICIPANTS

**72**

**9** PROFESSIONAL ARTISTS

**8** ARTS ORGANIZATIONS ENGAGED

## Gateway Academy

**478** HOURS OF EDUCATION DELIVERED

**100** STUDENTS ENGAGED

## Home for the Holidays

**934** VIEWS

**331** HOUSEHOLDS REACHED

**40+** CITIES REACHED ACROSS 4 COUNTRIES

**319+** HOURS WATCHED

## Hallows' Eve Paper Theatre Kit

**129** HOUSEHOLDS REACHED

**28+** CITIES REACHED ACROSS CANADA AND THE U.S.

HOUSEHOLDS REACHED



CITIES REACHED ACROSS CANADA AND THE U.S.



## Transformations Project

**239** VIEWS OF JOHNNY WU'S PIECE

**365** VIEWS OF FACEBOOK LIVE SALON WITH JOHNNY WU AND NORMAN YEUNG

**50** COMMENTS RECEIVED FROM FACEBOOK LIVE SALON

## Mad Practice: Sanity Skills for Crazy Times

PARTICIPANTS ENGAGED **49**

**15** PARTICIPANTS DESCRIBED THEMSELVES AS SELF-EMPLOYED (29%)

**20-29** THE LARGEST AGE GROUP OF PARTICIPANTS (23%)

**2** PARTICIPANTS IDENTIFIED AS NON-BINARY (4%)

## Chinese Shadow Puppetry Workshops with Annie Katsura Rollins

**47** HOUSEHOLDS ENGAGED

**18** ARTISTS ENGAGED

**2** LANGUAGES OFFERED

# 2020-21 Artistic Offerings

---

## Gateway Salon Series: BUILDING BRIDGES SEPTEMBER 12 – 13 2020

Gateway Salon Series: BUILDING BRIDGES connected emerging artists with fellow creatives in the performing arts sector. Hosted via Zoom in partnership with the Greater Vancouver Professional Theatre Alliance and with support from Rumble Theatre, each salon featured artistic leaders from local companies who shared their personal experiences and industry knowledge.



Jasmine Chen (Gateway Theatre) and Jivesh Parasram (Rumble Theatre) and guests at BUILDING BRIDGES: Gateway Salon Series (2020).

“ Heya Jiv and Jasmine!

Matt and I wanted to extend our thanks and gratitude for a great weekend of connecting via the Salon Series. We are so moved by the emphasis and inclusion of emerging artists for this series, as the questions brought forward are absolutely items that Matt and I are navigating and encountering as we carve out our niche in this localized industry!”

- Alexa Fraser and Matthew Winter

## Hallows' Eve Paper Theatre Kit

SEPTEMBER 28 – NOVEMBER 13 2020

Illustrated by local artist Keely O'Brien, former Branscombe House Artist in Residence, *Hallows' Eve* paper theatre kits included an enchanting build-your-own miniature theatre, a Halloween story to act out with its characters and backdrops, and a house program full of fun, family-oriented activities. Hand packaged with care at Gateway Theatre and delivered to families' front doors, this Halloween delight captured the imaginations of theatre lovers across North America.



*Hallows' Eve* Paper Theatre Kit. Kit illustrated by Keely O'Brien.

“ Thank you! A brilliant idea. It was planned so well from beginning to end. We had a wonderful Halloween night.”  
– Purchaser of *Hallows' Eve* Paper Theatre Kit

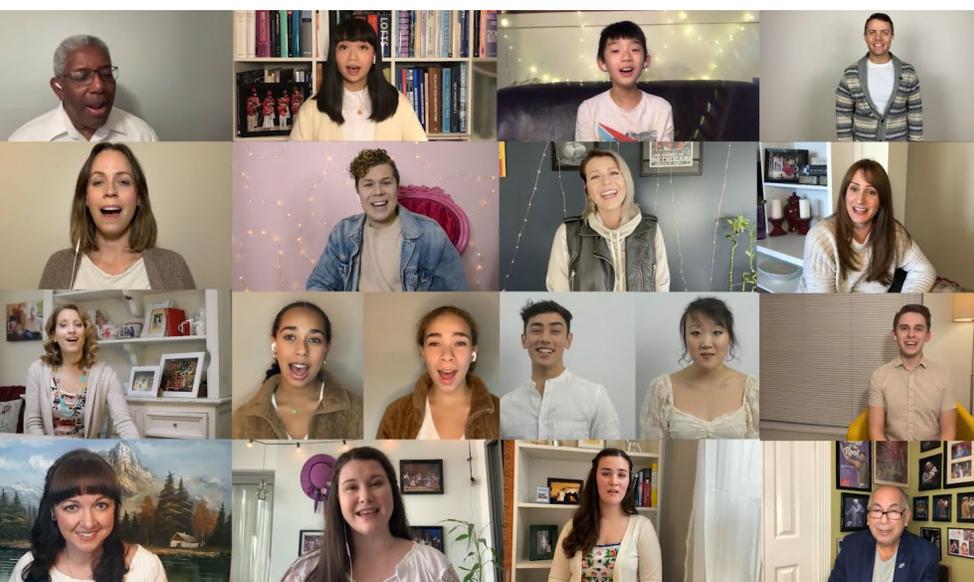


Child enjoying *Hallows' Eve* Paper Theatre Kit. Kit illustrated by Keely O'Brien.

## Home for the Holidays

DECEMBER 18 2020 – JANUARY 1 2021

This online musical revue featured beloved performers and songs from the best musicals ever to grace Gateway Theatre's MainStage. Families gathered safely at home to enjoy musical numbers from *Annie*, *The Wizard of Oz*, *The Sound of Music* and more.



Makena and Marlowe Zimmerman



David Adams

Left: Cast of *Home for the Holidays* (2020).  
Directed by Barbara Tomasic, Costume & Aesthetic Supervision by Donnie Tejani.

