

September 18, 2017

Greetings,

Thank you for your interest in ACT Theatre. We are pleased to make available the audited financial statements for fiscal year 2016. Following this letter you will find the complete audit, prepared by the accounting firm of Clark Nuber, P.S.

The financial statement of ACT Theatre includes results for three separate, related entities: ACT Theatre produces and presents theatre; Eagles Theatre Center is the owner of the landmark building; ACT Foundation receives and invests endowment contributions for the benefit of ACT Theatre. Because the three organizations share some common board members and common management, the accompanying audited financial statements consolidate all three entities. **Pages 17 and 19** break out the performance of each entity.

ACT's operating results continued to improve in 2016, thanks in part to sale of Transfer Development rights and its Major Gifts Campaign. This allowed for needed investment in its landmark building (previously described), capacity building, and reduction of debt. Unrestricted Net Assets (before depreciation) improved by \$822,000 in 2016.

2016 was the first year of John Langs leadership and creative vision as Artistic Director. It was also Carlo Scandiuzzi's final year as Executive Director. ACT presented six productions as part of the Mainstage 2016 Season. Opening the season was the co-production musical with the 5th Avenue Theatre, *Assassins*, which ran 12 weeks. Running concurrently was the Aaron Posner play, *Stupid F#@*ing Bird*. The third production of the 51st season was the coming-of-age comedy, *The Mystery of Love & Sex* by Bathsheba Doran, followed by the world premiere of the Sean Devine play *Daisy* about the first ever political attack ad during the 1964 presidential election. ACT's fall show was *The Royale* by Marco Ramirez, based on the time during the Jim Crow era when Jack Jackson became boxing's first African American heavyweight champion. The well-known *Dangerous Liaisons* by Christopher Hampton closed the season.

In 2016, participation in Mainstage engagement events increased as programming also increased. Nearly 50% of nightly audiences attended post play discussions during our summer run of *The Royale*. Each production included Behind-the-



Scenes interviews, post-play discussion, cast chats, Tech Talks, and pre-show “dig deep” discussions about the themes in the plays.

The 41st annual production of *A Christmas Carol* surpassed its revenue goal by over \$100,000 making it the highest grossing “Carol” in its long history of productions at ACT. Each year close to 20,000 people visit ACT between Thanksgiving and New Year with their families to enjoy this wonderful holiday event. 2016 also included several sold-out pre-show backstage tours.

The ACTLab series was vibrant in 2016 with new and returning partners. Productions ranged from full-scale productions in our larger houses to small readings of new works in our intimate venues. The diverse programming included Endangered Species Theatre Project, Sandbox Radio LIVE, *Letters Aloud: Fame*, the continuation of The Seagull Project’s *The Great Soul of Russia*, The Construction Zone project, *14/48: The World’s Quickest Theater Festival*, *Buzzer* by AJ Epstein, the musical *Bad Apples*, eSe Teatro’s *Bernie’s Apt.*, *Things You Can Do with Live Girls!* Theater, The Love Markets, *Shenandoah* by Showtunes Theatre Company, the Icicle Creek New Play Festival, *Worse Than Tigers* with new theatre company RED STAGE, *The Holler Sessions*, Rachael Lincoln’s dance piece *an attic an exit*, and the return of *Ham for the Holidays* sketch comedy and variety show.

In 2016 we were also pleased to make capital improvements to the building. Thanks in large part to funding from the Building for the Arts Capital Grant Program, dedicated capital funds from foundations, and the sale of Transfer Development Rights, ACT replaced its HVAC system, house and work lights, assisted listening devices, front of house radios, added a closed-captioning system, and more.

ACT continues to invest in and develop its education programming. The Young Playwrights Program continues to bring teaching artists into area schools instructing students in the art of writing a script. Over 200 student plays are written each year and, of those, eight are selected to be performed in the Young Playwrights Festival in early spring.

In addition, the annual fundraising Gala was a tremendous success and ACT received several prestigious grants in 2016, elevating support for its strategic programs.

At the time of this letter, ACT’s 52nd season is at its midway point and the theatre



has had a successful start to the year having sold its remaining Transfer Development Rights and discharged more debt as well as meeting its budget goals to date. ACT is under new board leadership with Gary Houlahan as the Chair of the Board of Trustees; Michael Crystal, Treasurer/Finance Chair; Ross Henry, Vice Chair/Governance Chair; Jim Minorchio, Development Chair; Leslie Bernstein, Audience Development Chair; Bill Kuhn, IT Chair; Teresa Revelle, Secretary. Thank you for your interest and please let us know if you have any further inquiry about ACT Theatre's current and/or future financial plans.

Sincerely,



Becky Witmer, Managing Director

