

Annual Report 2023/2024

New Zealand Symphony Orchestra
Te Tira Pūoro o Aotearoa

Presented to the Hon. Paul Goldsmith
Minister for Arts, Culture and Heritage

For the year ended 30 June 2024





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The Board is pleased to present the Annual Report for the New Zealand Symphony Orchestra for the year ended 30 June 2024.

E harikoa ana te Poari ki te whakatakoto i te Pūrongo ā-Tau o Te Tira Puoro o Aotearoa mō te tau i oti i te 30 Hune 2024.

Carmel Walsh
Board Chair | Manukura
16 October 2024

Edwin Read
Chair: Audit Committee | Heamana
Komiti Arotake
16 October 2024



The NZSO: Our Vision, Mission, and Values

Te Tira Pūoro o Aotearoa: Te Whakakitenga, Whāinga Matua me ngā Uara

Our Vision

Tā Mātou Matakite

To be Aotearoa New Zealand's most loved entertainment brand.

Our Mission

Tā Mātou Whakatakanga

To delight, surprise and excite all New Zealanders through memorable musical experiences.

Our Values

Ō Mātou Uara

- **Fresh:** We play old music like it was written yesterday and inhabit new music in a way that is familiar.
- **Fearless:** We are not constrained by convention or location.
- **In Front:** We are world-class in everything we do.
- **He Herenga Whenua:** Inspired by, and connected to, this awe-inspiring country, we take excellence and turn it into a shared experience for all New Zealanders

Objectives of the Orchestra

Ngā Whāinga a te Tira Pūoro

Our Principal Objectives

The Act sets out our principal objectives in section 8:

- To provide the public of New Zealand with live and recorded performances of symphonic music performed to an international standard.
- To provide an orchestra that: - is highly skilled and artistically imaginative; - has strong community support.
- To be a leading New Zealand performing arts organisation with a role in the development of a distinctively New Zealand cultural environment.
- To promote and encourage New Zealand musical composition and composers.
- To provide performance opportunities for New Zealand musicians, whether as members of the Orchestra or as soloists.

We recognise that our role is more than delivering the requirements of the Act, we must also seek opportunities to deliver on the spirit of the Act and continue engagement with and respond to New Zealand's diverse communities through delivering valuable musical experiences onstage, in schools and within communities throughout the country.

We are committed to being a high-performing leader in the performing arts, culture and heritage sector. We aspire to represent the very best of the country's performing arts as New Zealand's national orchestra.

Functions of the Orchestra

Ngā Kawenga a te Tira Pūoro

Our Functions

The Act sets out our functions in section 9:

- To ensure that the Orchestra presents a broad repertoire of orchestral performance including New Zealand works and recent works.
- To encourage the development of New Zealand musicians.
- To encourage the development of New Zealanders' knowledge and appreciation of orchestral music.
- To develop and expand the audience of the orchestra on a national basis.
- To provide a touring orchestra (which may also include international performances).
- To carry out any other functions consistent with its principal objectives, as agreed to by the Minister after consultation with the Orchestra.
- To cooperate with other institutions and organisations having objectives similar to those of the Orchestra.

Our functions ensure an enduring focus on delivering a range of world-leading musical experiences. Additionally, we are mandated to actively support the growth of Aotearoa New Zealand's creative talent and arts, culture and heritage sector.



Minister's Expectations for 2023-2024

Te Reta nā te Minita mō ngā Kawenga

NZSO's performance during the reporting period considers current expectations of Minister for Arts, Culture and Heritage, Hon Paul Goldsmith, as incoming Minister from late-November 2023, and the incumbent Minister for the period, focused on the following key areas:

- Continuing with the transformation of the NZSO to broaden its appeal to all New Zealanders.
- Ensuring financial sustainability and building capacity to become a more diverse orchestra, reaching a wider audience.
- Reporting on progress with the National Music Centre following Government investment.
- Collaborating with the Ministry for Culture and Heritage on transitional reporting requirements as the NZSO shifts from a calendar to Crown financial year.
- Expanding New Zealand's global cultural presence, boosting creative export revenue and fostering greater local engagement with the arts.
- Leveraging Government investment to attract philanthropy, local government funding, corporate sponsorship and audience revenue.
- Supporting the development of the next generation of creatives, starting in schools, to ensure a sustainable creative ecosystem.



Board Chair Introduction

He Kupu Arataki



**Tēnā koutou, tēnei Te Komihana
Tauhokohoko e mihi ana ki a koutou katoa,
tēnā koutou, tēnā koutou, tēnā tatou
katoa.**

I am pleased to present the Annual Report for Te Tira Pūoro o Aotearoa | New Zealand Symphony Orchestra (NZSO) for the financial year 2023-2024, a year marked by both artistic achievement and significant financial challenge. The NZSO remains committed to delivering world-class performances and expanding our reach, while also addressing financial pressures faced by New Zealand and the cultural sector.

This past year, our strategic focus was on ensuring the NZSO continues to engage both loyal and new audiences with a wide range of programmes, despite obstacles posed by a difficult economic climate. We are proud of our ability to maintain artistic excellence through collaborations with international and local artists, celebrating the best of the classical canon while also championing Aotearoa New Zealand's young and diverse communities.

However, the impact of the current economic circumstances cannot be ignored. The financial deficit we faced this past year was driven largely by increased operational costs and a sector-

wide reduction in philanthropic funding, affecting our ability to meet certain revenue objectives. We also navigated a change in leadership this year with the departure of our chief executive and board chair. Despite these challenges, we continue to prioritise financial sustainability, working closely with our stakeholders to secure, maintain and enhance necessary support. Looking ahead, we will build on solid foundations and continue to leverage government investment, corporate sponsorship and audience engagement to bolster our financial resilience. We remain dedicated to fostering a sustainable creative ecosystem, nurturing the next generation of talent through education and outreach initiatives, and maximising opportunities presented by innovative commercial projects.

This report reflects the NZSO's ongoing commitment to artistic excellence and our determination to navigate the financial challenges ahead, ensuring the orchestra remains a national and international cultural beacon.

Ngā mihi,

Carmel Walsh
Board Chair | Manukura
Te Tira Pūoro o Aotearoa |
New Zealand Symphony Orchestra

NZSO Annual Report - 2023-2024

Pūrongo ā-Tau – 2023-2024

Executive Summary

He Whakarāpopoto Matua

This past year proved challenging financially, ultimately resulting in a \$549,404 deficit. The NZSO continues work to recover audience numbers and concert income post-pandemic, with positive trends now emerging. However, a difficult philanthropy and sponsorship environment has compounded the strain, as the organisation navigates rising costs in a high-inflation climate. In addition, one-off expenses, including those related to transitioning from a calendar to a Crown financial year, have impacted our financial position.

Despite these financial challenges, 2023-2024 marked a period of growth, innovation, and strategic outreach for the New Zealand Symphony Orchestra Te Tira Pūoro o Aotearoa (NZSO). The year's highlights include significant artistic achievements, broad audience engagement and a strengthened international presence. The NZSO exceeded its target for the total number of ticketed concerts, and the orchestra's commitment to education and community engagement continued to expand, while digital activities were critical in reaching wider audiences. The NZSO also deepened its partnerships with both national and international organisations, driving financial sustainability and reinforcing its artistic leadership in the region.

Artistic Programming

He Hōtaka Auaha

Key Achievements:

In 2023-2024, the NZSO delivered several artistic highlights that underscored its reputation for high-quality orchestral performances. Major projects included the much-anticipated *Mahler's Symphony No. 5* and *Mana Moana*, performed at Auckland's Spark Arena. *Mana Moana* represented a significant cultural moment, with over 7,000 attendees, most of whom were from Auckland's Pasifika community. This was a large-scale collaborative project with the Signature Choir and other Pasifika artists, reinforcing the NZSO's commitment to cultural inclusivity.

The *Mana Moana* album was launched during the show on all major streaming platforms through Precise Digital, a distribution company particularly strong with Pasifika artists. The album went straight to number 10 in the Official NZ Music Charts and remained there for several weeks.

Another major highlight was *Beyond Words*, an extraordinary cross-cultural project developed in collaboration with New Zealand's Muslim community, which culminated in a series of performances in Christchurch, Wellington, and Auckland. *Beyond Words* celebrated unity and peace, commemorating the fifth anniversary of the Christchurch Mosque attacks and drawing in new, more diverse audiences.

