

**THE ULSTER ORCHESTRA SOCIETY LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND ACCOUNTS**

**31 MARCH 2023**

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Company Registration Number : NI 014222

## GENERAL INFORMATION

### DIRECTORS

#### Served all year

Mark Adair (BBC)  
Lucy Costelloe  
Rosalie Curlett (Players)  
Paul Gillen  
Valerie Ludlow  
Professor Frank Lyons  
Siobhan Martin  
Ruth Millar (Staff)  
Leslie Morrison (Chair)  
Paul Mulholland  
Usman Peguero (Players)  
Ioana Petcu-Colan (Players)  
Councillor Keith Turner (NILGA)  
Councillor Carl Whyte (BCC)  
Roger Wilson (Deputy Chair)

#### Retired during the year

Michael Collins	26 May 2022
Richard Wigley	1 November 2022

#### Resigned after year end

Paul Gillen	8 April 2023
Councillor Carl Whyte (BCC)	18 May 2023
Councillor Keith Turner (NILGA)	18 May 2023

#### ACNI Assessor

Ciaran Scullion

**GENERAL INFORMATION (CONT'D)**

**REGISTERED OFFICE**

Townsend Street Church  
32 Townsend Street  
Belfast  
BT13 2ES

**AUDITORS**

Harbinson Mulholland  
Centrepont  
24 Ormeau Avenue  
Belfast  
BT2 8HS

**BANKERS**

AIB (NI)  
35 University Road  
Belfast  
BT7 1ND

**SOLICITORS**

Carson McDowell LLP  
Murray House  
4 Murray Street  
Belfast  
BT1 6DN

**COMPANY REGISTRATION NUMBER**

NI 014222

**DATE OF INCORPORATION**

1 April 1980

**HMRC COMPANY REGISTRATION NUMBER**

XN 45445

## CHAIRMAN'S REPORT

### Introduction

A strong organisation appears to carry out its purpose effortlessly even when adapting to new circumstances. During 2022/23, the Ulster Orchestra had to rebuild its audiences following the hiatus in live concerts that COVID had caused and the consequent reduction in concert-going that all orchestras have experienced during recovery from the pandemic. Fortunately, some of our concerts have been near sell-outs although others have done only slightly better than the roughly 30% fall-off in audience numbers that has been typical of UK orchestras during the period. The Learning, Community and Education (LCE) activities that account for around one third of our work were also affected by viruses in the community but have recovered strongly and are as popular as ever in schools, care homes and a wide range of community groups.

Our digital capabilities, which had been accelerated by the pandemic, were reimagined as live performances returned. The pandemic was a constraint which, on dissipating, motivated us to develop digital delivery beyond a simple substitute for live concerts towards a multi-media channel for creative content, much of it originating in Northern Ireland.

Two major transitions were navigated during the year. First was the assumption by Auveen Sands on 1st November, 2022 of her Chief Executive Officer role, followed by her appointment of Patrick McCarthy as Deputy Chief Executive and Artistic Director. It is their long working partnership with Auveen's predecessor and Auveen's and Patrick's own leadership talent that have made this change seem so seamless to the outside observer. Those of us on the inside know how much planning and hard work was required to make things come together so well.

The second was the move to Townsend Street Church, where the Orchestra has taken a lease on an historic church and former school. We expect Townsend Street to become the home of the Ulster Orchestra, the church to be used for rehearsals, recordings, LCE events and, eventually, commercial opportunities and the former school providing administrative offices, a green room and our music library. There have been and continue to be challenges in adapting the church to deliver the high acoustical standards that we require. This has necessitated expenditure on property remodelling and acoustical engineering, more of which will be committed as finances allow. I would like to thank a number of enablers who have helped this arduous process to come about: the Trustees of Townsend Street Presbyterian Church; the Arts Council of Northern Ireland; the BBC; Ulster Garden Villages; our Community partners in the area; and those Councillors and Board members who provided assistance and guidance. I especially thank the orchestral players, for whom the move has been complicated and challenging. The church is not yet perfect acoustically for rehearsals by a full symphony orchestra. However, we intend to improve this by stages and appreciate the forbearance and enthusiasm shown by our brilliant musicians as progress towards this goal is made. Townsend will complement other rehearsal options, as required, and will mesh with our concert-hall venues, primarily the Ulster Hall.