“Thank you for this show and bravo to all the performers! It really brought some Christmas spirit into our household this season.”  
– *Home for the Holidays* Audience Member

### MEDIA QUOTES

“Gateway Theatre has created a quilt of shining performances past for us this Christmas.” – *Richmond Sentinel*

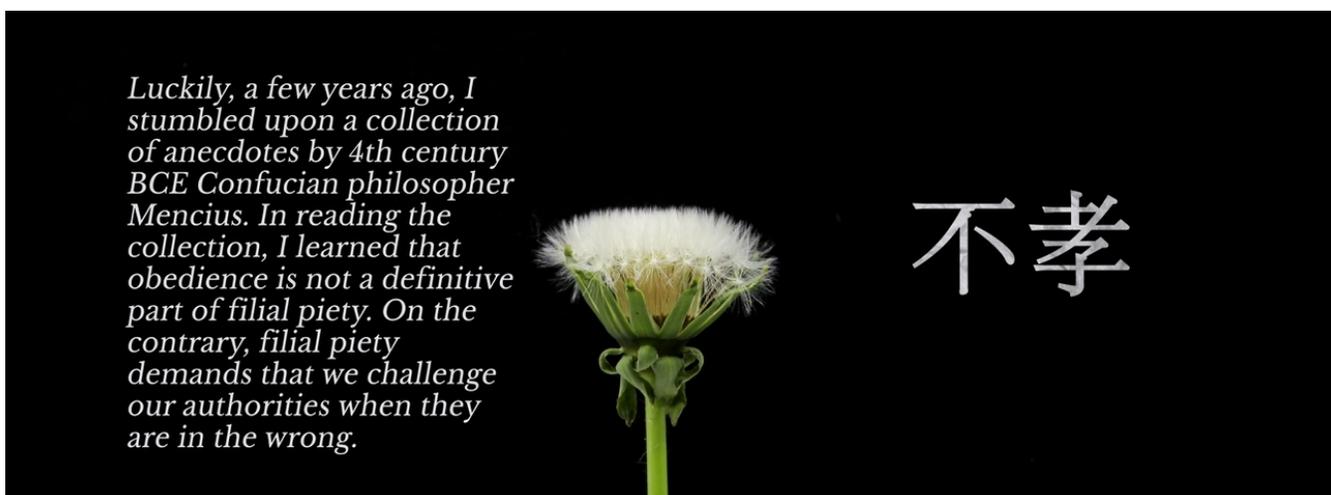
“Warm hearted and filled with charm galore, *Home for the Holidays* is a very special musical revue. Guaranteed that you will want to see it more than once!” – *Entertainment Vancouver*

“This best-of package of the big-production hits is crossed with an intimate warmth and togetherness that everyone could use a little of this holiday season.” – *Jay Minter, On The List*

# Transformations Project

JANUARY 11 - 21 2021

Taiwanese-Canadian artist Johnny Wu responds to the question “What would it take to transform our society for the betterment of all?” Commissioned by Gateway Theatre, this piece is part of The Transformations Project, an initiative by the National Arts Centre. Johnny’s thought-provoking video piece was followed by a discussion with fellow Transformations Project artist Norman Yeung, hosted by Jasmine Chen over Facebook Live.



A still frame from Johnny Wu’s *RELEARNING FILIAL PIETY: THE JOURNEY FROM KEEPING MY HEAD DOWN TO SPEAKING UP* (2020).



Jasmine Chen (Gateway Theatre), Norman Yeung (Featured Artist), Johnny Wu (Featured Artist) streaming live via Zoom for Transformations Project.

“Thank you so much for putting this on and for sharing yourselves, your insights and thoughtful discussion. Best wishes on present and future projects!”

– Maureen Louie

“Mind blowing” – Chris Lam

“Woohoo!! Thank you for an amazing panel discussion!!”

– Marissa Orjalo

## Chinese Shadow Puppetry Workshops with Annie Katsura Rollins

FEBRUARY 15 – MARCH 31 2021

Hosted in collaboration with Richmond Children's Arts Festival, these hands-on, digital workshops by artist and researcher Dr. Annie Katsura Rollins gave families, schools, and artists alike an opportunity to explore an ancient theatre practice.



A still frame from Annie Katsura Rollins instructional screen-making and puppetry tutorial, produced in collaboration with Children's Arts Fest.



Annie Katsura Rollins colours in a Chinese shadow puppet with bright markers. Photo provided by Annie Katsura Rollins.

“ I want to thank the Gateway Theatre for hosting the Shadow Puppet workshop. I enjoyed it immensely. The two hours flew by, a blend of history, video, how-to instructions and time to complete a puppet. Annie Katsura Rollins shared her knowledge, skill and love of shadow puppets in a warm and engaging way. Skilled and amateur artists all felt welcome. I look forward to the next Gateway workshops.”

- Kathy Gibler, Sointula, BC

“It was great! I hope to see more workshops with Dr. Rollins.”

- Participant

“Keep the workshops coming.”

- Participant

## Mad Practice: Sanity Skills for Crazy Times

MAY 15 2021

With normalcy on hold in 2020-2021, mental wellbeing was more important than ever. Mad Practice: Sanity Skills for Crazy Times invited community members to take a moment for themselves with JD Derbyshire, performing artist and certified insane person, in a space where humour and grief could co-exist. At this mental health Zoom meet-up, JD drew connections between emotional, mental and physical health, and allowed attendees to participate in discussion at their own comfort level.



JD Derbyshire. Photo by Benjamin Laird Arts & Photo

“ Thanks for a great way to connect in an accepting and welcoming environment!”  
- Participant

“JD is a first rate excellent facilitator and mentor and mental health spokesperson, role model and advocate and activist and all round mental health super hero!”  
- Participant

“Thank you for offering spaces for art and creativity in such strange and difficult times.”  
- Participant

“I loved the way JD communicated and brought these concepts with humor. Speaking the artist language also helped in its relatability.”  
- Participant

“JD has a wealth of useful wellness tools and skill to share which are invaluable and even possibly life-saving.”  
- Participant

# Gateway Academy

The success of the Education Department’s Academy programming in our 2020-2021 season lies in the adaptability of our Academy families, students, and faculty, and the creativity and flexibility of our artist-educators.