"The journey of this project has been the most harrowing, inspiring, and life-changing of my experience as a composer and as a person. What we created and delivered was a singular experience for audiences. For me, it was a privilege to be a part of it. It's been the most significant and humane project I've been involved in." - **Composer John Psathas**



“It’s been a huge blessing to see the shaping and coming together of this project but it’s also staggering how the time has passed and how swiftly this precious gift has come and (seemingly) gone... Ashraf made a remark that it was as if this programme and this creation was not being done for us or to us, but with us. Ashraf’s comment rings true for me, and it may well mark one of the special qualities in the “Beyond Words” programme and in John’s Ahlan wa Sahlan: that someone and some group comes to a place and listens and hears. Listening and hearing do not always happen. It’s my feeling that we have had many talk to us over the last five years.” - Tony Green, Christchurch Muslim community leader

“It is one of the best initiatives the NZSO has ever done.... I was proud to be part of the NZSO family” - Senior NZSO player

These performances further advanced the NZSO’s role as a leader in presenting both established and emerging works.

2023-2024 Season Overview:

The year also saw the orchestra pushing artistic boundaries with less familiar repertoire, such as *Bluebeard’s Castle* and *Become Ocean*. While these projects were critically acclaimed, they struggled to meet ticket sales expectations; they have since been recognised as an important artistic investment in the orchestra, given the complexity of the music and authority of the conductors on the podium. However, more popular concert tours like that featuring the NZ debut performances of superstar violinist Anne-Sophie Mutter, attracted solid audience numbers, media acclaim and achieve the requirements of the New Zealand Symphony Orchestra Act 2004 to deliver at an international standard.

One of the most successful new partnerships was with the orchestra’s Australian counterparts, where shared artist engagements significantly reduced costs and helped offset the rising expenses associated with international guest performances. This collaboration also helped reduce the NZSO’s carbon footprint, aligning with its sustainability goals for the period.

Future Plans:

As the 2025 season approaches, the NZSO focused on securing high-profile international artists and delivering more world-class performances. Major orchestral projects such as Mahler’s Symphony No. 6 and new commissions are expected to continue drawing large audiences. The NZSO’s plan to share artists with Australian orchestras and prioritise environmentally and financially sustainable practices remain a key part of its strategy moving forward.

Throughout the season, the NZSO will collaborate with renowned international soloists and conductors, including Daniil Trifonov, Joyce DiDonato, and Simone Young. Also included on the artistic roster for 2025 is German conductor André de Ridder, whose performances with the NZSO the past two years were celebrated by audiences and musicians of the orchestra alike; we look forward to exploring how we may build upon this artistic partnership in coming years. The focus on creating new music also remains strong, with the orchestra presenting several world and domestic premieres, such as Guillaume Connesson’s Flute Concerto No. 2 and a variety of New Zealand commissions.

Commerical and Partnerships Ngā Hononga Pakihi

The 2023-2024 season was particularly strong for NZSO's commercial activities. The *Mana Moana* project grossed \$107,134, while commercial recording projects exceeded expectations, including significant contracts with award-winning international and New Zealand composers. The orchestra's ability to attract new revenue streams from recording sessions, livestreaming, and partnerships was crucial in offsetting budget shortfalls in other areas. We have every expectation of this becoming a growth area for the NZSO and are investing significantly in the infrastructure and expertise necessary to succeed in global markets.

In addition to its regular concert series, the NZSO began exploring new revenue opportunities through commercial contracts, such as a collaboration with Air New Zealand to include *Storytime* content in its in-flight entertainment catalogue. New film recordings were produced in te Reo Māori and New Zealand Sign Language (NZSL) and featuring local celebrities, with composition by celebrated New Zealand composer Claire Cowan, to deepen young audiences' connection to symphonic music and enhance accessibility to the orchestra. This cross-promotional initiative with our national carrier allows the NZSO to showcase its educational offerings to a broader, global audience, reinforcing brand visibility.

The NZSO also played an integral role in the production of *Saving Bikini Bottom: The Sandy Cheeks Movie*, with the orchestra led by Principal Conductor-in-Residence Hamish McKeich. The film's music, composed by members of *The Phoenix Foundation*—Lukasz Buda, Conrad Wedde, and Samuel Flynn Scott—was orchestrated by Claire Cowan. *The Phoenix Foundation* had previously collaborated with the NZSO for live concerts in 2018 and on the band's 2020 album *Friend Ship*, further strengthening their creative partnership in this project. NZSO Concertmaster Vesa-Matti Leppänen also featured as the soloist for the poignant piece "Memories," adding a distinctive artistic touch to the film's score.



The film achieved remarkable success following its release, quickly rising to become a global hit. The film debuted at No. 1 on Netflix during the week of July 29 to August 4, 2023, and continued to hold the top position for a second consecutive week from August 5 to August 11, making it the most-viewed film across all Netflix territories during that period. It remained in the global top 10 for three weeks, amassing over 6.2 million views.

This collaboration highlights the NZSO's versatility and expertise in film scoring, while also elevating the orchestra's international profile through its contribution to a globally successful film.

Other successful partnerships included collaborations with Live Nation, Signature Choir, as well as a successful season performing Swan Lake with the Royal New Zealand Ballet. These initiatives solidified the NZSO's presence both domestically and abroad, positioning the orchestra as a leader in the international orchestral scene.

The NZSO continued on its Te Tiriti journey through a bicultural partnership with artist Tāme Iri and Te Whare Wānanga o Awanuiārangī. *Tāwharautia Mataatua* was a collaboration of music, performance and storytelling at Whakatāne Heads and featured the orchestra performing with singers Whirimako Black, Maisey Rika, Laughton Kora and storytelling by Tāme Iri and a group of local Māori performers. This free event attracted more than 2500 people and was heralded as a resounding success and cause for optimism.

"This is what happens when an agency is unafraid of te reo Māori. Absolute magic happens. An amazing amalgam of orchestral music with ancient, traditional Māori arts. To hear some of the compositions that are over 300 years old accompanied by orchestral music, you would think they were composed to be performed that way." - **Professor Wiremu Doherty, CEO of Te Whare Wānanga o Awanuiārangī**



Audience Engagement and Ticketing

Te Whakaminenga me ngā Tikiti

Ticket Sales:

The NZSO's focus on ticket sales optimisation resulted in overall success for the 2023-2024 season, despite some fluctuations in attendance for concerts with lesser-known works. Total season ticket sales exceeded targets by \$74,000, driven largely by dynamic pricing strategies and e-ticketing initiatives that streamlined the customer experience. Highly anticipated concerts, including the *Winter Festival* and the *Mana Moana* event, performed particularly well, with *Mana Moana* becoming one of the highest-grossing events of the year.

The NZSO also launched Select Your Own Seat and E-ticket programmes, both of which align the orchestra with external ticketing agencies and remove barriers that might stop customers from becoming Members. These initiatives also create significant efficiencies and save staff time spent on seating, processing and mailing out tickets.

Digital Engagement:

NZSO's digital platform, NZSO+, saw notable growth, with a 30.7% increase in monthly recurring revenue and nearly 1000 active subscribers by the end of the financial year. Throughout the year, the NZSO released several successful livestreams, including a particularly well-received *Beyond Words* concert stream, which garnered more than 2,500 views in its first 48 hours.

Several innovative partnerships were established during the year, most notably the cross-promotional partnership with European-based classical music video streaming service, Symphony.live. This initiative expanded NZSO+ subscribers' access to a global streaming platform, providing an additional 4,000 Symphony.live users access to NZSO concerts. This helps increase subscriptions to the NZSO+ digital platform and offers new opportunities for international audience growth.

The NZSO continues to build its digital presence across social media platforms. Facebook reach increased by 12.3%, with over 1.3 million engagements, while Instagram followers grew by 4.2%. One of the orchestra's most successful digital campaigns was the Georges Bizet *Composer Birthday* series, which went viral on Instagram, reaching over 1.9 million views.

Audience Development:

The NZSO placed a strong emphasis on community outreach and audience development. Projects, like the *Creative Music Workshops* and the *Open Doors* initiative, brought the orchestra to underrepresented communities across New Zealand. This effort was especially evident in the *Paddington Bear™* concerts, which featured NZSL-interpreted performances for the deaf community. In total, these educational programmes reached over 34,000 participants across the country.

Through these initiatives, the NZSO was able to strengthen relationships with diverse communities and expand its reach beyond traditional concertgoers. The relaxed and accessible concert formats allowed for greater inclusivity, helping to introduce the NZSO to new audiences, including children, neurodivergent individuals and those with physical disabilities.