It will come as no surprise that change of this magnitude, as we also ramp up orchestral and community work, has stressed our administrative staff. They also deserve my thanks for committed work while problem-solving within a new environment and I am glad that the senior management team has recently been strengthened by an experienced outside appointment.

As to our artistic and community delivery, I consider 2022/23 to have been particularly notable. The season's programme was varied, challenging and innovative, incorporating musical influences and performers from several continents. The Orchestra has thrived under the baton of its Musical Director, Daniele Rustioni. Our highpoint may have been the Orchestra's triumphant return to the BBC Proms at the Royal Albert Hall in August, where the players rose to Maestro Rustioni's direction in a critically acclaimed performance before a capacity audience. LCE activity was also ground-breaking with online schools' concerts reaching over 50,000 pupils across Northern Ireland and online relaxed performances an incredible 25,000. Our Crescendo flagship programme reached its milestone of engaging with all P1-P7 classes across its 4 schools.

In light of great artistic and community achievement and of fairly dramatic structural change, it may seem prosaic of me to point out that the lifeblood of everything the Ulster Orchestra does is money. Our principal funders, ACNI and the BBC, are the main reason we are still able to exist and Orchestra Tax Relief has become a vital component of our financial solidity. We are grateful to the various trusts and foundations whose relationships, developed in recent years, have enabled us to fulfil our broad mission and to do new things, particularly in the LCE area. The impact of COVID and financial pressures have made corporate sponsorship much more difficult. Both the Orchestra and the UO Foundation have found this to be a testing consequence of COVID. Notwithstanding, we will continue to complement official funding with sponsorship, sponsor donations and commercial opportunities and to manage our finances with the discipline that our patrons and funders expect.

## CHAIRMAN'S REPORT (CONT'D)

Finally, 2022/23 was marked by the sad loss of one of our most respected and loved musicians. Michele Strong had been with the Ulster Orchestra for 36 years. She died in December, following an unexpected illness and we all miss her presence on-stage, as a leader of the LCE initiative and as an inspiring colleague.

### **Financial Performance**

Financial performance remained challenging during 22/23 with sector-wide pressures of increasing operational costs due to inflation, the impact of both cost of living and Covid recovery on audiences, together with increased competition for funds from corporate and trusts/foundations. The support package to acknowledge these pressures, in the form of the Orchestra Tax Relief scheme has been a significant lifeline for the sector, however the single payment in arrears has created pressure on cashflow and reserves.

Despite these challenges, the Orchestra produced a full programme of diverse activities while keeping a focus on financial performance. Our work is curated to ensure that we leverage relationships and support that translates to increased impact towards our charitable objectives while ensuring value for money. We have continued to receive strong support from the Arts Council of Northern Ireland (ACNI), Belfast City Council and the BBC, with a committed core audience. We are very grateful to our funders including– Garfield Weston, JTI, Urban Villages via Colin Neighbourhood Partnership, Ulster Carpet Mills, Esmee Fairbairn, Foyle Foundation, Department of Foreign Affairs, Andrew Lloyd Webber, PRS for Music Foundation Resonate, ABO Sirens, Souter, Esmee Mitchell, The Priests, Paul Hamlyn, ARN Foundation, Radcliffe Trust, D'Oly Carte, Enkalon Foundation, Austin and Hope Pilkington Trust, Stephen Clarke Fund, Arnold Clark, Ulster Orchestra Foundation and SCOPs Arts Trust.

We would also like to thank our loyal audience for their support and express our gratitude to our patrons, donors and in particular for the significant legacy donations made this year.

### Orchestra Activity Highlights:

In August 2022 the Orchestra made a superb return to the BBC Proms, held each year at the Royal Albert Hall in London. Daniele Rustioni conducted a programme of masterpieces by Wagner, Richard Strauss, Mahler and Schumann. The most positive of the many strong reviews came in The Guardian, whose reviewer awarded five stars, and declared it his favourite Prom of the entire season.

