

Chamber Music New Zealand Trust

Financial Statements

For the Year ended 31 December 2020

Chamber Music New Zealand Trust

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For the Year ended 31 December 2020

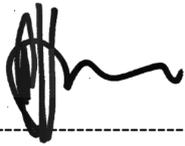
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Chamber Music New Zealand Trust

Approval of Financial Statements

For the Year ended 31 December 2020

The Trustees are pleased to present the financial statements of Chamber Music New Zealand Trust for the year ended 31 December 2020.



Trustee Andreas Sebastian Heuser



Trustee Hamish George Henderson Elliott

Dated: 12 April 2021

Chamber Music New Zealand Trust

Trust Directory

For the Year ended 31 December 2020

Address	Level 1, Zephyr House, 82 Willis Street Wellington, 6011
Charities Number	CC38382
Trustees	Kerrin Vautier CMG (Chair) Vanessa Doig Hamish Elliott Christopher Finlayson Greg Fleming Andreas Heuser Matthew Savage
IRD Number	89-880-297
Auditors	BDO Wellington Level 1, Chartered Accountants House 50 Customhouse Quay Wellington 6011

Non-financial Information

Statement of Service Performance

Chamber Music New Zealand (CMNZ) was established in 1950 to consolidate regional music organisations into a cohesive national entity, in 2020 CMNZ celebrated 70 years of bringing high-quality live chamber music experiences to communities across New Zealand. CMNZ is a client in Creative New Zealand's Toi Tōtara Haemata (Tōtara) Investment programme.

CMNZ champions chamber music – pocket-sized music that packs a punch. It is music which is simultaneously intimate and powerful, pulling you into the heart of the experience – music up close as a vibrant, distinctive, necessary and contemporary musical experience for New Zealanders at all life stages.

Advocating inclusion, participation, and discovery for diverse communities, our aim is to celebrate and deepen our relationship with existing audiences and practitioners, introduce the art-form to new ears, foster emerging talent, and innovate through cross-sector collaborations.

CMNZ embraces the opportunity to celebrate our stories as New Zealanders through accessible chamber music experiences that foster wellbeing and build resilient communities across New Zealand.

Our different streams of activity intertwine and interact to provide a synergistic programme that is well-rounded and engaging for both our musicians and our increasingly diverse audience. Each component can be experienced independently, or as a multi-layered journey into the world of chamber music.

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

We are committed to providing New Zealanders:

- the very best musicians in the world through our **Annual Concert Series**
- the very best local musicians and talent through our **Regional Series**
- the very best national secondary schools' chamber music contest through our **NZCT Chamber Music Contest**
- the very best access, education and participation in chamber music through our **Outreach Programme**

VISION

Communities across New Zealand value and engage with live chamber music.

MISSION

We exist to be leaders in:

- Nurturing the love and understanding of chamber music.
- Delivering and sharing quality world-class chamber music experiences throughout Aotearoa.
- Supporting and advocating for New Zealand performers and composers.
- Encouraging engagement with chamber music by young people.
- Providing chamber music opportunities that promote stronger communities and enrich the human experience.
- Fostering diversity, nurturing creativity and innovation through live chamber music performances.

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

VALUES

We value:

- Collaboration – We work both internally and externally to do great things together.
- Diversity – We recognise New Zealand’s distinctive cultural and social diversity and strive to ensure arts opportunities for all.
- Excellence – We pursue creative excellence and outstanding quality.
- Inclusion – We are committed to providing access and opportunities for all New Zealanders to be inspired by and participate in live chamber music.
- Innovation – We are creative and open-minded and always looking to innovate and improve.
- Integrity – We build trust and confidence with our audiences, artists, supporters and communities.
- Sustainability – We undertake careful planning to secure the future of our environment.

General

During the 2020 year COVID-19 impacted on many of CMNZ’s activities and this is reflected in the results for 2020.