Creative expression is vital to the mental well-being and resilience of many young people, and this knowledge motivated us to find a way to offer Academy classes to our community, despite the constraints of COVID-19. Therefore, we shifted our year-long classes entirely to a sessional structure, offering Acting and Musical Theatre classes in-person, plus Speech classes online. To ensure everyone’s safety, we reduced class sizes, shifted class schedules, and stipulated hygiene protocols. At each first class in October, parents and guardians were excited and grateful to release their children and youth to us for some creative expression.

Under unusual circumstances, Academy instructors dove deeper into process with their students, creatively adapting curriculum and class plans to make way for the world of physical distancing, masks and online teaching. Together we examined what forms the final presentations could take, discovering multiple ways that the students’ learning could be shared with those at home. For older students and young adults, we even experimented with a pilot program, “Creating in New Spaces”, specifically designed for young artists curious to explore performance in virtual spaces.

We are grateful to the parents and guardians who entrusted us with their young people during this difficult time, and to the Academy students themselves, for the joy and enthusiasm they brought to their classes.



Photo of Academy students by Gateway Staff.

“Gateway was pivotal in helping my child gain confidence. I highly recommend for kids who are shy or who struggle with social communication.”

- Academy Parent

“Love the balance of fun and learning in a real live theatre setting!”

- Academy Parent

“The musical theatre program was integral to my daughter’s wellbeing this year: the consistency, the joy, the activity.”

- Academy Parent

“My child loved the musical theatre class so much. Can’t wait for next year. Great friendships were made.”

- Academy Parent

# Board of Directors

---

|                               |                              |
|-------------------------------|------------------------------|
| Debbie Musil                  | Jane Fernyhough              |
| Diane Purvey, Chair           | Jonathan Wong                |
| Clayton Rubinstein            | Kali McAndless               |
| Fiona Gan, Treasurer          | Valerie Reynolds, Vice Chair |
| Helena Zhu                    | Veronica Armstrong           |
| Jacqueline Ho, Secretary      | Zinnia Johnston              |
| Chak Au, City Council Liaison |                              |

# Staff

---

|                           |  |
|---------------------------|--|
| Alexa Ewert               | Academy Instructor                         |
| Amanda Testini            | Academy Instructor                         |
| Andrea Barragán           | Programs Administrator                     |
| Barbara Tomasic           | Director of Artistic Programs              |
| Caitlin Fysh              | Artistic Associate, Academy Instructor     |
| Camilla Tibbs             | Executive Director                         |
| Christopher “Mac” MacLeod | Production Services Associate              |
| Crystal Lan               | Development Associate                      |
| Darren John               | Stage Supervisor                           |
| Elizabeth Ho              | Development Manager                        |
| Erin Michell              | Academy Instructor                         |
| Greg Bricknell Koncan     | Patron Services Manager                    |
| Jamie Hill                | Marketing Coordinator                      |
| Jasmine Chen              | Artistic & Community Producer              |
| Josef Chung               | Production Manager                         |
| Julia Ullrich             | Academy Instructor                         |
| Manami Hara               | Academy Instructor                         |
| Marnie Wilson             | Publicist                                  |
| Mary Cantelon             | Stage Supervisor                           |
| Mesfin Ayalew             | Building Services Assistant                |
| Mirjana Galovich          | Director of Audience & Revenue Development |
| Natasha Zacher            | Academy Instructor                         |
| Oona Iverson              | Patron Services Associate                  |
| Paul Bartlett             | Building Services Supervisor               |
| Peyton Winslade           | Marketing Assistant                        |
| Raugi Yu                  | Academy Instructor                         |
| Ruth McIntosh             | Education Manager                          |
| Samara Van Nostrand       | Associate Manager                          |
| Scheherazaad Cooper       | Artistic Associate                         |
| Sylvia Lanz               | Finance Manager                            |
| Veronique West            | Academy Instructor                         |
| Wendy Tsui                | Marketing Manager                          |

# Supporters

---

More than ever, we are entirely grateful for the steady, generous support of our funders, corporate partners and supporters this past year. The government support on municipal, provincial, and federal level, helped us hire artists and keep people employed, innovate and experiment with our new artistic offerings, both online and offline, and reach out to new audiences and community partners, while our corporate and individual partners believed in us, cheered for us, donated generously and kept our morale high. We couldn't wish for better supporters and friends. Without you, nothing of this could be possible. We know you have our best interest at heart, and you want to see us thrive.

**YOU ARE OUR CHAMPIONS. THANK YOU**

---



## Funders

### Government Funders

The City of Richmond  
BC Arts Council  
Canada Council for the Arts  
Department of Canadian Heritage  
Economic and Social Development Canada  
Province of British Columbia

### Foundations

Betty Averbach Foundation  
Deux Mille Foundation  
Hamber Foundation  
Lohn Foundation  
McAndless Family Foundation  
Vancouver Foundation

## Sponsors

Anna's Cake House  
Glimore Gardens and  
Courtyard Gardens  
Dorset Realty  
G&F Financial Group  
Oomomo Japan Living  
Rotary Club of Richmond  
TD Bank  
Wynford

Chinese Shadow Puppet Workshop Series Presentation Sponsor  
Volunteer Program Sponsor  
Community Sponsor  
Community Sponsor  
Academy Winter Session Sponsor  
Academy Summer Camp Sponsor  
*Hallows' Eve* Paper Theatre Kit Presentation Sponsor  
Academy Bursary Sponsor

## Corporate Donors

### Corporate Donors

Anglican Church Women Diocese  
of New Westminster  
Richmond Chinatown Lions Club Society

### In-Kind Donors

Anna's Cake House

# Individual Donors

## Director's Circle (\$1000+)

Wayne Gibson &  
Janet Sinclair  
Betty Goodwin  
Anne & Tom Green  
Jacqueline Ho  
Bob & Donna Humphries  
Magdalen &  
Thomas Leung  
Diane Purvey &  
John Belshaw  
George Radke  
Camilla Tibbs  
John & Gail Watson  
Anonymous

