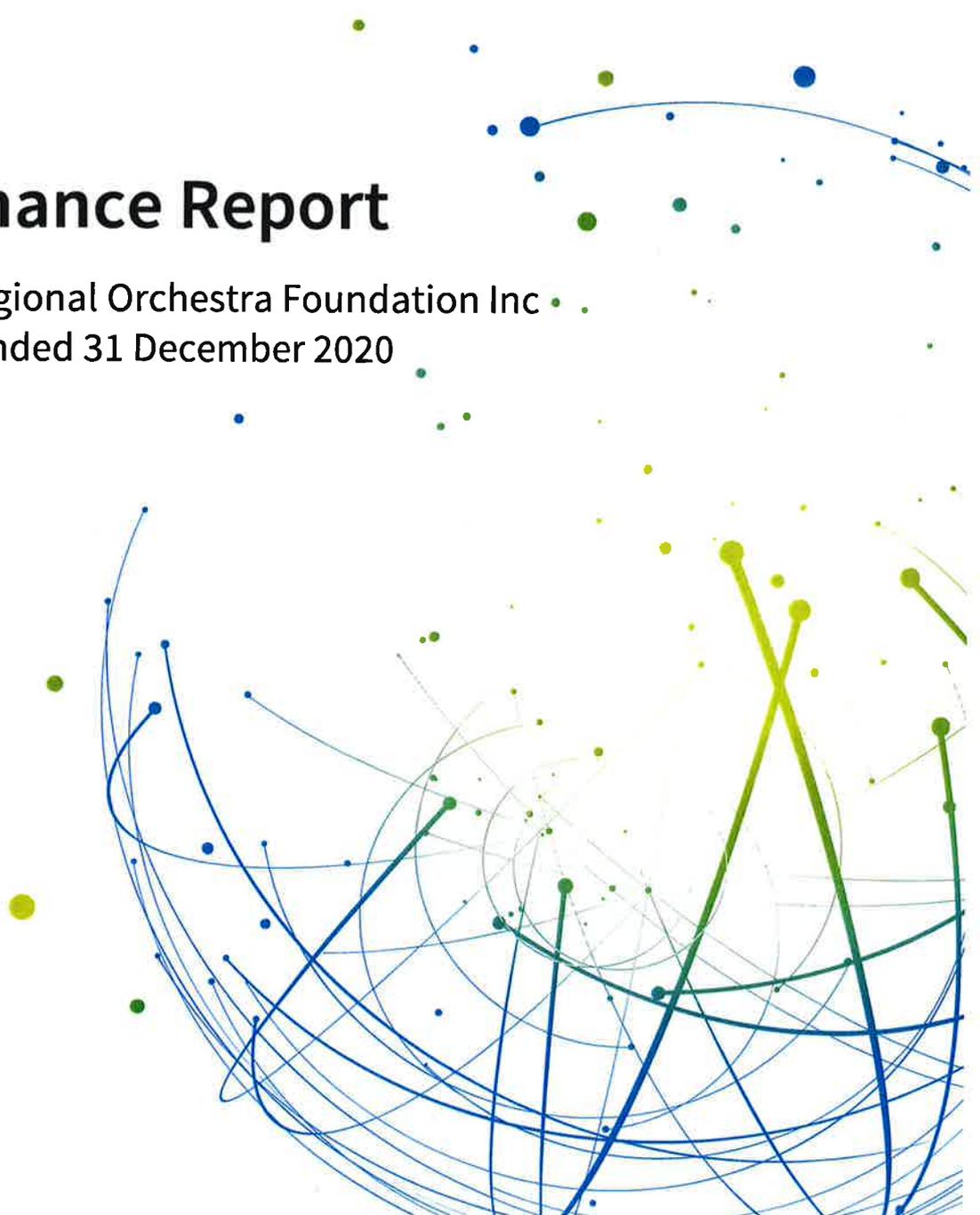


Performance Report

Wellington Regional Orchestra Foundation Inc
For the year ended 31 December 2020



Contents

3	Entity Information
5	Approval of Financial Report
6	Statement of Service Performance
7	Statement of Financial Performance
9	Statement of Changes in Equity
10	Statement of Financial Position
11	Statement of Cash Flows
12	Statement of Accounting Policies
13	Notes to the Performance Report