Education and Community Engagement Ngā Akoranga me te Hononga Hapori

With more than 250 live or digital education and community engagement events delivered to more than 15,000 participants, the development of a strategic plan focused on schools, young musicians and communities led to substantial growth in live and digital engagement, increasing access to orchestral music across the country.

Four key initiatives stood out for the year: the appointment of the NZSO's first Animateur Chris Lam Sam, the launch of the *NZSO Online Classroom Sessions*, a new broadcast initiative in prisons, and the introduction of the *Master of Fine Arts* programme in partnership with Te Kōki New Zealand School of Music.

NZSO Animateur:

In January 2024, the NZSO welcomed Chris Lam Sam as its first full-time Music Education Animateur. This role engages audiences with symphonic music in new and dynamic ways while assisting NZSO musicians to develop outreach techniques and capabilities. Within months, Chris already began to expand the NZSO's geographical reach, fostering a stronger connection with diverse communities across Aotearoa New Zealand.

The *Setting Up Camp 2024* project launched the NZSO's Animateur programme for audiences and was framed around the innovative educational methods of guest Animateur Rachel Leach from the London Symphony Orchestra. This initiative, running throughout May and June 2024, was designed to introduce a world-leading approach to creative workshops, school group activities and concert performances.

NZSO musicians gained valuable experience through creative educational activities led by Leach, an internationally recognised pioneer in music education. These workshops provided new perspectives on engaging with young audiences and creative performance techniques.

The Education Team also had the opportunity to learn from her expertise and helped adapt her methods for New Zealand audiences. This experience supports the shaping of the Animateur role within the NZSO's community outreach efforts.

By hosting observers from Auckland Philharmonia and Sydney Symphony Orchestra, the NZSO also demonstrated leadership in orchestral education and solidified its reputation as the premier centre of orchestral excellence in Australasia.



NZSO Online Classroom Sessions:

The *NZSO Online Classroom Sessions* provide an innovative way for students across Aotearoa New Zealand to connect with the orchestra. More than 20 live Zoom sessions were offered to school groups in the year, including to many in remote areas of the country. These sessions included performances, introductions to the orchestra and interactive Q&A segments, helping students engage directly with NZSO musicians. This initiative significantly expanded the orchestra's reach, nurturing a love for symphonic music among young learners with limited access to live performance.

Broadcasts in Prisons:

In a landmark partnership with the National Office of Ara Poutama Aotearoa Department of Corrections, NZSO video-on-demand content is available in 18 correctional facilities (three women's and 15 men's prisons) across New Zealand through their internal television broadcast system. Over 8,500 inmates can view the stream of the NZSO and Signature Choir *Mana Moana* concert performance, supplied with rights for the calendar year. This is an effective cost-neutral way to further the NZSO's mission of accessibility by bringing orchestral music to diverse and often overlooked audiences.

Master of Fine Arts:

The introduction of the *Master of Fine Arts* programme, in collaboration with Te Kōki New Zealand School of Music, represents a significant step forward in the NZSO's commitment to nurturing young talent. In 2024, three students were selected for the Orchestral Studies strand, which included internships with the NZSO, offering professional development opportunities and hands-on experience in performance and educational workshops.

Alongside these new initiatives, the NZSO continues to support established programmes such as the *NZSO National Youth Orchestra*, *Todd Young Composer Awards*, and the *NZSO Foundation Masterclasses*. The orchestra also expanded its *Emerging Artists* and *Conducting Fellowship* programmes, ensuring continued support for the next generations of instrumentalists, composers and conductors.



Fundraising and Philanthropy

Te Kōhi Pūtea me te Takohanga

Despite a challenging fundraising landscape, the NZSO increased revenue for key projects through a combination of individual donations and contestable grants from trusts and foundations. Corporate sponsorship also stabilised for the period amidst wider volatility in the funding environment. Much of this is thanks to expansion of strategic outreach efforts and strong project alignments.

The NZSO's success in securing funding was supported by a variety of initiatives across artistic, educational and community programmes. These projects built compelling cases for donor and grant support, reinforcing the orchestra's impact and community reach. A key development in this area was the launch of *NZSO Fortissimo*, a donor programme that, over two years, has generated a minimum of \$125,000 annually. These funds are vital in contributing to international artists' fees, creating a strong foundation for ongoing philanthropic support. By attracting world-class artists who engage enthusiastic audiences, *NZSO Fortissimo* cultivates a sense of ownership and pride among the orchestra's most generous patrons.

Donors and members also become more closely connected to the NZSO's education and community initiatives through the visibility of Chris Lam Sam, the orchestra's first full-time Animateur. His work in developing and leading projects, such as the Schools' Concert tours, provides donors with firsthand insight into the NZSO's commitment to audience development and professional growth for young musicians and audiences. Long-term investment from The Adam Foundation continues to sustain the NYO programme, while ongoing support from the Todd Trust has bolstered both the *NYO Composer in Residence* and *Todd Young Composers* programmes, the latter of which celebrates its 20th Anniversary this year. Additionally, The Fame Trust has committed to supporting core costs for the Emerging Artists showcase, ensuring the ongoing success of this vital initiative.

Despite our optimism, the fundraising landscape is likely to be stretched for the foreseeable future, with continued high living costs affecting discretionary household income, significant job losses—particularly in Wellington—and delayed returns on investments. Increased demand on contestable funding from trusts and foundations also reduce funds available for distribution. Conversations with other arts partners confirm that many across the sector are facing difficulties in all areas of fundraising, with corporate revenue being most notably impacted as a diminishing source of support.



National Music Centre Te Pokapū Puoro ā-Motu

Developing the National Music Centre is a collaboration between NZSO, Victoria University of Wellington's Te Kōkī New Zealand School of Music and Wellington City Council.

The project centres around delivering fit-for-purpose facilities in the seismically strengthened Wellington Town Hall (Stage ONE) and the adjacent Municipal Office Building or its replacement (Stage TWO). Together, these will create a base for a new national music centre and the first ever permanent home for the Orchestra. For the NZSO this includes considerable investment in the fabric of the buildings to elevate and modernise concert experiences; the construction of acoustically treated spaces and specialist facilities; and the building of world-class audio recording studios to help attract film scoring and other recording business to the NZSO.

The NZSO advanced several important elements of the National Music Centre project during the reporting period.

Town Hall Fitout:

Several design and configuration adjustments were made to the NZSO's spaces in the Town Hall basement to accommodate Wellington City Council-driven user enhancements. Additionally, we reviewed our staging requirements and riser designs and initiated the tender process for procuring a stage lift.

Recording Studios Development:

Progress continued on advancing technical capabilities, with the second stage of the communications and control system installation completed. The design and configuration of the corporate network and backbone also commenced. Furthermore, we made significant progress in procuring recording hardware, placing orders with key suppliers.

Stage Two Development:

Concept design and test-fits were initiated for options as part of the Stage Two development, with further plans to refine and finalise these designs in the coming stages.



Organisational Health and Capability

Te Ora me te Āheinga o te Whakahaere

Personnel Policy

Te Kaupapa Here mō ngā Kaimahi

The NZSO remains committed to ensuring a diverse, highly committed and engaged workforce, through a focus on equity, inclusion and best practice approach.

Every year in the Annual Report, the NZSO includes a workplace profile covering headcount, age ranges, gender and length of service.

Health, Safety and Wellbeing Environment

He Haumarū me te orangea Hauora

The NZSO strives to provide employees with a healthy and safe working environment.

Reporting of hazards is strongly encouraged, with systems in place to ensure harmful impacts are minimised, and process improvements identified.

Employees receive regular information regarding health and safety and wellness initiatives, and employee involvement and representation from across the organisation are active and productive.

Recruitment, Selection, and Induction

Te Kimi, te Kōwhiri, me te Uru Kaimahi

The NZSO is committed to providing equality, diversity and inclusion of opportunity in employment opportunities; we ensure:

- All permanent positions are advertised externally to attract a wide range of candidates and build capacity and talent required for key roles.
- The best candidates are appointed to positions after following a stringent selection process.
- The orchestra ensures that diversity is achieved, where appropriate, on all appointment panels. For the selection of musicians, all applicants are invited to audition, and to ensure impartiality, the first and second rounds of auditions are held behind screens.
- The NZSO provides a structured and formalised induction process for new employees.