## Producer (\$500-\$999)

Veronica Armstrong  
Nettie Aronius  
J.W. Beggs  
Paula & Gordon Boleen  
Bon Dos Remedios  
Jane Fernyhough &  
Tony Davies  
Bob & Jean Garnett  
Elizabeth Ho  
Zinnia & Doug Johnston  
Tony Kimble  
Kuramoto Family Fund  
Keith Liedtke &  
Elizabeth Doyle  
Michael &  
Edith Matthews  
Linda Louise Mayner  
Debbie Musil  
Lin & John Richardson  
Clayton Rubinstein  
John & Donna Sznadel  
Patricia & Chris Tipple  
Sue Tucker

## Star (\$250 - \$499)

Loretta & Daniel  
Bogert-O'Brien  
Sheila Brew  
Fiona Gan  
Ruth Goodchild  
Ian Graham  
Roy & Sandy Harrison  
Rita L. Irwin  
Simon Johnston  
Colleen Kason  
Ian & Marg MacLean  
Ian & Ardis MacLeod  
Anne Mathisen  
Kali McAndless  
Bob & Lois Munroe  
Ione S. Owen  
Valerie Reynolds  
Helena Zhu  
Anonymous

## Feature Player (\$100-\$249)

Don & Marion Anderson  
Lois Armerding  
Shirley Bakaway  
Ian & Arliss Beardmore  
Susan L. Billingsley  
Scott Bruce  
Larry Chatel  
Judith Coffin  
Meg Comiskey  
Kathy Evans  
Evelynne Gilmore  
Barbara Kissuras  
Ron & Theresa Lannan  
Ron & Marilyn Loyer  
Alma McDonald  
Larry & Tyla Meyer  
Robert & Carol Mitchell  
Pat Montgomery

Catherine & Brian Mori  
Tom Pickett  
Todd K. Prodanuk  
Shirley Rampton  
Brenda Reynolds  
Sarah Ross  
Gail Scream &  
John MacLachlan  
Susan Stolberg  
Kei & Dave Takahashi  
Barrie &  
Margaret Vickers  
Jerry Wasserman  
Michael Wilkinson  
Jonathan Wong  
Ted Wormeli  
Dana Zendrowski  
Anonymous (7)

## Supporting Cast (\$25-\$99)

Theodore Adorno  
Patricia Dawn Atkinson  
C. Bailey  
Donalda & Byron Buie  
Carol Burdett  
Gillian S. Burnett  
Loretta Byrnes  
Dawn Carpenter  
Dan & Barbara Cohen  
Patrick Coleman  
Barbara Creighton  
Miranda Deis  
Jane Doogan  
Catherine Ellens  
Chris Emery  
Colleen Fograscher  
Heidi Haywood  
Frank Hill  
Karin Hung  
Lorraine Kaczor  
Sylvia Kasuba  
Brigitte Knapen

Sandra Kolarcik  
Victor Kuan  
Judy & Ed Larocque  
Anita Lee  
Lynn Lee  
Wendy Lee  
Erica Levy  
Gail Lichty  
Jennifer Little  
Carol MacDonald  
Trudy MacDonald  
Cary Mak  
Diane McDonald  
Gillian McIntyre  
Ann McKoryk  
Susan Ness  
Stephanie Ngui  
Debbie &  
Sheldon Nider  
John & Stephanie  
Nomellini  
Tom Parker  
Fabiana Parra-Avila  
Lynne Perreault  
Annalisa Rossi  
Rod Scheuerman  
Carolyn Schneider  
Karis Sengara  
David Sims  
Tyler Sork  
Mark Thompson  
Katarina Tomasic  
Alice Tsang  
Sean Vanderfluit  
Lorena Vlad  
Linda Weber  
Kevin Woo  
Martin Wright  
Young Joo Yang  
Katherine Yeo  
Karen & Allan Zeller  
Anonymous (6)

**RICHMOND GATEWAY THEATRE SOCIETY**  
**Financial Statements**  
**June 30, 2021**



**BLUE FISH GROUP**  
CHARTERED PROFESSIONAL ACCOUNTANTS



---

## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Richmond Gateway Theatre Society

### Report on Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Richmond Gateway Theatre Society (the Organization), which comprise the statement of financial position as at June 30, 2021, and the statements of revenue and expenditures, fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Richmond Gateway Theatre Society as at June 30, 2021 and its financial performance and its cash flows for the year then ended in accordance with 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 Organization 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 these 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 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over-seeing the Organization's financial reporting process.

**(Independent Auditor's Report, continued on next page)**

(Independent Auditor's Report, continued from previous page)

*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:

- 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 controls.
- 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 Organization'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 relating to events or conditions that may cast significant doubt on the Organization'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 Organization 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.

**Report on Other Legal and Regulatory Requirements**

As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year, subject to the comments below.