2020 2019

1. Offer New Zealanders the experience of Music Up Close through quality chamber music

Number of performances delivered as part of the Annual Concert Series	32	55
Number of people attending the Annual Concert Series (paid and complimentary)	7,299	12,614
Number of centres reached through the Annual Concert Series	10	10
Number of centres reached through the Regional Series	17	22

2. Enable New Zealanders to experience chamber music performances of the highest calibre

Number of ensembles/solo artist(s) toured as part of Annual Concert Series	4	10
Number of collaborations with other arts organisations and/or festivals	3 [^]	4 ^{^^}
Number of collaborations facilitated between high quality established artists / ensembles / different artforms as part of Annual Concert Series	2 ^{^^^}	2

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor’s report.

3. Support New Zealand composers and performers

Number of New Zealand composers commissioned to write new work	3	2
Number of New Zealand groups/ solo artist(s) toured as part of Annual Concert Series and Regional Series	9	11
Number of New Zealand works performed	13	24
Number of performances of New Zealand work	81	139

4. Provide opportunities for young people to create, perform and engage with chamber music

Number of performance groups that entered the NZCT Chamber Music Contest	199	404
Number of composition entries in the NZCT Chamber Music Contest	17	19
Number of NZCT Chamber Music Contest participants that received coaching (performance & composition)	157	124
Number of children attending educational concerts	0*	1,493
Number of educational concerts	0*	3

5. Build audience connections and encourage participation to enrich the lives of the diverse communities across Aotearoa

Number of relaxed concerts and accompanying workshops	4	4
Number of audio described concerts	2	3
Number of centres in which the NZCT Chamber Music Contest was held	15	15

6. Provide chamber music opportunities for a diverse multicultural society that also recognises the special place of tangata whenua

At least 30% of Contest entrants responding to a voluntary ethnicity question identify as Asian, Māori, Pacific Peoples, Middle Eastern, Latin American, African or other	56%	42%
Number of performances (online video or live performance) that include taonga puoro	4	6

* cancelled due to COVID-19

^The Juilliard School; MHIVC; APO

^^ Nelson School of Music (Septura); Festival of Colour Wanaka (Julien & James); Taupō Winter Festival concert (2019 Adam Troubadours); ROSL Arts (Jacquin Trio)

^^^Amalia Hall and Stephen De Pledge; APO players and Sarah Watkins, piano

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

Chamber Music New Zealand Trust

Statement of Comprehensive Revenue and Expenses

For the Year Ended 31 December 2020

	<i>Note</i>	2020	2019
		\$	\$
Revenue			
Revenue from exchange transactions	1	365,739	669,860
Revenue from non-exchange transactions	2	1,568,773	1,696,185
Other revenue	3	99,533	54,135
Total Revenue		<u>2,034,045</u>	<u>2,420,180</u>
Expenses			
Artistic and production expenses	4	896,860	1,460,127
Administration and operating expenses	5	1,051,718	958,733
Total Expenses		<u>1,948,577</u>	<u>2,418,860</u>
Total surplus/(deficit) for the period		<u>85,468</u>	<u>1,320</u>
Total comprehensive revenue and expense		<u>85,468</u>	<u>1,320</u>

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report

Chamber Music New Zealand Trust

Statement of Changes in Net Assets

As at 31 December 2020

	2020	2019
Accumulated Funds	\$	\$
Balance brought forward	269,582	268,262
Total comprehensive revenue and expense for the period	85,468	1,320
	355,050	269,582
Less transfer to reserve	(85,468)	-
Closing balance	269,582	269,582
	2020	2019
	\$	\$
Resilience Reserve		
Balance brought forward		
Plus transfer from Accumulated funds	85,468	-
Closing Balance	85,468	-