Entity Information

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

Legal Name of Entity

Wellington Regional Orchestra Foundation Inc

Other Name of Entity

Orchestra Wellington (trading name)

Entity Type and Legal Basis

Incorporated Society and Registered Charity

Registration Number

CC23685

Entity's Purpose or Mission

The primary function of Orchestra Wellington is to:

1. Provide essential orchestral "infrastructure" for Wellington, particularly by providing orchestral services to opera, ballet, choirs and other activities requiring live orchestral accompaniment.
2. Maximise community access to orchestral music as widely as possible, including through:
 - a programme of affordable self-presented concerts;
 - community based outreach through orchestral music, such as the Music to Schools and family programmes, and support for local Sistema initiatives.

Entity Structure

Orchestra Wellington is governed by the Board of Directors and has a small administrative team of 6 people (4.5 FTE) led by the General Manager. The Music Director and Concertmaster are contract positions, and all other musicians are employed as casual employees.

Main Sources of Entity's Cash and Resources

Orchestra Wellington receives core funding from Creative New Zealand and the Wellington City Council, and raises further funds from the Regional Amenities Fund as well as from trusts, foundations, sponsors and individual donors.

Main Methods Used by Entity to Raise Funds

Orchestra Wellington has a dedicated sponsorship manager (0.5 FTE) to raise funds through grant applications, donation campaigns, and relationships with corporate sponsors.

Entity's Reliance on Volunteers and Donated Goods or Services

Orchestra Wellington does not rely to a great extent on volunteers with the exception of the Board of Directors who are all volunteers.

Physical Address

Level 5, 40 Taranaki Street, Wellington 6142

Entity Information

Postal Address

PO Box 11-977, Wellington, New Zealand, 6142

Additional Information

Phone: 04 801 7810

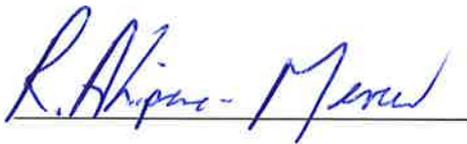
Website: www.orchestrawellington.co.nz

Approval of Financial Report

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

The Directors are pleased to present the approved financial report including the historical financial statements of Wellington Regional Orchestra Foundation Inc for year ended 31 December 2020.

APPROVED



Chairperson

Name Ray Ahipina-Merced

Date 8/4/21



Board Member

Name Murray Newman

Date 8 April 2021

Statement of Service Performance

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

Description of Entity's Outcomes

A vibrant programme of orchestral concerts in Wellington, our country's cultural capital. Thriving music programmes for children in low-decile schools and meaningful interactions between children and musicians.

	2020	2019
Description and Quantification of the Entity's Outputs		
Audience members experience the thrill of a live Orchestra Wellington performance at the Michael Fowler Centre in Wellington	12,964	11,944
Audience members experience the thrill of a live orchestral performance at the ballet and the opera	9,000	12,000
Wellingtonians experience orchestral music at free and low-cost shows for the whole family	25,724	20,154
Children from low-decile schools experience quality live music in their schools	3,524	11,538
Children from low-decile schools receive free music lessons (in-school and holiday programme)	275	456

Additional Information: Feedback

"We brought 68 children and young people to the Michael Fowler Centre in October, for the now legendary annual side-by-side concert with Orchestra Wellington. The best moment is when at last we are walking across the stage to play our pieces. Hearing thunderous applause from the audience makes the kids smile with relief and delight! Over the years Orchestra Wellington has built an appreciative, festive audience unlike other classical music audiences. Their kaupapa is aligned with ours, in that accessible ticket prices make music available to a huge sector of the public who might not otherwise find their way to this healing art form. One great comment came from a teenage violist: "I learned a lot". Just by being there, folded into the orchestra, she learned things about the music, her instrument and herself. That comment represents 68 little people who experienced joy, excitement, and wonder through this unique event." **Alison Eldredge, Director and Founder, Arohanui Strings**

"An hour of divine music, enthusiastic applause from the audience and out we went to a rather bleak Wellington afternoon. But something more profound had happened and again I wasn't the only one lifted by the event, my first live concert for nearly three months.