Chartered Professional Accountants  
Burnaby, B.C.    October 12, 2021

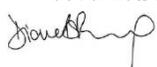
**RICHMOND GATEWAY THEATRE SOCIETY**

**Statement of Financial Position**

**June 30, 2021**

|  | 2021                | 2020              |
|--|---------------------|-------------------|
| <b>ASSETS</b>  |                     |                   |
| <b>CURRENT</b>   |                     |                   |
| Cash and cash equivalents <i>(Note 3)</i>                        | \$ 850,639          | \$ 474,016        |
| Accounts and grants receivable                                   | 2,464               | 5,468             |
| Inventory  | 8,232               | 10,536            |
| Sales tax recoverable from government authorities                | 2,455               | 4,012             |
| Prepaid expenses   | 2,067               | 6,714             |
| Prepaid production and educational program expenditures          | 4,505               | -                 |
|  | 870,362             | 500,746           |
| <b>PROPERTY AND EQUIPMENT <i>(Note 4)</i></b>                    | <b>39,063</b>       | <b>20,329</b>     |
| <b>CASH AND TERM DEPOSITS RESTRICTED FOR<br/>ENDOWMENT FUNDS</b> | <b>370,045</b>      | <b>365,305</b>    |
|  | <b>\$ 1,279,470</b> | <b>\$ 886,380</b> |
| <b>LIABILITIES AND NET ASSETS</b>                                |                     |                   |
| <b>CURRENT</b>   |                     |                   |
| Accounts payable and accrued liabilities                         | \$ 61,760           | \$ 30,385         |
| Payroll deductions payable to government authorities             | 10,921              | -                 |
| Wages payable  | 79,109              | 49,785            |
| Deferred operating revenue <i>(Note 5)</i>                       | 399,514             | 222,798           |
|  | 551,304             | 302,968           |
| <b>COMMITMENTS AND CONTRACTUAL OBLIGATIONS <i>(Note 8)</i></b>   |                     |                   |
| <b>COVID-19 PANDEMIC <i>(Note 13)</i></b>                        |                     |                   |
| <b>NET ASSETS</b>  |                     |                   |
| Unrestricted Operating fund                                      | 86,006              | 45,992            |
| Internally restricted Operating Reserve fund                     | 260,373             | 160,373           |
| Internally restricted Capital Improvement fund                   | 11,742              | 11,742            |
| Internally restricted General Endowment fund                     | 370,045             | 365,305           |
|  | 728,166             | 583,412           |
|  | <b>\$ 1,279,470</b> | <b>\$ 886,380</b> |

**ON BEHALF OF THE BOARD**


2021.10.15 08:46:56  
07:00' \_\_\_\_\_ *Board Chair*  
\_\_\_\_\_ *Director*

See accompanying notes to financial statements

**RICHMOND GATEWAY THEATRE SOCIETY**  
**Statement of Revenue and Expenditures - Operating Fund**  
**Year Ended June 30, 2021**

|   | 2021                     | 2020                   |
|---|--------------------------|------------------------|
| <b>REVENUE</b>  |                          |                        |
| Artistic Offerings revenue  | \$ 13,098                | \$ 432,759             |
| Educational programs  | 37,847                   | 113,880                |
| Rental revenue  | -                        | 44,556                 |
| Bar revenue   | -                        | 36,509                 |
| Grants from the City of Richmond (Note 9)                                   | 1,359,942                | 1,346,610              |
| Public sector grants (Note 6)   | 209,501                  | 184,634                |
| Foundation contributions  | 18,000                   | 46,500                 |
| Corporate contributions   | 18,251                   | 34,750                 |
| Individual contributions  | 37,199                   | 38,591                 |
| Miscellaneous revenue   | -                        | 11,025                 |
| Interest income   | 4,177                    | 10,343                 |
|   | <u>1,698,015</u>         | <u>2,300,157</u>       |
| <b>EXPENDITURES</b>   |                          |                        |
| Artistic Offerings expenses   | 58,374                   | 610,294                |
| Artistic development  | 17,892                   | 631                    |
| Educational programs  | 26,077                   | 45,167                 |
| Rental expenses   | -                        | 22,025                 |
| Bar expenses  | 4,374                    | 27,330                 |
| Theatre facilities  | 124,148                  | 62,135                 |
| Patron services   | 953                      | 38,681                 |
| Fundraising   | 2,664                    | 7,832                  |
| Marketing   | 50,417                   | 126,995                |
| Salaries and benefits   | 1,109,760                | 1,123,756              |
| Consulting fees   | 24,371                   | 28,719                 |
| Training and staff development  | 12,435                   | 6,967                  |
| Legal, audit and insurance  | 32,018                   | 48,425                 |
| Dues, subscriptions and memberships   | 9,734                    | 10,207                 |
| Office expenses   | 61,543                   | 57,336                 |
| Credit card and bank charges  | 6,410                    | 12,512                 |
| Delivery, mileage, and vehicle costs (recovery)                             | (423)                    | 7,257                  |
| Amortization of property and equipment                                      | 14,254                   | 9,795                  |
|   | <u>1,555,001</u>         | <u>2,246,064</u>       |
| <b>EXCESS OF REVENUE OVER EXPENDITURES</b>                                  | <b>143,014</b>           | <b>54,093</b>          |
| <b>EXTRAORDINARY EXPENDITURES DUE TO BUILDING<br/>RENOVATIONS (Note 12)</b> | <u><b>3,000</b></u>      | <u><b>52,550</b></u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>                     | <u><b>\$ 140,014</b></u> | <u><b>\$ 1,543</b></u> |

See accompanying notes to financial statements

**RICHMOND GATEWAY THEATRE SOCIETY**

**Statement of Fund Balances**

**Year Ended June 30, 2021**

|   | Operating<br>fund (Page 5) | Operating<br>Reserve fund | Capital<br>Improvement<br>fund | General<br>Endowment<br>fund | 2021         | 2020         |
|---|----------------------------|---------------------------|--------------------------------|------------------------------|--------------|--------------|
| Revenues                                | \$ 1,698,015               | \$ -                      | \$ -                           | \$ 4,740                     | \$ 1,702,755 | \$ 2,311,758 |
| Expenditures                            | 1,558,001                  | -                         | -                              | -                            | 1,558,001    | 2,307,761    |
| Excess of revenues over<br>expenditures | 140,014                    | -                         | -                              | 4,740                        | 144,754      | 3,997        |
| Interfund transfers<br>(Note 7)         | (100,000)                  | 100,000                   | -                              | -                            | -            | -            |
| Fund balance, beginning of year         | 45,992                     | 160,373                   | 11,742                         | 365,305                      | 583,412      | 579,415      |
| Fund balance, end of year               | \$ 86,006                  | \$ 260,373                | \$ 11,742                      | \$ 370,045                   | \$ 728,166   | \$ 583,412   |