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

Chamber Music New Zealand Trust

Statement of Financial Position

As at 31 December 2020

	<i>Note</i>	2020	2019
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	8	523,264	345,155
Investments	9	-	100,000
Trade and other receivables	6	3,148	908
Non-exchange receivables	7	-	17,500
Prepayments		32,167	83,078
GST Receivable		5,868	-
		<u>564,446</u>	<u>546,641</u>
Non-current assets			
Property, plant and equipment	10	<u>7,926</u>	<u>20,148</u>
		<u>7,926</u>	<u>20,148</u>
Total Assets			
		<u>572,372</u>	<u>566,789</u>
Current Liabilities			
Trade and other payables	11	27,862	35,435
Holiday pay provision	12	32,873	36,044
Deferred revenue	14	<u>156,587</u>	<u>225,728</u>
Total Liabilities			
		<u>217,322</u>	<u>297,207</u>
Total Net Assets			
		<u>355,050</u>	<u>269,582</u>
Equity			
Accumulated Funds	15	269,582	269,582
Resilience Reserve	16	85,468	-
		<u>355,050</u>	<u>269,582</u>

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

Chamber Music New Zealand Trust

Statement of Cash Flow

As at 31 December 2020

	<i>Note</i>	2020	2019
		\$	\$
Cash inflows/(outflows) from operating activities			
<u>Receipts</u>			
Members fees, subscriptions		40,558	287,649
Goods and services provided		207,317	341,253
Grants and donations		1,629,989	1,727,988
Rental income		8,704	23,685
Interest income		2,341	2,991
Other Income		2,700	30,451
Wage Subsidy		88,555	-
Payments to suppliers and employees		(1,872,093)	(2,502,894)
Net GST (paid)/received		(21,780)	7,695
Net cash flows from operating activities		86,290	(81,182)
Cash inflows/(outflows) from investing activities			
Acquisition of property plant and equipment		(8,181)	-
(Acquisition)/maturity of term deposits		100,000	-
Net cash flows from investing activities		91,819	-
Net increase/(decrease) in cash and cash equivalents		178,109	(81,182)
Cash and cash equivalents at beginning of the year		345,155	426,337
Cash and cash equivalents at the end of the year		523,264	345,155
Net increase / (decrease) in cash and cash equivalents		178,109	(81,182)

NOTE: These Statements are to be read in conjunction with the Notes to the Financial Statements and the Auditor's report.

Chamber Music New Zealand Trust

Statement of Accounting Policies

For Year ended 31 December 2020

1. Basis of preparation

Chamber Music New Zealand Trust (the "Trust") is domiciled in New Zealand. The Trust's registered office is Level 1, 82 Willis Street, Wellington.

The Trust is a not-for-profit public benefit entity, registered as a charity under the Charities Act 2005, and is established to present chamber music within New Zealand.

The financial statements have been prepared on a going concern basis, on the basis that the Trust has committed funding from Creative New Zealand (CNZ) until 31 December 2025.

2. Basis of accounting

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the PBE Accounting Standards as appropriate for Tier 2 not-for-profit public benefit entities. All disclosure concessions available have been applied. As a registered charity, the Trust is required to prepare financial statements in accordance with NZ GAAP as specified in standard XRB A1. The Trust is eligible to report in accordance with Tier 2 PBE standards as it has operational expenditure greater than \$2 million per annum but less than \$30 million.

3. Basis of measurement

These financial statements have been prepared on the basis of historical cost.

4. Functional and presentation currency

These financial statements are presented in NZD, which is the Trust's functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

5. Specific accounting policies

a) Revenue from exchange transactions

Exchange transactions are those where the Trust receives value from another entity (e.g. cash or other assets) and gives approximately equal value in exchange.

(i) Revenue from providing goods or services

Ticket sales and regional concert revenue are recognised when the concerts are performed, when the significant risks and rewards of ownership have been transferred and associated costs and revenues can be measured reliably.

Statement of Accounting Policies - continued

For Year ended 31 December 2020

(ii) Interest, dividends and other investment revenue

Interest revenue is earned from cash, cash equivalents and investments and is recognised in the statement of comprehensive revenue and expense as it is earned, on an accrual basis.

(iii) Subscriptions

Subscriptions are recognised as revenue in the year in which the subscription period occurs.

b) Revenue from non-exchange transactions

Non-exchange transactions are those where the Trust receives value from another entity (eg. cash or other assets) without giving approximately equal value in exchange.