Flexibility and Work Design

Te Pīngore me te Hoahoa o te Mahi

- The NZSO recognises that both the organisation and employees can benefit from flexible working practices, family-friendly initiatives, and other assistance to employees to achieve work/life balance.
- The NZSO seeks workable solutions to help employees achieve work/life balance while at the same time fulfilling the organisation's business and operational needs including the demands of the unique working environment of musicians in an orchestra.

Leadership, Accountability and Culture

Te Ārahitanga, te Kawenga Haepapa, me te Ahurea

The NZSO has a commitment to consultation to enable employees to participate in decision making. Consultative committees are set up to ensure regular consultation with employees.

These include:

- Players' Committee – the representative voice to the NZSO's Board and Executive Leadership of those players who are members of the E tū union
- Health and Safety Committee
- Artistic Forum – ensuring player input into the artistic planning process
- Environmental Action Group – advises the CEO and wider organisation on progress towards the NZSO's sustainability mandate
- Education Committee

Employee Development, Promotion and Exit

Te Whakawhanake, te Whakapiki, te Wehe hoki o te Kaimahi

- Employee remuneration is regularly reviewed, and training and development opportunities are prioritised for all employees.
- The NZSO undertakes six monthly performance management feedback for all support staff and provides an annual professional development system for its players.
- The NZSO also has a structured and formalised exit procedure process in place.

Remuneration, recognition and conditions

Ngā Utu, Te Tuku Mana, me ngā Āhuatanga mahi

- The majority of NZSO musicians are employed under a collective employment agreement.
- The NZSO negotiates with the E tū union, adhering to the principles of good-faith bargaining.
- The NZSO provides fair and reasonable terms and conditions of employment with many entitlements exceeding the statutory minimum as set out in New Zealand legislation.
- The Board of the NZSO consults with the Public Service Commission with regards to the review and remuneration of the CEO.



Remuneration in Bands

	Actual 2024*	Actual 2023*
\$100,000 - \$110,000	13	11
\$110,000 - \$120,000	6	19
\$120,000 - \$130,000	28	16
\$130,000 - \$140,000	3	2
\$140,000 - \$150,000	2	3
\$150,000 - \$160,000	2	1
\$160,000 - \$170,000	1	-
\$170,000 - \$180,000	1	1
\$180,000 - \$210,000	-	-
\$210,000 - \$220,000	-	1
\$220,000 - \$230,000	2	2
\$230,000 - \$320,000	-	-
\$320,000 - \$330,000	1	1
Total	59	57

* Figures as at 30 June of each year.

Harassment and Bullying Prevention

Te Kaupare i te Whakatiwheta me te Whakaweti

- The NZSO is committed to providing a safe workplace that is free from harassment and bullying. All employees are required to behave appropriately in the workplace, and the NZSO's values are discussed at recruitment, onboarding and at staff forums to promote how we expect employees to behave.
- Policies are regularly reviewed and updated, and training is developed to promote awareness of standards, expectations and what to do if someone experiences or witnesses inappropriate behaviour.

Policy Review

Te Arotake Kaupapa Here

The NZSO continues to review all internal policies.

The aims of the review are to:

- Align policies with the NZSO's Vision and Mission.
- Ensure best-practice operations and risk management warrant compliance with current New Zealand legislation.

Workplace Profile

Te Hanga o te Wāhi Mahi

- The following tables show the workplace profile covering length of service, age ranges and gender for the NZSO musicians and support team as at 30 June 2024.
- The NZSO has an establishment of 122 full-time equivalent staff (FTEs) with 83 players and 39 management team members. As at 30 June 2024, there were 10 vacancies – 7 within the player cohort and 3 within the management team.

Length of Service

	Players	Mgmt Team	Total
0-5 years	19	31	50
6-15 years	16	8	24
16-25 years	20		20
26-35 years	24		24
36+ years	4		4
Total	83	39	122

Age Ranges

	Players	Mgmt Team	Total
0-25 years	0	1	1
26-35 years	14	14	28
36-45 years	22	7	29
46-55 years	20	9	29
56-65 years	21	8	29
66+ years	6		6
Total	83	39	122

Gender

	Players	Mgmt Team	Total
Male	41	15	56
Female	41	24	65
Other	1		1
Total	83	39	122
Total	83	39	122

Gender for Senior Roles

	Players (Section Principals and above)	Management Team (Senior Manager to CE)	
Male	13		3
Female	4		8
Other			
Total	17		11

Board and officers' liability insurance

The NZSO has arranged policies of “Directors’ and Officers’ Liability Insurance” which ensures that generally board members and officers will incur no monetary loss to the limit of indemnity of \$3,000,000 in the aggregate for all loss, as a result of actions undertaken by them as board members or officers. Also related to costs and expenses in the aggregate of \$2,000,000.

Employee Insurance

NZSO provides a subsidy to players of at least 40% of the cost of insurance premiums for musical instruments owned and used by them in relation to their employment with the NZSO.

Organisational Structure Te Hanga o te Whakahaere

The New Zealand Symphony Orchestra is an autonomous Crown entity. The Board of the NZSO appointed Kirsten Mason as Acting Chief Executive Officer in April 2024.



Governance Statement

He Tauākī Kāwanatanga

Governing Board

Te Poari Whakahaere

The Board is appointed by the Responsible Minister (the Minister for Arts, Culture and Heritage) and is comprised of seven non-executive members.

The appointments are made having regard to the need for members to have among them appropriate governance skills and an awareness of artistic matters relevant to the role of the Board. The Board meets regularly in accordance with a schedule prepared before the start of each year.

Board Remuneration

Ngā Utu a te Poari

Board remuneration is set by the Minister consistent with the guidelines set by the Public Service Commission and Cabinet Office guidelines.

Board member remuneration received or due and receivable during the period covered by this report is detailed below:

	Actual 2024 \$000	Actual 2023* \$000
Ainsley Walter	19.6	12.0
Christopher Finlayson	13.5	6.8
Claire Szabo	13.5	6.8
Carmel Walsh (Chair)	16.7	6.8
Edwin Read	13.5	6.8
Kaine Thompson	13.5	-
Wilma Smith	13.5	6.8
Total	103.8	46.0

*six months to 30 June 2023

Ainsley Walter was Board Chair until April 2024

Carmel Walsh was appointed as Board Chair effective April 2024

Christopher Finlayson's appointment ended June 2024

Kaine Thompson was appointed July 2023

Board Audit Committee

Te Kōmiti Arotake o te Poari

The Audit Committee comprises three Board members and one independent member. The Committee reports to the Board. The purpose of the Committee is to assist with the Board's responsibilities for financial reporting and regulatory compliance.

Board Delegation to the Chief Executive

Te Kanohi o te Poari ki te Tumu Whakarae

The Board has been authorised by the Responsible Minister to manage the business of the NZSO and has delegated the day-to-day operational authority to the Chief Executive Officer (CEO).

The CEO's terms and conditions of employment are determined by the Board in consultation with the Public Service Commission. The CEO's remuneration for the year is included in the notes to the financial statements.

An Acting CEO arrangement has been in place since April 2024.

Management

Ngā Kaiwhakahaere

The Executive Leadership Team (ELT) meets fortnightly to discuss and determine strategic and key operational issues. The ELT positions reporting to the CEO are Director: Orchestra Delivery; Director: Artistic Planning; Director: Finance and Corporate Services; Director: Fundraising and Commercial; NZSO Concertmaster.

The remuneration of the ELT is set by the CEO in consultation with the Chair of the Board. The cumulative total for key management personnel compensation is included in the notes to financial statements.

Delegated Financial Authorities

Ngā Mana Ahumoni kua Tohua

The Board has approved a policy for the delegation of financial authority to staff of the NZSO. All operational spending is monitored through a budget system that is approved by the Board before the commencement of the financial year.

The CEO and appropriate key personnel hold delegated authorities and in turn may delegate part or all or a specified area of their budget to a direct report to them. However, key personnel delegated authority by the CEO will retain overall responsibility for the budget.



Statement of Responsibilities

He Tauākī o ngā Haepapa

The Board of the New Zealand Symphony Orchestra is responsible for the preparation of the financial statements and statement of service performance and for the judgements in them.

The Board is responsible for any end-of-year performance information provided by the New Zealand Symphony Orchestra under section 19A of the Public Finance Act 1989.

The Board is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, the financial statements and statement of service performance fairly reflect the financial position and operations of the New Zealand Symphony Orchestra for the year ended 30 June 2024.

Statement of Service Performance to 30 June 2024

He Tauākī o ngā Mahi

The NZSO's purpose is to deliver on its principal objectives and functions as detailed on pages 2 and 3. We are committed to cultivating Aotearoa New Zealand's arts sector by upholding our social responsibilities, championing musical excellence, and engaging with audiences and communities for a sustainable future. All New Zealanders benefit when the arts sector is thriving.