Live music matters to us in several ways. There's a visceral level, the physical pleasure of being there, hearing and feeling the music as it is made and experiencing the electricity between musicians and audience. There's an emotional level, this time the joyous gathering for a shared experience but also the very many emotions music allows us to feel as we listen. Tears ran down more than one cheek in that church. And there's a third level.

The live music experience has not only a visceral and an emotional impact. It brings a marvelous other dimension. Many of us do not participate in institutional religion, but music itself can seem essential to our spiritual well-being. It nourishes that something invisible – we might call it our soul." **Elizabeth Kerr, audience member at Amalia & Friends, the first concerts in Wellington in June, post-lockdown**

"It was so inclusive and community-focused. It was wonderful to see seasoned professionals sitting next to young children, and together producing music of such high quality, especially given the diversity of experience. Also Marc Taddei was so encouraging, and led us all with great skill and good humour. This event shows that 'classical music' is not just for one type of person – it's for everyone." **Participant in Beethoven's Big Birthday Bash, July 2020**

Statement of Financial Performance

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

	NOTES	2020	2019
Revenue			
Revenue			
Concert Takings & Programme Sales		303,257	268,060
Creative New Zealand		489,672	457,728
Grants & Donations	9	76,563	47,607
Miscellaneous Income		977	3,946
Sponsorship	10	103,560	212,852
User Fees		412,855	543,002
The Community Trust of Wellington		7,500	8,000
Wellington City Council Grants	11	288,291	282,380
Wellington Regional Amenities Fund		97,607	70,000
Total Revenue		1,780,282	1,893,576
Total Revenue		1,780,282	1,893,576
Less Direct Costs			
Direct Costs			
Amenities Orchestral		2,365	1,692
Artists' Expenses		14,301	15,637
Artists' Fees		151,710	160,282
Associate Conductor		1,800	-
Audition Expenses		1,269	2,315
Concert Promotion		63,413	56,529
Equipment Cartage/Freight		27,745	25,985
Hire Halls		116,306	149,890
Hire Music & Arranging		18,521	19,933
Hire Orchestral Equipment		13,805	8,319
Misc Orchestral Expenses		-	1,157
Player Fees		784,677	836,758
Production Accommodation		8,380	11,277
Production Staff		4,373	5,530
Production Transport		12,768	23,447
Rehearsal Venues		12,967	8,766
Ticketing Costs		17,493	23,997
VR Project		8,125	55,728
Total Direct Costs		1,260,017	1,407,242
Total Less Direct Costs		1,260,017	1,407,242
Gross Profit		520,265	486,334
Other Income			
Bad Debts Recovered		12,104	-
COVID-19 Wage Subsidy received (non assessable income)		137,318	-

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

	NOTES	2020	2019
Interest, Dividends & Other Investment Revenue		13,486	18,181
Total Other Income		162,908	18,181
Less expenses			
ACC Admin		4,379	3,521
Accountancy Fees		3,502	4,061
Amenities Administrative		666	701
Audit Fees		5,500	5,500
Bad Debts		1,000	12,978
Bank Fees		1,008	1,182
Board Meetings/AGM		771	639
Bookkeeping Fees		5,400	5,900
CD/Vinyl Purchases		2,385	586
Corporate Promotion		33,775	28,875
COVID-19 Wage Subsidy Paid		137,318	-
Depreciation		5,941	5,945
Funds Development		888	1,252
Insurance		5,800	5,645
IPayroll Fees		4,335	3,963
Maintenance Equipment		-	346
Maori/Pacific Internships		2,355	1,725
Miscellaneous Admin Expenses		2,189	1,807
Photocopying and Postage		5,709	3,758
Principals Meetings		2,436	393
Printing & Stationery		843	2,204
Programmes		3,198	2,494
Rental & Lease Payments		25,886	24,174
Staff Function		4,313	1,645
Staff Training/Consultancy		1,347	1,974
Subscriptions		960	699
Telephone		1,626	1,733
Travel & Accommodation		3,555	2,104
Website Expenses		4,681	811
Wages & Salaries		294,641	331,884
Total Less expenses		566,406	458,497
Surplus/(Deficit) for the Year		116,767	46,018

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Changes in Equity

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

	2020	2019
Equity		
Opening Balance	538,776	492,758
Increases		
Surplus/(Deficit) for the Year	116,767	46,018
Total Increases	116,767	46,018
Total Equity	655,543	538,776