(i) Grants

Funding and grants received that are subject to 'use or return' or other conditions are initially recognised as a liability and revenue is only recognised when the services are performed or conditions are fulfilled. If there are no conditions, then revenue is recognised upon receipt.

(ii) Donations, sponsors and sponsorship in-kind

Donations, sponsors and sponsorship in-kind are voluntary transfers of assets including cash or other monetary assets, goods in-kind, and services in-kind that the Trust receives and which are free from stipulations. Revenue is recognised when it is probable that the future economic benefits or service potential will flow to the Trust, and the fair value of the assets can be measured reliably.

Sponsorship in-kind is included in the financial statements as follows:

* All services received are added to the appropriate expense account totals.

* Donated fixed assets are included in property, plant and equipment in the statement of financial position.

The corresponding income received is shown as sponsorship and sponsorship in-kind in the statement of comprehensive revenue and expenses.

6. Taxes

The Trust is a registered charitable organisation and is therefore exempt from income tax under section CW 41 of the Income Tax 2007.

7. Goods and services tax (GST)

The Trust is a registered for GST. All amounts are shown exclusive of GST, except for receivables and payables which are shown inclusive of GST.

Statement of Accounting Policies - continued

For Year ended 31 December 2020

8. Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Trust has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

9. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

10. Investments

Investments include highly liquid investments with an original maturity of twelve months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

11. Property, Plant and equipment

(a) Recognition and measurement

All property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in surplus or deficit.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Trust. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

Statement of Accounting Policies - continued

For Year ended 31 December 2020

(c) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their residual values using the straight-line method over their useful lives, and is recognised in surplus or deficit.

The estimated useful lives of property, plant and equipment are as follows:

- Computer Equipment to be depreciated over 2.5 to 3.5 years
- Furniture & Fittings to be depreciated over 1.5 to 5 years
- Website to be depreciated over 2.5 to 3 years
- Fitout to be depreciated over 6 to 9 years

The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

12. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year.

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

1. Exchange Revenue

	2020	2019
	\$	\$
Revenue from providing goods or services	210,419	341,298
Subscriptions	153,415	325,880
Interest, dividends and other investment revenue	1,905	2,682
Total revenue from exchange transactions	365,739	669,860

2. Non-exchange Revenue

	2020	2019
	\$	\$
Grants received	1,203,074	1,329,505
Donations received	289,435	279,898
Sponsorship and sponsorship in-kind	76,264	86,782
Total revenue from Non-exchange transactions	1,568,773	1,696,185

A total of \$20,264 was received in 2020 (2019: \$34,782) as sponsorship in-kind and is included in sponsorship and sponsorship in-kind figure. Sponsorship in-kind services include: marketing, printing and venue costs.

Funding received from Creative New Zealand in 2020 amounted to \$949,060 (2019: \$855,000), which was made up of the \$890,000 Toi Totara Haemata grant, a short term relief of \$41,780 and a Bequest role of \$17,280, and has been included in grants received. The Bequest Role grant totalled \$25,380, the balance relates to 2021 and is included in income in advance. Funding received from Foundation North in 2020 amounted to \$20,000 (2019: \$60,000).

3. Other Revenue

	2020	2019
	\$	\$
Rental	8,278	23,685
Other	2,700	30,450
Wage Subsidy	88,555	-
Total other revenue	99,533	54,135

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

4. Artistic and production

	2020	2019
	\$	\$
Artists' performance fees and costs	618,365	940,468
Marketing	182,772	290,268
Presentation	95,723	229,391
Total artistic and production expenses	896,860	1,460,127