See accompanying notes to financial statements

**RICHMOND GATEWAY THEATRE SOCIETY**

**Statement of Cash Flows**

**Year Ended June 30, 2021**

|   | 2021                | 2020              |
|---|---------------------|-------------------|
| <b>OPERATING ACTIVITIES</b>                             |                     |                   |
| Excess (deficiency) of revenues over expenses           | \$ 144,754          | \$ 3,997          |
| Item not affecting cash:                                |                     |                   |
| Amortization of property and equipment                  | 14,254              | 9,795             |
|   | <u>159,008</u>      | <u>13,792</u>     |
| Changes in non-cash working capital:                    |                     |                   |
| Accounts and grants receivable                          | 3,003               | 49,286            |
| Inventory   | 2,304               | (6,412)           |
| Prepaid expenses  | 4,647               | 1,075             |
| Prepaid production and educational program expenditures | (4,505)             | 1,500             |
| Accounts payable and accrued liabilities                | 31,376              | (77,295)          |
| Payroll deductions payable to government authorities    | 10,921              | (24,619)          |
| Sales tax payable to government authorities             | 1,557               | (12,050)          |
| Wages payable   | 29,324              | (23,289)          |
| Deferred operating revenue                              | 176,717             | (229,379)         |
|   | <u>255,344</u>      | <u>(321,183)</u>  |
| Cash flow from (used by) operating activities           | <u>414,352</u>      | <u>(307,391)</u>  |
| <b>INVESTING ACTIVITIES</b>                             |                     |                   |
| Purchase of property and equipment                      | (32,988)            | -                 |
| Disposal of investments                                 | -                   | 54,733            |
| Cash flow from (used by) investing activities           | <u>(32,988)</u>     | <u>54,733</u>     |
| <b>INCREASE (DECREASE) IN CASH FLOW</b>                 | <b>381,364</b>      | <b>(252,658)</b>  |
| <b>CASH - Beginning of year</b>                         | <b>839,321</b>      | <b>1,091,979</b>  |
| <b>CASH - End of year</b>                               | <b>\$ 1,220,685</b> | <b>\$ 839,321</b> |
| <b>CASH CONSISTS OF:</b>                                |                     |                   |
| Cash and cash equivalents                               | \$ 850,639          | \$ 474,016        |
| Term deposits, restricted for endowment funds           | 370,046             | 365,305           |
|   | <u>\$ 1,220,685</u> | <u>\$ 839,321</u> |

See accompanying notes to financial statements

# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

### 1. PURPOSE AND STATUS OF THE ORGANIZATION

The Richmond Gateway Theatre Society was founded in 1982 and is incorporated as a non-profit society under the Society Act of British Columbia and is tax-exempt as a registered charity and charitable organization under the Income Tax Act.

The Society's purpose is to enrich the quality of life in Richmond and surrounding communities by creating outstanding professional theatre and a dynamic hub for the performing arts. The direct revenue sources of the Society are not sufficient to cover its total expenditures and, as a result, the continued support of the City of Richmond is required to assist in financing the building and operating costs of the Society.

---

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

These financial statements have been prepared in accordance with Part III of the Chartered Professional Accountants ("CPA") Canada handbook - Accounting, which sets out generally accepted accounting standards for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

#### Inventory

Inventory is valued at the lower of cost and net realizable value, using the cost on the most recent purchase invoice, as an estimate of average cost. Cost is defined as the purchase price paid by the Organization.

#### Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization rates are designed to amortize the assets over their estimated useful lives. The amortization rates are as follows:

|                                |         |                      |
|--------------------------------|---------|----------------------|
| Computer equipment             | 3 years | straight-line method |
| Computer software              | 3 years | straight-line method |
| Office equipment and furniture | 3 years | straight-line method |
| Theatre equipment              | 5 years | straight-line method |

Property and equipment costing more than \$5,000 per asset, with a useful life of at least two years is capitalized and amortized in accordance with the Society's capital asset capitalization and amortization policy. In the case of a purchase of a group of similar assets, individually costing less than \$5,000, but in aggregate costing more than \$10,000, the entire group of assets will be capitalized. Full amortization is taken in the years of acquisition and disposal.

Under the terms of the agreement between the Richmond Gateway Theatre Society and the City of Richmond, certain property improvements, equipment and furniture directly acquired by the City for the use by the Society are considered property of the City and are not recorded in these financial statements.



# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

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

#### Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks, term deposits with a maturity period of three months or less from date of acquisition, and cashable term deposits.

#### Revenue recognition and basis of financial statement presentation

The Society follows the deferral method of accounting for contributions and operating revenues.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured.

Restricted contributions received and restricted for the purposes of purchasing property and equipment are deferred and recognized as revenue in the periods in which the related amortization is recorded.

Artistic Offerings (shows, events, workshops etc.) revenue and expenditures and Education revenue and expenditures are matched whereby revenue received for future programs is recorded as deferred operating revenue and expenditures made for future programs are recorded as prepaid expenditures. Artistic Offerings and Education revenue and expenditures are recognized in the period the program is delivered or performed.

Endowment contributions are recognized as direct increases in net assets. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Grant revenue received from the City of Richmond is recognized as revenue in the period that the grant funding is approved for by the City of Richmond as long as the amount to be received can be reasonably estimated and collection reasonably assured.

Grants from various foundations and other government agencies are recorded as revenue in the period that the grant funding is approved for and when conditions are fulfilled.

Donations from the general public are recorded upon receipt of the donated assets.

Interest income and rental revenue are recognized as revenue in the period to which the income is earned on an accrual basis.

From time to time, the Board of Directors (the "Board") may impose certain restrictions on fund balances. These amounts are presented on the statement of financial position and statement of operations and fund balances. These internally restricted amounts are not available for other purposes without approval of the Board of Directors, except for the Capital Improvement fund, which requires approval from the Executive Director.



# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

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

#### Operating fund

The Operating fund accounts for the Society's program delivery and administrative activities.

#### Operating Reserve fund

The Operating Reserve fund represents an accumulation of internally restricted resources, which are available for use based on approval from the Board of Directors. This fund is to be used to fund new initiatives and strategic investments. The fund is also available as an operating contingency to be used to fund operations during cash flow shortages, and for unforeseen expenditures. These funds may be accessed upon the recommendation of management and upon approval by the Board. The fund may not exceed 25% of the annual operating budget of the Society.

#### Capital Improvement fund

The Capital Improvement fund represents internally restricted resources derived from the Capital Improvement Fee (CIF) collected on all tickets to rental events at the Richmond Gateway Theatre Society facilities. This fund is to be used to fund the purchase and maintenance of theatrical equipment which may not otherwise be the responsibility of the City of Richmond or for which approval through the City of Richmond budget timelines are impractical. These funds may be accessed upon the approval of the Executive Director.