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



Statement of Financial Position

Wellington Regional Orchestra Foundation Inc As at 31 December 2020

	NOTES	31 DEC 2020	31 DEC 2019
Assets			
Current Assets			
Bank and Cash / (Bank Overdraft)		881,037	655,815
Cash Float		50	50
Investments		424,639	413,800
Receivables	6	96,051	47,991
Total Current Assets		1,401,777	1,117,657
Non-Current Assets			
Property, Plant and Equipment	4	56,134	51,145
Total Non-Current Assets		56,134	51,145
Total Assets		1,457,912	1,168,802
Liabilities			
Current Liabilities			
Income Received in Advance		471,703	551,638
GST		17,353	40,190
Payables	17	153,312	38,198
Special Projects Reserve		160,000	-
Total Current Liabilities		802,369	630,026
Total Liabilities		802,369	630,026
Total Assets less Total Liabilities (Net Assets)		655,543	538,776
Accumulated Funds			
Accumulated Surpluses / (Deficits)		655,543	538,776
Total Accumulated Funds		655,543	538,776

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Cash Flows

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

	2020	2019
Cash Flow		
Cash Flows from Operating Activities		
Cash was received from:		
Cash Receipts from Operating Activities	1,830,661	1,942,608
Interest Received	13,486	18,181
GST	-	15,257
Cash was applied to:		
Payments to Suppliers and Employees	1,583,084	1,859,526
GST	14,091	-
Net Cash Flows from Operating Activities	246,971	116,520
Cash Flows from Investing and Financing Activities		
Cash was received from:		
Payments Received from Sale of Investments	-	-
Total Cash was received from:	-	-
Cash was applied to:		
Payments to Acquire Property, Plant and Equipment	10,931	7,000
Payments to Acquire Investments	10,839	13,800
Total Cash was applied to:	21,769	20,800
Net Cash Flows from Investing and Financing Activities	(21,769)	(20,800)
Net Increase / (Decrease) in Cash	225,202	95,720
	2020	2019
Cash Balances		
Cash and Cash Equivalents at the End of the Period	881,037	655,835
Less Cash and Cash Equivalents at the Beginning of the Period	655,835	560,115
Net Change in Cash for the Period	225,202	95,720

Statement of Accounting Policies

Wellington Regional Orchestra Foundation Inc For the year ended 31 December 2020

Reporting Entity

The Wellington Regional Orchestra Foundation Inc is an incorporated society under the Incorporated Societies Act 1908 and trades as 'Orchestra Wellington'. The Financial Statements have been prepared using generally accepted accounting practice. The Wellington Regional Orchestra Foundation is a registered charity with the Charities Commission established under the Charities Act 2005.

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Measurement Base

The general accounting policies recognised as appropriate for the measurement and reporting of results and the financial position unless otherwise stated is historical cost.

Notes to the Performance Report

Wellington Regional Orchestra Foundation Inc

For the year ended 31 December 2020

1. Grants and Sponsorship

Accounted for on an accruals basis, the income is recognised in the financial year in which the matching expenditure is incurred and the funding requirements have been met. Any funding for a specific event or concert will be recognised in the period of the concert or event.

2. Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

3. Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation. Depreciation is provided on a straight line basis on all tangible assets at rates calculated to allocate the costs, less estimated residual values over the estimated useful lives of the assets. The useful lives are:

Office Equipment: 5 - 10 years (8.5%-40%)

Office and Stage Furniture: 10 years (10%)

Musical Instruments: 5 - 10 years (0%-20%)

	2020	2019
4. Fixed Asset Summary		
Fixed Assets		
Admin Equipment		
Admin Equipment	28,552	28,552
Admin Equipment Accumulated Depreciation	(22,143)	(21,107)
Total Admin Equipment	6,409	7,445
Orchestral Equipment		
Orchestral Equipment	150,890	139,959
Orchestral Equipment Accumulated Depreciation	(101,165)	(96,259)
Total Orchestral Equipment	49,725	43,700
Total Fixed Assets	56,134	51,145
Total Fixed Asset Summary	56,134	51,145

5. Goods and Services Tax

These Financial Statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

	2020	2019
6. Receivables and Prepayments		
Trade and Other Receivables		
Accounts Receivable	3,036	1,150
Prepayments	58,919	46,841
Accrued Revenue	34,096	-
Total Trade and Other Receivables	96,051	47,991

Trade receivables are valued at expected realisable value after providing for doubtful and non-collectable debts.