5. Administration and operating Expenses

	2020	2019
	\$	\$
Bank expenses	4,715	8,748
Communication	13,211	16,010
Computer and web costs	20,437	24,354
Depreciation	10,750	22,965
Disposal of assets	9,654	-
Premises expenses	4,357	6,994
Rent	62,300	70,000
Salaries and wages	837,082	730,085
Other staff costs	4,906	11,079
Travel other	9,468	25,342
Board costs	2,850	3,881
Audit fees	6,450	11,000
Accounting fees	1,934	1,759
Legal Fees	23,031	-
Office supplies	5,616	8,973
Receptions and functions	8,373	9,769
Insurance	6,404	5,441
Memberships	993	1,363
General expenses	19,188	970
Total administration and operating expenses	1,051,718	958,733

Legal fees included review of new premises lease, artist and contractor contracts plus HR matters. General expenses include one off costs for the office move, an amount of \$3,423 and the expensing of Computer equipment and leasehold improvements totalling \$13,477 that would normally be capitalised but due to the change in the IRD low value amount from \$500 to \$5,000 for capitalising.

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

6. Trade and other receivables

	2020	2019
	\$	\$
Accrued interest	-	436
Other trade receivables	3,148	472
Total receivables - exchange	3,148	908

7. Non-exchange receivables

	2020	2019
	\$	\$
Grants receivable	-	17,500
Total receivables - non-exchange	-	17,500

8. Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank	523,264	345,097
Petty cash	-	58
Total cash and cash equivalents in the statement of cashflows	523,264	345,155

9. Investments

	2020	2019
	\$	\$
Westpac	-	100,000
Total Investments	-	100,000
Current		100,000
Non-current	-	-
Total Investments	-	100,000

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

10. Property, plant and equipment

Cost	Fitout	Furniture & Fittings	Computer Equipment	Website	Total
Balance at 1 January 2020					
Additions	80,382	8,099	59,735	56,713	204,929
Disposals	-	-	8,784	-	8,784
	(61,303)	(1,194)	-	-	(62,497)
Balance at 31 December 2020	19,079	6,905	68,519	56,713	151,216
Balance at 1 January 2019					
Additions	80,382	8,099	59,735	56,713	204,929
Disposals	-	-	-	-	-
	-	-	-	-	-
Balance at 31 December 2019	80,382	8,099	59,735	56,713	204,929
Accumulated depreciation	Fitout	Furniture & Fittings	Computer Equipment	Website	Total
Balance at 1 January 2020					
Depreciation expense	70,762	7,463	49,843	56,713	184,781
Disposals	-	-	10,750	-	10,750
	(51,683)	(558)	-	-	(52,241)
Balance at 31 December 2020	19,079	6,905	60,593	56,713	143,290
Carrying amounts					
At 1 January 2019					
	22,908	899	19,307		43,114
At 31 December 2019					
	9,620	636	9,892	-	20,148
At 31 December 2020					
	-	-	7,926	-	7,926

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

11. Trade and other payables

	2020	2019
	\$	\$
Trade and other payables	14,308	8,523
GST	-	15,912
Salary and wage accrual	5,663	-
Other accrued expenses	7,891	11,000
Total trade payables	27,862	35,435

12. Holiday pay provision

	2020	2019
	\$	\$
Opening holiday pay provision	36,044	32,813
Net holiday pay movement during the year	(3,171)	3,231
Total holiday pay provision	32,873	36,044

13. Deferred revenue

	2020	2019
	\$	\$
Income in advance	85,519	41,803
Subscriptions in advance	71,068	183,925
Total deferred revenue	156,587	225,728

Deferred revenue consists of subscription payments that were received in 2020 for the 1 January to 31 December 2021 subscription period. Along with any grants totalling \$76,076 which were received in 2020 for the 2021 programme, including \$29,945 from Creative New Zealand's Capability Fund.

As a result of COVID 19 and the cancellation of various tours the Trust offered subscribers the option of donation, refund and or transferring subscription to the 2021 season. Included in Subscriptions in advance is \$59,768 due to the transferring from 2020.

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

14. Operating leases

The trust leases premises under an operating lease with a term of 3 years. The operating lease expires August 2023.