Many composers (both contemporary and historical) were presented to audiences in Belfast and beyond for the first time, as the Orchestra sought to demonstrate a greater spirit of inclusiveness and diversity in its programming. Works by Louise Farrenc, Grazyna Bacewicz, Eleanor Alberga, Jessie Montgomery and Samy Moussa were all featured within an overall programme which balanced new work with more familiar repertoire.

The Orchestra again demonstrated its vital importance to the cultural sector here through its collaboration with NI Opera (La Traviata, September 2022), and with the Derry International Choral Festival (October 2022). As always, the BBC were a key partner, as live audiences began returning in increasing numbers to Invitation Concerts at the Ulster Hall, and as a new relationship with NI Libraries through our shared BBC partner resulted in small group concerts in libraries across NI during March 2023.

### **Marketing**

2022/23 was our first full Season after Covid, operating with full capacity seating. The first few season concerts were strong with an average audience of 87%, followed by a reduction in the two concerts before Christmas. However, as these were both on a Thursday night as opposed to the traditional Friday, this was considered to have impacted sales. For the remainder of the core season concerts, audience attendance varied with most concerts achieving over 80% but some, for example, Latin Rhythms on 21 April, only reaching 52%.

Our Belfast festive concerts again achieved great success but sadly, The Magic of Christmas was cancelled due to the loss of Michele Strong. Regarding our Pops and Family series, The Halloween Howler, which was our first Halloween-themed concert in Belfast, attracted a decent audience across the two performances but as the upper levels were closed off, it would have been a more viable option to do one concert. Oscar Winners in January achieved an impressive 90% and following a carefully targeted promotional campaign, Worlds of Fantasy on 25 March resulted in 93% capacity – higher than when it was performed in 2020. Symphonic Soul & Motown on 6 May was impacted by the Coronation bank holiday weekend but still attracted an audience of 874 and proved a great success in terms of audience feedback. This event was also sponsored by Evelyn Partners.

## CHAIRMAN'S REPORT (CONT'D)

Regarding audiences for this season, we have noticed a definite shift in demographics with a higher number of first-time attendees and younger people. This is in contrast to a drop in attendance by our long-term audiences for various reasons including illness, loss of partner, cost of living and not wanting to travel into Belfast at night. The season also showed a growing trend in last-minute ticket buying with a boost in sales figures as close as a few days before a concert. This makes it difficult to forecast sales going forward but proves that the digital and marketing activity in the weeks before each event is having a positive effect on people's purchase decisions.

In terms of the 2023/24 Season brochure, we wanted a fresh look that would appeal to new audiences as well as appealing existing ones. We therefore appointed a new design agency, Kaizen, and are focusing more on the impact of images and shorter sales copy which better convey the experience the attendee will have. The brochure will be ready for subscribers in mid-June and the public launch is 28 July.

Fresh for the new season, we are launching a special range of UO branded merchandise which will be available to buy from our website and at concerts. To make this as appealing as possible and to reinforce our desire to work in partnership with local organisations, we held a competition with the Belfast School of Arts for Final Year students to design artwork for the merchandise. The winner has been selected and will be announced on 9 June. They will also receive a £500 prize and acknowledgement across our platforms.

Looking ahead, although traditional forms of marketing, such as outdoor, radio, print and flyers still work well for us, we are working more closely with the digital team to create appealing, informative and persuasive campaigns to encourage sales and positive discussion around the Orchestra. This will reflect the artwork within the brochure and produce a consistent brand look and tone.

### Corporate Fundraising

2022/23 is the first season when there has been significant focus on securing support from the corporate sector. Since September, we have made excellent progress in networking and liaising with the business sector and showcasing what the Orchestra has to offer. Regarding new corporate members, we have secured Ernst & Young (Silver), Ten Square (Bronze) and Charles Stanley Group (Silver). Evelyn Partners sponsored Symphonic Soul & Motown at £5,500. Deloitte have also confirmed a major sponsorship of £20,000 towards Schools' Concerts, concert sponsorship and membership – a level of support that is quite rare in the current marketplace.

### Learning and Community Engagement

The 2022/23 period saw a full return to live activity in schools, care homes and community venues across Northern Ireland. Our approach to online delivery, honed during the pandemic, was also harnessed as a way to reach more people than ever before.