7. Employee Entitlements

The liability for annual leave has been calculated on an actual entitlement basis at the current rate of pay.

8. Banking Arrangements

The Wellington Regional Orchestra Foundation Inc has a range of current and term deposit accounts at ANZ Bank New Zealand Limited, selected to match the availability of funds deposited to the expected future cash outflows while maximising interest income. For the purposes of these Financial Statements the balances of the bank accounts at ANZ Bank have been aggregated.

	2020	2019
9. Grants and Donations		
Other Private / Donations / Chair Donors & Sponsors	76,563	47,607
Total Grants and Donations	76,563	47,607

	2020	2019
10. Sponsorship		
Adams Foundations	15,000	15,000
Deane Endowment	11,000	15,000
Four Winds	4,000	5,500
Hutt City Council	4,000	4,000
Lion Foundation	5,000	8,000
Music to Schools	-	73,375
OMV New Zealand Limited	-	15,000
One Foundation	5,000	-
Public Trust	5,000	5,000
Pub Charity	3,310	5,000
Rainbow NZ Trust	1,250	1,600
Rule Foundation	-	4,000
Stout Trust	20,000	10,000
Todd Corporation	25,000	25,000
Turnovsky Trust	5,000	5,000
Wellington Airport	-	10,000
Wellington City Council	-	11,377
Total Sponsorship	103,560	212,852

	2020	2019
11. Wellington City Council Grants		
Annual Plan Partner Contract	288,291	282,380
Total Wellington City Council Grants	288,291	282,380

Wellington City Council and the Wellington Regional Orchestra Foundation Inc. have entered into an Annual Plan Partner Contract for three years commencing 1 July 2018 and ending 30 June 2021.

12. Board Remuneration

The members of the board of management for the Wellington Regional Orchestra Foundation Inc did not receive any fees (December 2019: Nil).

13. Related Parties

There were no transactions involving related parties during the financial year.

14. Going Concern Assumption

In approving these financial statements the Board considers the going concern assumption appropriate, the Board believe the Foundation will have sufficient cash flows to meet its financial obligations as they fall due. This assumption is based on consideration of the 31 December 2020 financial position and forecast financial performance for the 12 months following approval of these financial statements. The Board has a reasonable belief that this forecast will be met.

15. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

16. Debtors and Other Receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

An allowance for impairment is established where there is objective evidence the Orchestra Wellington will not be able to collect all amounts due according to the original terms of the receivable.

17. Creditors and Other Payables

Trade creditors and other payables are stated at cost.

INDEPENDENT AUDITOR'S REPORT

To the Members of Wellington Regional Orchestra Foundation Inc

Opinion

We have audited the performance report of Wellington Regional Orchestra Foundation Inc (the "Foundation") on pages 3 to 15, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2020, the statement of financial position as at 31 December 2020, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; and
- b) the performance report on pages 3 to 15 presents fairly, in all material respects:
 - the entity information for the year ended 31 December 2020;
 - the service performance for the year ended 31 December 2020; and
 - the financial position of the Foundation as at 31 December 2020, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report.

We are independent of the Foundation in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, 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.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Foundation.

Responsibilities of the Board Members for the Performance Report

The Board Members are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report, which comprises:

- the entity information;
- the statement of service performance; and
- the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and

- (c) For such internal control as the Board Members determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board Members are responsible for assessing the Foundation'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 the Board Members either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is 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 ISAs (NZ) and ISAE (NZ) 3000 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 decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. 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 Foundation'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 the use of the going concern basis of accounting by the Board Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation'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 performance report 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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the



- disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Members 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.

Restriction on Use

This report is made solely to the Foundation's members, as a body. Our audit has been undertaken so that we might state to the Foundation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and its members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature of the word "Crowe" in blue ink.

Crowe New Zealand Audit Partnership

CHARTERED ACCOUNTANTS

9 April 2021

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.

Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.
© 2021 Findex (Aust) Pty Ltd