With a change in location for the Trust and discontinuation of sub-lessees early 2020 through to June 2020 the Trust received \$8,279 in rental income.

	2020	2019
Commitments under operating leases	\$	\$
Less than one year	53,241	67,008
Between one and five years	84,438	7,577
Later than five years	-	-
	137,679	74,585

15. Year end commitments in excess of accumulated funds

Total accumulated funds of \$269,582 (2019: \$269,582) does not incorporate any of the following contractual commitments that had been negotiated with artists at year end. CMNZ considers there to be a practical commitment for the following financial year and, as such, has recognised all offers extended to artists as commitments.

The balance of year end commitments in excess of accumulated funds at 31 December 2020 and 31 December 2019 can be summarised as follows:

	2020	2019
Commitments excess of accumulated funds	\$	\$
Artists' fees	325,590	450,750
Total accumulated funds	(269,582)	(269,582)
Total commitments in excess of accumulated funds	56,008	181,168

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

16. Resilience Reserve

At the Trust Board meeting held on 17 December 2020, it was resolved that the surplus be retained in the balance sheet as a resilience reserve.

The 2020 surplus of \$85,468 has therefore been transferred into a reserve for resilience in consideration of the on-going uncertainty surrounding COVID-19 impact on the Trust's activities.

17. Related parties

Transactions with key management personnel

Executive officers and employees are on standard employment contracts.

The table below depicts the remuneration of key management personnel and the number of individuals determined on a full-time equivalent basis, to the nearest thousand.

	2020 Remuneration	Number	2019 Remuneration	Number
Chair honorarium	\$ -	1*	\$ -	1*
Executive officer (one full time)	\$ 128,986	1	\$ 123,000	1

*not full-time

There were the following related party transactions:

- Kerrin Vautier, Trust Board Chair \$5,000 donation in 2020, (2019:6,000) to CMNZ Trust towards general purposes.

-Matthew Savage, Trustee is Co-director of Homebase Properties Ltd which owns the current CMNZ office premises at Level 1, Zephyr House, 82 Willis Street Wellington, 6011. Rental paid during the year amounts to \$27,300, (2019: nil)

- Christopher Finlayson, Trust deputy chair is also a trustee of the Adam Foundation. During the year, the trust received \$5,000 from the Adam Foundation.

- Trustee, Hamish Elliott nil in 2020, (2019: \$500) towards Artistic and Production costs

- Chief Executive, Catherine Gibson nil towards Artistic and production costs (2019: \$1,000) and nil towards receptions and functions (2019: \$500).

18. Contingent liabilities

There were no contingent liabilities at year end (2019: none).

Chamber Music New Zealand Trust

Notes to the Financial Statements

For the Year ended 31 December 2020

19. COVID -19 continuing impacts

COVID-19 was declared a global health emergency on 31 January 2020 by the World Health Organisation and the New Zealand Government declared a state of national emergency on the 25 March 2020. COVID-19 has the potential to continue to have an impact in 2021 with the ongoing threat of re-emergence of the virus. The re-emergence of the virus has the ability to reduce audiences due to public concern and create restrictions on public concerts and other activities. New Zealand's continuing border closure precludes visits from international artists. However, COVID-19 is not expected to have an impact on the Trust's ability to continue as a going concern due to the ability of the Trust to continue to raise revenue and the Trust holding sufficient net assets.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF CHAMBER MUSIC NEW ZEALAND TRUST**

Opinion

We have audited the financial statements of Chamber Music New Zealand Trust ("Chamber Music NZ"), which comprise the statement of financial position as at 31 December 2020 and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Chamber Music NZ as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Chamber Music NZ in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Chamber Music NZ.

Board of Trustees' Responsibilities for the Financial Statements

The Board of Trustees are responsible on behalf of Chamber Music NZ for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees are responsible on behalf of Chamber Music NZ for assessing Chamber Music NZ's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intend to liquidate Chamber Music NZ or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>.

This description forms part of our auditor's report.

Who we Report to

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

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington
New Zealand
12 April 2021