

2023 AGM Treasurer's Report

November 27th 2023
Andrew Law

The 2023 fiscal year saw a significant improvement in all areas including increased revenue of \$231,611 (vs \$94,420) and overall profit of \$51,951 (vs -\$92,897). This was primarily due to a focus on delivering productions, building a strong 2023/2024 season, and reducing administrative expenses wherever possible.

Other significant contributors to our bottom line included our costume loft revenue of \$38,705 and rental revenue of \$41,921. We were also able to continue the downward trend of professional fees to -\$13,943 (vs -\$48,000)

Our operational reserve and restricted accounts have been replenished to ensure both continuing operations and allocation of grants for stated purposes.

We have repaid our \$60,000 CEBA loan and received \$20,000 in loan forgiveness.

During the year, we also found ways of improving efficiencies for our volunteers and staff by purchasing two new POS terminals for the bar and costume loft. This has greatly reduced the amount of time for processing end-of-day transactions, tracking revenues, and paying GST, while improving security for credit card payments.

We also invested in a new computer for the box office, a new printer for the GM office, and greatly improved WIFI for the downstairs.

Our continuing use of Thundertix for ticket sales has also greatly improved efficiencies for sales and made it easier to track revenue per production.

Despite our best efforts at keeping production expenses low, our operational and administrative expenses continue to increase each year. These include annual insurance premiums of \$28,839 and utility expenses of \$13,623 for total administrative and facilities expenses of \$152,358.

I anticipate these fixed costs increasing for the next fiscal year, with insurance increasing at over 10% annually. The board has allocated a GIC, due in May 2024, to be used to cover the cost of next year's insurance premium.

Longer term, the use of ticket sales to cover operational costs for Langham is not sustainable.

Langham must pursue additional sources of revenue in order to cover both operational and capital costs. These must include an increase in ticket prices (to at least cover inflation), increased rental opportunities (at market prices), and relationship building with federal, provincial, and local community-granting organizations.