The following strategic priorities and associated non-financial measures assist in tracking our progress and collectively form our Statement of Service Performance, provided here for the 2023/24 financial year on pages 24 to 26. All of the NZSO's services are provided under one output class – Arts, Culture and Heritage – Performing Arts Services.

The service performance information aligns with the orchestra's planned progress towards more integrated reporting designed to improve the visibility and relevance of information about the NZSO's activities for audiences, musicians, artists, government, funders, the community and other stakeholders.

Changes to Measures

The performance of the NZSO is measured across four key areas as follows and as set out in the NZSO's Statement of Intent: 2021–2024:

Many of the measures under each strategic priority were reconsidered in terms of FRS 48 qualitative and quantitative characteristics when establishing the 2023/24 Statement of Performance Expectations, which this document reports against. A summary of these considerations and associated changes are included under each strategic priority below.

The NZSO: Playing a leading role in rebuilding New Zealand’s social infrastructure, including social and economic well-being, during the COVID-19 recovery period.

- The measure for the number of collaborations and partnership activities was removed due to the difficulty in tracking, given the orchestra’s many collaborative efforts. It was replaced with a more verifiable and consistent measure: the number of ticketed concerts, performances, and events.
- Number of concerts and audiences attending was split into ticketed concerts and education & community engagement performances to increase verifiability and relevance.
- Number of geographic centres wording expanded to increase comprehension.
- Education and community measures expanded from one basic measure to four to give greater presence, relevance and to increase comprehension.

The NZSO: Future-proofed, resilient and relevant.

- Two digital measures were revised to focus specifically on NZSO-owned channels, rather than general streaming and social media engagement, reflecting the maturation of the NZSO’s systems.

The NZSO: Delivering internationally renowned quality and orchestral leadership.

- The artistic excellence survey was removed as a measure as it was considered to be too subjective in terms of measurement achievement.
- Number of New Zealand and new New Zealand works extended to include streamed works, aligned with digital strategic direction. Total as a percentage of programme also extended to include recorded and streamed performances.
- Number of new New Zealand student compositions measure made more specific to include performed, recorded and streamed performances, rather than workshopped, which is less representative of NZSO activity.
- Number of Association of Professional Orchestras Aotearoa (APOA) collaborative initiatives progressed has changed to number of meetings led/facilitated by the NZSO. The NZSO cannot reasonably control joint initiative outcomes of APOA.

The NZSO: A high performing and inclusive workplace - no change to measures.

Key Judgements

In determining key service performance information for each outcome, NZSO’s ELT has used judgement based on indicators that align with the NZSO’s vision, mission, principal objectives and functions. While the orchestra has discretion over these, the ELT seeks to maintain consistency across years where appropriate and to determine service performance information that is relevant, reliable, neutral, understandable and complete.

Non-financial Measures

He Hua Kē

The NZSO: Playing a leading role in rebuilding New Zealand’s social infrastructure, including social and economic well-being, during the COVID-19 recovery period.

These measures focus on the NZSO’s reach, contribution to communities and audience engagement.

	Actual 2023-2024	Budget 2023-2024	% Achieved	Actual 2023
Number of geographic centres reached	17	21	81%	12
Number of ticketed concerts	62	59	105%	36
Total audience numbers at ticketed concerts	53,194	68,540	78%	25,863
Total number of education and community engagement performances	31	23	135%	156
Total audience numbers at education and community engagement performances	13,710	9,150	150%	X
Number of live/digital education & community engagement events	279	92	303%	X
Total participant numbers at live/digital education & community engagement events	15,599	5,351	292%	X

The NZSO: Future-proofed, resilient and relevant.

These measures focus on how the NZSO is working to ensure its sustainability, engagement and relevance to diverse audiences across a variety of experiences and channels.

	Actual 2023-2024	Budget 2023-2024	% Achieved	Actual 2023
Audience satisfaction survey ratings	90%	90%	100%	90%
Non-Crown revenue as a percentage of total revenue	17.8%	18%	99%	17.5%
Total number of new digital content releases across all NZSO-owned channels	369	148	249%	X
Total views of digital content releases across all NZSO-owned channels	3,260,000	518,000	629%	250,189

The NZSO: Delivering internationally renowned quality and orchestral leadership.

These measures focus on how the NZSO is leading in terms of excellence, commitment to New Zealand work and leadership of the orchestral sector.

	Actual 2023-2024	Budget 2023-2024	% Achieved	Actual 2023
Maintain net carbon zero	Maintained	Maintained	100%	In progress
Number of New Zealand artists performing with the NZSO	59	61	97%	26
Number of New Zealand works performed/recorded/streamed	85	66	129%	9
Number of new New Zealand works performed/recorded/streamed	63	15	167%	6
Number of new New Zealand student compositions performed/recorded/streamed by the NZSO and NYO	12	8	150%	1
Total New Zealand works performed as a percentage of 2023-2024 programme(s)	44%	9%	489%	10%
Number of APOA meetings led/facilitated by the NZSO	2	6	33%	X

The NZSO: A high-performing and inclusive workplace.

These measures focus on the NZSO's commitment to being an employer of quality which keeps every employee healthy and safe – and ensures that all employees are provided with timely and useful information so that their working environment is fulfilling and transparent.

	Actual 2023-2024	Budget 2023-2024	% Achieved	Actual 2023
Annual employee engagement	49%	>60%	82%	-
Streamlining processes and improving internal reporting	4	2	200%	2
Lost-time injury frequency rate	0	0	100%	0

Output Services Revenue and Expenditure

For the year ended 30 June 2024

The New Zealand Symphony Orchestra has one output class - Orchestral Services.

	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000*
Revenue Crown	18,131	18,131	9,866
Revenue Other	3,920	3,964	2,063
Total Revenue	22,051	22,095	11,928
Expenses	22,600	22,254	11,254
Net Result	(549)	(159)	674

*Six months to 30 June 2023

X – Not a measure in 2023

The NZSO: Progress towards carbon neutral status by 2025

NZSO began its journey to reduce its impact on the environment in 2022, embarking on several important sustainability initiatives leading towards the Government’s targets of carbon neutrality by 2025.

- We confirmed our Sustainability Vision - setting out our sustainability ambitions
- We updated our Environmental Principles – articulating what guides our decisions
- We created an Environmental Action Group - with representatives from across the organisation
- We partnered with Toitū Envirocare - to help accurately measure our greenhouse gas emissions, create strategies to help reduce emissions, and to verify our practices and data.

Our emissions are reported as tonnes of carbon dioxide equivalent (tCO₂e), a universal unit of measurement used to evaluate different greenhouse gases against a common basis. This unit of measurement indicates the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide.

We use an operational control consolidation approach to account for emissions, and we report emissions that fall within our organisational boundaries. Our emissions inventory for the year was audited by Toitū and verified in accordance with the ISO 14064-1:2018 standard.

We measure our emissions each calendar year, which are reported in the following categories:

Category	Example	2021 tCO ₂ e (base year)	2022 tCO ₂ e	2023 tCO ₂ e	2024
Category 1: Direct Emissions	Diesel, petrol purchased	1.74	23.68	36.18	In progress
Category 2: Indirect emissions from imported energy (location-based method)	Electricity purchased	7.25	7.86	4.50	In progress
Category 3: Indirect emissions from transportation	Domestic and international air travel, freight, bus/coach, ferry, rental car, taxi ¹	404.86	496.82	750.92 ²	In progress
Category 4: Indirect emissions from products used	Waste to landfill, recycling, transmission and distribution losses, catering, venue electricity.	28.75	26.27	22.76	In progress
Category 5: Indirect emissions from products used		0.00	0.00	0.00	In progress
Category 6: Indirect emissions from other sources		0.00	0.00	0.00	In progress
Total Emissions	Verified by Toitū	442.60	554.63	814.36	In progress

1 - NZSO does not count or report emissions resulting from postage or courier as these are ‘de minimis’ under the Toitū programme rules and account for >0.5tCO₂e or >0.1% of total emissions.

2 - In 2023 performance activity rose from 78 events to 89 events accounting for the increase in category 3 emissions from 496.82 tCO₂e to 750.92 tCO₂e in 2023.