#### General Endowment fund

The Society's Board of Directors has internally restricted resources for endowment purposes. Investment income on the General Endowment fund remains in the fund and can be allocated based on the Board's discretion. These internally restricted amounts are unavailable for other purposes without approval of the Board of Directors.

#### Measurement uncertainty

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary they are reported in earnings in the period in which they become known.

#### Contributed volunteer services

Volunteers contribute their time every year to assist the Society in carrying out its activities. The value of contributed services of a non-remunerative nature is not recognized in these financial statements.



RICHMOND GATEWAY THEATRE SOCIETY

Notes to Financial Statements

Year Ended June 30, 2021

---

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

Non-monetary contributed materials and services, and gift-in-kind donations

Non-monetary contributed materials and services (such as media and catering sponsorships or other services provided), and other gift-in-kind donations (except for any caveats mentioned below) are not recorded in the accounts of the Society due to the subjectivity of determining the fair value received, the subjectivity as to the fair value of the amount that would otherwise be paid by the Society, and the subjectivity of determining whether the materials and services would otherwise have been used in the normal course of the Society's operations and would otherwise have been purchased.

For gift-in-kind donations of tangible assets, such as equipment or other capital assets, the contribution may be recorded in the accounts of the Society in the following circumstances:

- When the fair value of the tangible asset can be reasonably estimated
- When the tangible asset would be used in the normal course of the Organization's operation
- When the tangible asset would otherwise be purchased
- When the fair value of the tangible asset would otherwise be the amount paid by the Organization
- When the fair value of the tangible asset is in excess of \$10,000

All other gift-in-kind donations of tangible assets contributed to the Organization are not recorded in the accounts of the Society.



# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

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

#### Financial instruments

##### (i) Measurement of financial instruments

In accordance with Section 3856 of the CPA Canada Handbook - Accounting, the Society initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions, and it subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of revenues and expenditures.

Financial instruments measured at amortized cost include cash and cash equivalents, term deposits, accounts and grants receivable, and accounts payable and accrued liabilities. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

When a financial asset is originated or acquired or a financial liability is issued or assumed in a related party transaction, the transaction is initially measured at cost. The cost of the financial instrument in a related party transaction shall depend on whether the instrument has repayment terms. When the financial asset or financial liability:

- a) has repayment terms, the cost of the instrument shall be determined using the undiscounted cash flow(s), excluding interest and dividend payments, of the instrument less any impairment losses previously recognized by the transferor;
- b) does not have repayment terms, the cost of the financial instrument shall be the carrying or exchange amount of the consideration transferred or received.

For these related party transactions, the exchange amount shall be used when:

- i) the transaction has commercial substance
- ii) the change in the ownership interests in the related financial item transferred is substantive;
- and
- iii) the amount of consideration paid or received is established and agreed to by the related parties and is supportable by independent evidence.

Otherwise, the cost of the financial asset or financial liability resulting from a related party transaction is the carrying amount of the consideration transferred or received.

When the exchange amount is used and a gain, loss or measurement difference arises in a related party transaction, in the normal course of operations, the gain or loss is included in net income. When the carrying amount is used, any gain or loss is included in net assets directly.



# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

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

#### (ii) Impairment

Financial instruments measured at cost or amortized cost are tested for impairment when there are indicators of impairment, where applicable and determinable. The amount of the write-down is recognized in net income. The previously recognized impairment may be reversed to the extent of the change, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

#### (iii) Financial risk

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. These disclosures provide information that assist users of the financial statements in assessing the extent of risk related to financial instruments.

##### a) Credit Risk

The Society provides credit in the normal course of its operations. The credit risk arises from the possibility that the patrons, renters and clients to which the Society provides services may be unable and/or unwilling to fulfill their obligations. These risks are mitigated by regular monitoring of the debtor's payment history and following up on collections.

##### b) Market Risk

Market risk arises from the possibility of a negative impact on revenues due to a downturn in the economy, new competition entering the market, or extraordinary circumstances such as the Coronavirus (COVID-19) pandemic. These risks are mitigated by regularly monitoring market conditions. The Coronavirus pandemic did not have a negative financial impact on the organization as funding from the various funding organizations has continued. The financial impact of programming delays and cancellations is not expected to have a material negative impact in the foreseeable months ahead.

---

### 3. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance also includes \$77,190 (2020 - \$3,169) which is held in a separate restricted bank account for funds received from the Province of British Columbia as it relates to a Community Gaming Grant. The funds held in this restricted bank account is restricted by way of the Community Gaming Grant for specific programming for the upcoming season.

---

**RICHMOND GATEWAY THEATRE SOCIETY**

**Notes to Financial Statements**

**Year Ended June 30, 2021**

4. PROPERTY AND EQUIPMENT

|                                   | Cost              | Accumulated<br>amortization | 2021<br>Net book<br>value | 2020<br>Net book<br>value |
|-----------------------------------|-------------------|-----------------------------|---------------------------|---------------------------|
| Computer equipment                | \$ 7,810          | \$ 7,810                    | \$ -                      | \$ -                      |
| Computer software                 | 4,675             | 4,675                       | -                         | -                         |
| Office equipment and<br>furniture | 9,211             | 9,211                       | -                         | -                         |
| Theatre equipment                 | 131,132           | 92,069                      | <b>39,063</b>             | 20,329                    |
|                                   | <u>\$ 152,828</u> | <u>\$ 113,765</u>           | <u>\$ 39,063</u>          | <u>\$ 20,329</u>          |

5. DEFERRED OPERATING REVENUE

Deferred operating revenue as shown on the statement of financial position is represented by funds received in grants, sponsorships and other revenues for Society activities which are allocated to the subsequent accounting period, as determined by the Society. See also the revenue recognition accounting policies under note 2.