Statement of Financial Performance

He Tauākī Pūtea

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

	Notes	2024 Actual \$000	2024 Budget \$000	2023 Actual \$000
Revenue				
Concert & contract revenue		1,727	2,250	1,091
Interest revenue		322	150	130
Other revenue	1	1,683	1,564	802
National Music Centre (NMC) development revenue		188	-	39
Revenue earned by the NZSO		3,920	3,964	2,062
<hr/>				
Crown Funding		18,131	18,131	9,866
Total revenue		22,051	22,095	11,928
<hr/>				
Expenditure				
Personnel costs	2	14,779	14,116	7,407
Depreciation and amortisation expense	7	233	200	47
Other expenditure	3	7,588	7,938	3,801
Total expenditure		22,600	22,254	11,254
Net (deficit)/surplus		(549)	(159)	674
Total comprehensive revenue and expenditure		(549)	(159)	674

The accompanying notes & policies on pages 31 to 43 form an integral part of these financial statements. Explanations of major variances against budget are included in Note 15.

Statement of Changes in Equity

For the year ended 30 June 2024

	Notes	2024 Actual \$000	2024 Budget \$000	2023 Actual \$000
Comprehensive revenue and expense		1,750	2,669	1,115
National Music Centre contribution from the Crown		6,000	6,000	6,000
National Music Centre development reserve		1,330	999	1,291
Balance as at 01 July		9,080	9,668	8,406
Comprehensive revenue and expense for the year		(737)	(159)	635
National Music Centre contribution from the Crown		-	-	-
National Music Centre development reserve		188	-	39
Total comprehensive revenue and expense for the year		(549)	(159)	674
Balance at 30 June		8,531	9,509	9,080

The accompanying notes & policies on pages 31 to 43 form an integral part of these financial statements. Explanations of major variances against budget are included in Note 15.

Statement of Financial Position

As at 30 June 2024

	Notes	2024 Actual \$000	2024 Budget \$000	2023 Actual \$000
Equity				
Accumulated comprehensive revenue and expense		1,013	2,510	1,750
National Music Centre contribution from the Crown		6,000	6,000	6,000
National Music Centre development reserve		1,518	999	1,330
Total equity		8,531	9,509	9,080
Current assets				
Cash and cash equivalents	4	3,057	6,727	6,333
Accrued revenue		1,553	-	1,330
Prepayments		283	189	249
Term Deposits	5	2,000	-	-
Trade and other receivables	6	352	1,166	520
Total current assets		7,245	8,082	8,432
Non-current assets				
Intangible assets	7	433	-	1
Property, plant and equipment	7	4,023	3,954	4,172
Total non-current assets		4,456	3,954	4,173
Total assets		11,701	12,036	12,605
Current liabilities				
Employee entitlements	9	1,608	957	1,470
Finance Lease		7	-	-
Revenue in advance		681	631	523
Trade and other payables	8	637	904	1,302
Total current liabilities		2,933	2,492	3,295
Non-current liabilities				
Employee entitlements	9	216	35	229
Finance Lease		21	-	-
Total non-current liabilities		237	35	229
Total liabilities		3,170	2,527	3,167
Net assets		8,531	9,509	9,080

The accompanying notes & policies on pages 31 to 43 form an integral part of these financial statements. Explanations of major variances against budget are included in Note 15.

Statement of Cash Flows

For the year ended 30 June 2024

	Notes	2024 Actual \$000	2024 Budget \$000	2023 Actual \$000
Cash flows from operating activities				
Receipts from customers and sponsors		3,681	3,836	1,971
Receipts from the Crown		18,131	18,131	9,866
Interest received		287	150	130
Payments to and on behalf of employees		(14,645)	(14,066)	(7,128)
Payments to suppliers		(8,294)	(7,959)	(3,321)
Net goods and services tax		55	-	-
Net cash flows from operating activities		(785)	92	1,518
Cash flows from investing activities				
Purchase of property, plant and equipment		(489)	(84)	(438)
Purchases of intangible assets		-	-	-
Transfer to term deposit	5	(2,000)	-	-
Net cash flows from investing activities		(2,489)	(84)	(438)
Cash flow from financing activities				
Payments under finance lease		(2)	-	-
Net cash flow from financing activities		(2)	-	-
Net (decrease)/increase in cash and cash equivalents		(3,276)	8	1,080
Cash and cash equivalents at the beginning of the year		6,333	6,719	5,254
Cash and cash equivalents at end of the year		3,057	6,727	6,333
Represented by: cash & cash equivalents				
Bank		3,057	6,727	6,333
Total		3,057	6,727	6,333

Equipment totalling \$28k (2023: \$nil) was acquired by means of finance leases during the year.

The accompanying notes & policies on pages 31 to 43 form an integral part of these financial statements. Explanations of major variances against budget are included in Note 15.

Statement Of Accounting Policies

Reporting Entity

The NZSO has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the NZSO are for the year ended 30 June 2024 and were approved by the Board on the 16 of October 2024.

Basis of Preparation

The financial statements of the NZSO have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the period.

Under the Crown Entities Act 2004 Part 4, section 136 (1), the financial year for a Crown entity (other than a school board or a tertiary education institution) is defined as “the 12 months ending on the close of 30 June or any other date determined for that entity by the Minister of Finance”. NZSO’s financial year was changed to 30 June to align with the Crown financial year for the six months ended 30 June 2023. These financial statements are the first to be prepared for the full Crown financial year ended 30 June. Comparative figures are for the six months ended 30 June 2023.

Statement of Compliance

The financial statements of the NZSO have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The NZSO is a Tier 2 entity, and the financial statements have been prepared in accordance with PBE Standards.

The financial statements have been prepared in accordance with PBE Standards Reduced Disclosure Regime (PBE Standards RDR). The criteria under which the NZSO is eligible to report in accordance with PBE Standards RDR are: (1) that the NZSO has no public accountability as the NZSO does not issue debt or equity instruments or hold assets in a fiduciary capacity and; (2) that the NZSO is not large.

These financial statements comply with PBE accounting standards.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000).

Statement Of Accounting Policies

Revenue

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown (Government Funding)

NZSO is significantly funded from the Crown. This funding is restricted in its use for the purpose of the NZSO meeting the objectives specified in its founding legislation (the New Zealand Symphony Orchestra Act 2004) and the scope of the relevant appropriations of the funder. NZSO recognises such funding as revenue at the point when control of the resource passes to NZSO. NZSO considers the Crown payments made by the Ministry for Culture and Heritage to the NZSO meet the applicable control test for recognition when two events have occurred: (1) the responsible Minister has formally approved a Crown payment from the Ministry to the NZSO of all (or a specific portion) of an existing appropriation which relates to an agreed Statement of Performance Expectations and; (2) the agreed Statement of Performance Expectations is effective. The fair value of revenue

from the Crown has been determined to be equivalent to the amounts due in the funding arrangements. In NZSO's view, the recognition of Government funding in this way meets the requirements of the applicable accounting standard (PBE IPSAS 23 Revenue from Non-exchange Transactions).

Grants Received

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied. Grant revenue is aggregated with other sponsorship revenue.

Contra Sponsorship Received

Sponsorship revenue can be received by NZSO in cash and/or non-cash (contra) exchange transactions. Revenue is recognised when it becomes receivable except when in the case of contra sponsorship there is a realistic expectation that those sponsored services will not be realised. Where the contra sponsorship generates a physical asset (rather than services) as consideration, the asset is recognised at fair value and the difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of such assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

Interest Revenue

Interest revenue is recognised using the effective interest method.

Provision of Services/Concert and Contract Revenue

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date. Concert revenue received for the NZSO's 2024 performances after 1 July 2024 is revenue in advance at balance date and will be fully recognised as revenue in the 2024/2025 financial statements.