|   | <u>2021</u>       | <u>2020</u>       |
|---|-------------------|-------------------|
| Deferred operating revenue consists of funds received as it relates to: |                   |                   |
| Grants  | \$ 364,471        | \$ 201,833        |
| Artistic Offerings  | 2,993             | 1,050             |
| Education   | 13,550            | 16,415            |
| Sponsorships  | 18,500            | 3,500             |
|   | <u>\$ 399,514</u> | <u>\$ 222,798</u> |

Changes in the deferred operating revenue balance are as follows:

|   |                   |                   |
|---|-------------------|-------------------|
| Beginning balance of deferred operating revenue     | \$ 222,798        | \$ 452,177        |
| Less amounts recognized as revenue in the year      | (203,995)         | (451,127)         |
| Add amounts received relating to the following year | <u>380,711</u>    | <u>221,748</u>    |
| Ending balance of deferred operating revenue        | <u>\$ 399,514</u> | <u>\$ 222,798</u> |



**RICHMOND GATEWAY THEATRE SOCIETY**

**Notes to Financial Statements**

**Year Ended June 30, 2021**

6. PUBLIC SECTOR GRANTS

|  | 2021       | 2020       |
|--|------------|------------|
| Public sector grant revenue consists of amounts recognized in the year from the following organizations: |            |            |
| B.C. Community Gaming  | \$ 77,000  | \$ 84,000  |
| British Columbia Arts Council  | 53,610     | 34,000     |
| Canada Council for the Arts  | 70,724     | 50,000     |
| Human Resource and Skills Development Canada   | 4,340      | 11,337     |
| Department of Canadian Heritage  | 3,827      | 5,297      |
|  | \$ 209,501 | \$ 184,634 |

7. INTERFUND TRANSFERS

In the 2021 fiscal year, the board approved an interfund transfer of \$100,000 from the Operating fund to the Operating Reserve fund.

8. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Subscriptions:

The Society is committed under service agreements for service and software hosting services. Future payments on these agreements are as follows:

|      |           |
|------|-----------|
| 2022 | \$ 10,800 |
| 2023 | 10,800    |
|      | \$ 21,600 |

Operating leases:

The Society is committed under a lease agreement for equipment and maintenance. Future minimum lease payments on this lease, for the next five years, are as follows:

|      |           |
|------|-----------|
| 2022 | \$ 12,672 |
| 2023 | 12,672    |
| 2024 | 12,672    |
| 2025 | -         |
| 2026 | -         |
|      | \$ 38,016 |

# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

### 9. FUNDING FROM THE CITY OF RICHMOND AND ECONOMIC DEPENDENCE

The Society and the City of Richmond operate under an agreement which has a term of January 9, 2019 to January 8, 2024.

The City of Richmond owns the theatre in which the Society is located, and the property and equipment therein, with the exception of the property and equipment included in the Society's statement of financial position. The Society is economically dependent on the support of the City of Richmond. Total funding from the City of Richmond for 2021 was \$1,359,942 (2020 - \$1,346,610).

---

### 10. INVENTORY EXPENSED IN THE YEAR

The cost of inventory expensed in the year was \$2,304 (2020 - \$5,786).

---

### 11. REMUNERATION AND RELATED PARTY TRANSACTIONS

In accordance with the disclosure requirements of the Society Act of British Columbia, four employees whose total remuneration (including taxable and non-taxable benefits such as contributions to the employee's pension, medical and insurance plans, employer's portion of Canada Pension Plan and employment insurance contributions, and workers' compensation premiums) for the year exceeded \$75,000 per employee, received a total of \$349,945 (2020 - \$112,592) from the Society as remuneration for the fiscal year.

No remuneration was paid to Directors during the fiscal year.

The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related party.

---

### 12. EXTRAORDINARY EXPENDITURES DUE TO BUILDING RENOVATIONS

In the 2020 and 2021 fiscal years, the building facilities underwent a comprehensive renovation. Upgrades to the heat, ventilation and air conditioning (HVAC) systems, windows, electrical and mechanical systems, lighting, and the roof are being undertaken. The City of Richmond, which owns the building facilities, co-ordinated and paid for the renovations. The Richmond Gateway Theatre Society was not obligated for these costs; however, in the course of undertaking the renovations, the delivery of various programs were affected. This required the Society to pay for extraordinary expenditures such as the rental of facilities and additional technical crew to run various programs and academy classes. These expenditures have been disclosed in the statement of operations as extraordinary expenditures as the expenditures are viewed as not normal and incurred only as a result of the renovations. These expenditures were incurred to ensure the delivery of the various operating programs.

Extraordinary expenditures incurred by the Society due to the building renovations were as follows:

|                   | 2021            | 2020             |
|-------------------|-----------------|------------------|
| Facilities rental | \$ 3,000        | \$ 23,577        |
| Technical labour  | -               | 27,003           |
| Miscellaneous     | -               | 1,970            |
|                   | <u>\$ 3,000</u> | <u>\$ 52,550</u> |



# RICHMOND GATEWAY THEATRE SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2021

---

### 13. COVID-19 PANDEMIC

Since March 2020, the spread of the COVID-19 virus has resulted in governments enacting emergency measures to control the spread of the virus. As a result, the Society took precautionary measures to maintain the safety of staff, patrons, volunteers and students. The changes included cancelling productions, redesigning the artistic programs and ceasing the rental of the facilities.

As at the date of the signing the Auditor's Report, funding from various funding bodies has continued. As at the June 30, 2021 year-end, certain COVID-response funding is recorded in deferred operating revenue in accordance with the funders' grant guidelines.

It is not possible to reliably estimate the duration and severity of the COVID-19 pandemic, as well as its impact on the financial position and results of the Society for future periods. The Society's liquidity and ability to continue as a going concern is not expected to be materially impacted in a negative manner for the upcoming year, due to the continued support of funding bodies.

---





# GATEWAY THEATRE

6500 Gilbert Road  
Richmond, BC V7C 3V4  
604.270.6500  
info@gatewaytheatre.com  
gatewaytheatre.com

Annual Report design Copilot Design

Gateway Theatre *Stages of Bloom*,  
mural by visual artist Carmen Chan