Foreign Currency Transactions

All foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into New Zealand dollars (the functional currency) using the spot exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Operating Leases

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are recognised as expenses on a straight-line basis over the lease term.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is applied to the surplus or deficit over the lease period to produce a constant periodic rate of interest on the remaining liability balance. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether NZSO will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Receivables

Short-term receivables are recorded at their face value, less any provision for impairment. A receivable is considered impaired when there is evidence that the NZSO will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Investments

Term Deposits

Investments in bank term deposits are initially measured at the amount invested. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Property, Plant and Equipment

Property, plant and equipment consists of the following asset classes: computer hardware, leasehold improvements, musical instruments, studio equipment, furniture and office equipment and music library. All asset classes are measured at cost, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the NZSO and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

Subsequent Costs

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the NZSO and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all items of property, plant and equipment at rates calculated to write off the cost (or valuation), to their estimated residual value, over their estimated useful lives. Leasehold alterations are depreciated over the remaining period of the lease agreement. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Leasehold alterations	3–15 years	6.67–33.33%
Computer hardware	3 years	33.33%
Studio equipment	10 years	10.00%
Furniture and office equipment	15 years	6.67%
Musical instruments – percussion only	10 years	10.00%
Musical instruments – all other	25 years	4.00%
Library – music manuscripts	Not depreciated	

Intangible Assets

Software Acquisition and Development

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the NZSO are recognised as an intangible asset. Direct costs include the software development and directly attributable employee costs. Staff training costs are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is recognised. The amortisation charge for each period is recognised in the surplus or deficit. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 years	33.30%
Developed computer software	3 years	33.30%

Impairment of Property, Plant and Equipment and Intangible Assets

The NZSO does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash-generating Assets

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value will exceed the recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and the depreciated replacement costs for the assets. Impairment losses are recognised in the surplus or deficit.

Payables

Short-term payables are recorded at their face value.

Employee Entitlements

Short-term Employee Entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, deferred and retiring leave (vested and available to be cashed in) and sick leave. A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date to the extent that it will be used by staff to cover those future absences.

Long-term Employee Entitlements

Employee benefits that are due to be settled beyond 12 months after the end of period in which the employee renders the related service such as long-service leave have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information.
- The present value of the estimated future cash flows.

Sick leave, annual leave and vested long-service, retiring and deferred leave are classified as a current liability. Non-vested long-service leave expected to be settled within 12 months of balance date is classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation Schemes

Defined Contribution Schemes

Obligations for contributions to KiwiSaver, and NZSO's Fisher Lifesaver Superannuation Scheme are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

Defined Benefit Schemes

NZSO makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated surplus/(deficit)
- contributed capital for the National Music Centre

Goods and Services Tax (GST)

These financial statements are prepared on a GST-exclusive basis with the exception of trade receivables and trade creditors, which are stated inclusive of GST. The net amount receivable (or payable) in respect of GST is included as part of other receivables (or other payables). The net GST paid to or received from the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Income Tax

The NZSO is a public authority for the purposes of the Inland Revenue Acts. A public authority is exempt from income tax under the Income Tax Act 2007, and accordingly, no provision has been made for income tax.

Budget Figures

The budget figures are those approved by the NZSO Board at the beginning of the financial year as disclosed in the Statement of Performance Expectations. The budget figures have been prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, the NZSO has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating Useful Lives and Residual Values of Property, Plant and Equipment

At each balance date, the useful lives and residual values of property, plant and equipment

are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the NZSO and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit and the carrying amount of the asset in the statement of financial position. The NZSO minimises the risk of this estimation uncertainty by:

- Physical inspection of assets;
- Asset replacement programmes;
- Review of second-hand market prices for similar assets; and
- Analysis of prior asset sales.

The NZSO has not made significant changes to past assumptions concerning useful lives and residual values.

Long-service Leave

Note 9 provides an analysis of the exposure in relation to estimates and uncertainties surrounding long-service leave liabilities.

Critical Judgements in Applying Accounting Policies

The NZSO has exercised the following critical judgements in applying accounting policies.

Determining lease classification

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the NZSO.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

1. Other Revenue

	Actual 2024 \$000	Actual 2023 \$000
Other revenue		
Sponsorship revenue and grants	1,213	685
Cost recoveries	-	2
Sundry revenue	470	116
Total other revenue	1,683	803

Grants revenue is categorised as non-exchange where there is no obligation in substance associated with the funding provided to the NZSO. The majority of this revenue is received by the NZSO either as cash from various gaming and community Trusts and Foundations or as non-cash concert/rehearsal venue subsidies from territorial local authorities. Such revenue is generally only obtained on a (non-recurring) application basis and is contained within a single financial year.

Sponsorship revenue is categorised as exchange where there is a substantive obligation associated with the funding provided to the NZSO and its value is considered approximately equal. Sponsorship contracts are negotiated between the NZSO and the sponsor on arm's length commercial terms, and the range of services provided to sponsors will differ in type and volume depending on both the amount of sponsorship received and the particular servicing preferences of the sponsor. Sponsorship contracts often span multiple financial years, but both the sponsorship revenue and the services provided in return are usually negotiated for annual cycles and fully delivered within discrete NZSO concert seasons (which correlate with calendar years).

2. Personnel Costs

	Actual 2024 \$000	Actual 2023 \$000
Personnel costs		
Salaries and wages	13,745	6,872
ACC levy	38	24
Contribution to superannuation schemes	515	224
Allowances	268	121
Recruitment and training	213	166
Total personnel costs	14,779	7,407

3. Other Expenditure

	Actual 2024 \$000	Actual 2023 \$000
Other Expenditure		
Audit fees for financial statements audit	155	40
Board members fees and expenses	109	46
Direct expenses from orchestral activity	5,844	2,934
General operating costs	972	550
Occupancy costs	508	232
Total other expenditure	7,588	3,801

4. Cash and Cash Equivalents

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

	Actual 2024 \$000	Actual 2023 \$000
Cash and cash equivalents		
Cash at bank and on hand	3,057	6,333
Total cash and cash equivalents	3,057	6,333

5. Term Deposits

The fair value of term deposits with remaining maturities in excess of 3 months is \$2.0m (2023: \$nil).

6. Trade and Other Receivables

As at 30 June 2024 all overdue receivables have been assessed for impairment and irrecoverable amounts. The carrying value of receivables approximates their fair value.

	Actual 2024 \$000	Actual 2023 \$000
Trade and other receivables		
Gross trade and other receivables	308	421
Less: provision for impairment	-	-
GST receivable	44	99
Total trade and other receivables	352	520
Represented by:		
Trade receivables	308	421
Other receivables	44	99
	352	520

7. Property, Plant and Equipment/Intangible Assets

	Leasehold Alterations \$000	Computer Hardware \$000	Studio Equipment \$000	Furniture and Office Equipment \$000	Musical Instruments \$000	Music Library \$000	Capital Work-in- Progress \$000	Total \$000
Property, plant and equipment								
Cost								
Balance as at 1 July 2023	474	358	564	311	722	728	2,873	6,030
Additions	83	10	6	30	12	-	374	515
Transfer	-	-	-	-	-	-	(519)	(519)
Disposals	-	-	-	-	-	-	-	-
Balance as at 30 June 2024	557	368	570	341	734	728	2,728	6,026
Accumulated Depreciation								
Balance as at 1 July 2023	299	283	467	262	546	1	-	1,858
Depreciation expenses	53	41	23	8	20	-	-	145
Depreciation disposals	-	-	-	-	-	-	-	-
Balance as at 30 June 2024	352	324	490	270	566	1	-	2,003
Net book value								
As at 1 July 2023	175	75	97	49	176	727	2,873	4,172
As at 30 June 2024	205	44	80	71	168	727	2,728	4,023

Finance leases

The net carrying amount of office equipment held under finance leases is \$24k (2023: \$nil).

	Intangible Assets \$000
Intangible assets	
Cost	
Balance as at 1 July 2023	562
Additions	519
Transfer	-
Disposals	-
Balance as at 30 June 2024	1,081
Accumulated Depreciation	
Balance as at 1 July 2023	560
Depreciation expenses	88
Depreciation disposals	-
Balance as at 30 June 2024	648
Net book value	
As at 1 July 2023	2
As at 30 June 2024	433

There has been no indication of impairment to any item of property, plant and equipment or intangible assets.

8. Trade Payables and Other Payables

	Actual 2024 \$000	Actual 2023 \$000
Trade and other payables		
Payables under exchange transactions		
Trade creditors	138	418
Accrued expenses	480	647
Other creditors and payables	19	237
Total payables under exchange transactions	637	1,302
Payables under non-exchange transactions		
PAYE payable	-	-
Total payables under non-exchange transactions	-	-
Total trade and other payables	637	1,302

All trade creditors are paid within 30 days as the payment terms used by the NZSO are 20th of the month following invoice date. Therefore, the carrying value of creditors approximates their fair value.

9. Employee Entitlements

	Actual 2024 \$000	Actual 2023 \$000
Employee entitlements		
Current		
Accrued salary & wages	413	312
Annual leave	922	918
Sick leave	53	57
Long service leave	131	111
Retiring leave	89	73
Total current	1,608	1,471
Non-current		
Long service leave	216	229
Total non-current	216	229
Total employee entitlements	1,824	1,700

The present value of long-service leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability. The NZSO has used an actuarial model issued for this purpose by The Treasury, effective for 30 June 2024.

A discount rate of 5.25% (2023: 5%) and a salary inflation factor of 5% (2023: 2%) were used.

If the discount rate was to differ by 1% from the estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$12,849 higher/lower (2023: \$11,000).

If the salary inflation factor was to differ by 1% from the estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$15,165 higher/lower (2023: \$9,000).

10. Financial Instrument Categories

The carrying amounts of the financial assets and liabilities are as follows:

	Actual 2024 \$000	Actual 2023 \$000
Financial assets		
Cash and cash equivalents	3,057	6,333
Term deposits	2,000	-
Trade and other receivables	352	520
Total financial assets	5,409	6,853
Financial liabilities measured at amortised cost		
Trade and other payables	637	1,302
Finance Lease	28	-
Total financial liabilities measured at amortised cost	664	1,302

Fair Value Hierarchy

Where instruments are recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market prices (level 1) – financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) – financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – financial instruments valued using models where one or more significant inputs are not observable.

11. Capital Commitments and Operating Leases

The value of non-cancellable rental lease commitments are as follows:

	Actual 2024 \$000	Actual 2023 \$000
Less than one year	463	121
Between one and two years	441	88
Between two and five years	1,947	943
Greater than five years	10,699	13,100
Total non-cancellable operating leases	13,551	14,252

Lease commitments include leased space in the following properties:

- *Michael Fowler Centre, Wellington - 1 June 2014 and ends on 31 May 2029*
- *Southern Cross Building, Auckland –from 1 April 2022 to 31 March 2025*
- *IPayroll House, Wellington – from 31 October 2018 to 4 May 2026*
- *Wellington Town Hall as part of National Music Centre - The lease is for 25 years from the commencement date with a final expiry of 35 years. Expected date of commencement is currently January 2027.*
- *Findex House, Wellington – from 1 May 2023 to 30 April 2028. The lease includes two rights of renewal with final expiry date 28 February 2030.*
- *84 Boulcott Street, Wellington – from 18 April 2024 to 17 April 2026*

12. Contingencies

The NZSO has no contingent liabilities in 2024 (2023: nil).

The NZSO has no contingent assets in 2024 (2023: nil).

13. Related Parties

The NZSO is an autonomous Crown entity wholly owned by the Crown.

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the NZSO would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (government departments and Crown entities) are not disclosed as related-party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Related-party Transactions Required to be Disclosed

- i. The NZSO transacts with The NZSO Foundation, which is a separate registered charitable trust. All transactions were carried out on an arm's length basis. Total amounts paid to the NZSO Foundation were \$53,117 (2023: \$82,789) and received were \$1,290,412 (2023: \$534,459).

The amounts paid by the NZSO to the NZSO Foundation relate to instrument leases and donations received with ticket subscriptions. The amounts paid include:

- Instrument leases \$53,117

The amounts received by the NZSO from the NZSO Foundation include:

- Support for Orchestral Activity \$200,000
- Fundraising Executives sponsorship \$241,246
- Administration expenditure reimbursement \$162,500
- Grants, training of musicians and payment for instruments \$508,539
- Donations and other \$178,127

14. Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the NZSO. This includes the seven members of the Board of the NZSO, the Chief Executive, Director: Orchestra Delivery, Director: Artistic Planning, Director: Finance and Corporate Services, Concertmaster, Director: Fundraising and Commercial.

	Actual 2024 \$000	Actual 2023 \$000
Key Management personnel compensation		
Board Members		
Remuneration	104	46
Full-time equivalent members	0.2	0.2
Executive Leadership Team		
Remuneration	1,117	611
Full-time equivalent members	5.0	5.0
Total key management personnel remuneration	1,221	657
Total full-time equivalent personnel	5.0	5.2

The full-time equivalent for Board members has been determined based on the frequency and length of Board meetings and estimated time for Board members to prepare for meetings.

15. Explanations of Major Variances Against Budget

Explanations of major variances from the budget figures for 2024 are as follows.

Statement of Comprehensive Revenue and Expense

The net deficit of \$549,404 is \$390,000 more than the budgeted deficit of \$159,000.

Revenue for the year totaled \$22,051,000, \$44k lower than budget of \$22,095,000. Although higher interest rates resulted in higher than budget interest income, concert and contract revenue fell short of expectations.

Expenditure reached \$22,600,000 exceeding the budget by \$346,000. This increase was primarily due to higher personnel related costs and one-off expenses, including those incurred during transition from a calendar to a Crown financial year.

Statement of Financial Position

Cash and cash equivalents \$3,670,154 less than budget reflecting higher than budgeted receivables (\$739,000) and prepayments (\$93,600) and transfer of funds to term deposit \$2,000,000.

The accrued revenue balance of \$1,553,000 includes NMC development revenue accrued for the years 2021 to 2024 and term deposit accrued interest.

Employee entitlements of \$1,608,000 and \$216,000 are higher than budget due to higher-than-expected leave entitlements.

16. Events after the Balance Date

There were no significant events after balance date requiring adjustment in these financial statements (2023: nil)



Independent Auditor's Report

To the readers of New Zealand Symphony Orchestra's financial statements and performance information for the year ended 30 June 2024

The Auditor-General is the auditor of New Zealand Symphony Orchestra (the Orchestra). The Auditor-General has appointed me, Pam Thompson, using the staff and resources of Deloitte Limited to carry out the audit of the financial statements and the performance information of the Orchestra on his behalf.

Opinion

We have audited:

- the financial statements of the Orchestra on pages 27 to 43, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information which reports against the Orchestra's statement of performance expectations for the year ended 30 June 2024 on pages 22 to 26.

In our opinion:

- the financial statements of the Orchestra:
 - o present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
 - o comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Reporting Standards Reduced Disclosure Regime; and
- the Orchestra's performance information for the year ended 30 June 2024:
 - o presents fairly, in all material respects, for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
 - o complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 16 October 2024. This is the date at which our opinion is expressed.



The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of Matter – Inherent uncertainties in the measurement of greenhouse gas emissions

The New Zealand Symphony Orchestra has chosen to include a measure of its greenhouse gas (GHG) emissions in its performance information. Without modifying our opinion and considering the public interest in climate change related information, we draw attention to page 26 of the annual report, which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors are responsible on behalf of the Orchestra for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board of Directors are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors are responsible on behalf of the Orchestra for assessing the Orchestra's ability to continue as a going concern. The Board of Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Orchestra, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.



Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Orchestra's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We 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 Orchestra's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the performance information which reports against the Orchestra's statement of performance expectations.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Orchestra'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 and the performance information 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 Orchestra to cease to continue as a going concern.

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- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors 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.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors responsible for the other information. The other information comprises the information included on pages 2 to 22, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Orchestra in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

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



Pam Thompson
Deloitte Limited
On behalf of the Auditor-General
Wellington, New Zealand

Thanking our supporters and donors

He Mihi ki a ngā Kaitautoko me ngā Hoa Kaipakihi

NZSO Donors are a valued part of the NZSO family, generously supporting the NZSO's areas of most need. Support made to the NZSO Foundation supports projects including Open Doors, Tamariki Time, Foundation Masterclasses, instrument procurement and maintenance needs, commissioning new work and accessibility projects. The NZSO has introduced an exciting new programme called Fortissimo which invites donors to underpin performances by guest international artists through their generous support. The NZSO philanthropy programme works to build a strong sense of community around the NZSO by connecting supporters with our musicians and celebrating the advancement of orchestral music in Aotearoa New Zealand.

The NZSO is extremely grateful for the generous partnerships that propel the NZSO's touring activity through both cash and contra sponsorships. Summerset Retirement Villages has been a generous partner of the NZSO, and the visibility of the partnership has aligned our respective audiences throughout the reporting period. New Zealand Van Lines continues to be a critical and generous element of NZSO touring life, our hospitality partners provide the NZSO opportunities to thank, recognise and celebrate our supporters, and media partners provide us with critical exposure to support the orchestra's work. Support from various Trusts and Foundations supports community and education projects, helping embed the NZSO into Aotearoa's cultural landscape.



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NZSO works in collaboration with
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We're working with Trees That Count to mitigate our carbon footprint over the next 50 years and help protect New Zealand's threatened biodiversity. That's good for our carbon footprint, and good for Aotearoa.

nzso.co.nz

Level 1, Findex House
57 Willis St, Wellington
0800 479 674 / info@nzso.co.nz

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