**Online concerts:** Following our first year of online delivery of the primary, post-primary and Relaxed concerts in 2021, we distributed another series of performances in 2022. We worked with Mike Edgar Productions and presenters Cath Arlidge (primary schools) and Jessie Grimes (Relaxed) to develop free, bespoke content featuring performance of 4 pieces by the full Orchestra in the Train Room at Ulster Transport Museum. Ulster Orchestra musicians also recorded short segments for the primary schools' content, and pupils were encouraged to enter our photo competition showing them playing a musical instrument in an unusual place. The top 30 photos were featured in the final concert, and the winning entrant received a workshop for his P6 class from our Music Animateur. The Relaxed concert was presented using Makaton, and accessible resources were sent to everyone who registered to enhance viewers' experience of the concert.

The primary schools concert reached over 460 schools across Northern Ireland and was watched by over 53,000 Key Stage 2 pupils – nearly 50,000 more pupils than we're able to reach in our live concerts:

*It was our first whole class 'concert experience' this year! (and since COVID) It didn't discriminate and was inclusive of all, which meant regardless of ability/ musical knowledge etc all children were equally involved. The choice of music was very engaging. The delivery of the interactive element was clear, concise and age appropriate. Thank you for a wonderful musical experience, a lovely treat for a Friday morning. P6K are delighted!*

## CHAIRMAN'S REPORT (CONT'D)

The online Relaxed Performance had almost 300 registrations reaching almost 25,000 service users, including 100 SEND schools in Northern Ireland and 150 special provision schools/units across the rest of the UK:

*It was excellent and the sign language was indeed very helpful and very well told. The music was very well chosen.*

The post-primary concert was presented by our Music Animateur, recorded in Townsend Street Church and targeted at Key Stage 3 and above. Over 5,000 pupils registered to watch:

*As a small school, we do not have many resources and it would be a fantastic opportunity for our pupils to experience the expertise of an orchestra.*

**Crescendo Project:** The first live Crescendo performances in three years were held in May and June 2022. Given the growing numbers of participants, it was no longer possible to hold the final event for all pupils in one venue. Instead, there was a final showcase performance each in Malvern and Wheatfield primary schools for their P1-P2 pupils, a large-scale event in the Ulster Hall for 700 P3-P6 pupils and an invited audience of family members and guests and a community-led, outdoor showcase in Colin Transport Hub for the P1-P2 pupils of Good Shepherd and Holy Evangelists' primary schools. The events attracted greater numbers of family members than ever before (over 600), and received extensive media coverage:

<https://drive.google.com/file/d/17gL3jqPjrU93UqBK-I5-fAR0YwrNIIFP/view?usp=sharing>

[https://belfastmedia.com/watch-good-shepherd-and-holy-evangelists-pupils-perform-with-the-ulster-orchestra?fbclid=IwAR3g6tYiUNiOXvCixUFk9VgKW6j0raAe\\_ZCwrFD2gzGIZ-cEnM8jGYOhZR0](https://belfastmedia.com/watch-good-shepherd-and-holy-evangelists-pupils-perform-with-the-ulster-orchestra?fbclid=IwAR3g6tYiUNiOXvCixUFk9VgKW6j0raAe_ZCwrFD2gzGIZ-cEnM8jGYOhZR0)

By February 2023, Crescendo had reached its long-awaited milestone of engaging all P1-P7 year groups from all 4 schools. P4-P5 pupils were able to choose to learn percussion for the first time, meaning that the Crescendo instrument line-up broadly reflects that of the Orchestra. Queen's University Innovation Zones compiled their findings of a P1-P3 research study during the period which included further engagement with principals, teachers, pupils and families:

*It really helped me to create and understand music. Before that [Crescendo] I thought it was just signs on a line.*  
**Pupil**

*Crescendo makes my XXXX (name of child) happier and I know she enjoys school more because of it.*  
**Parent**

*The children and parents are delighted that they are getting this experience in school. It is an excellent opportunity which supports them socially, musically, boosts self-esteem and mental health. It's another way in which the children can creatively express themselves and is an excellent project to have in school.*

*We all appreciated the programme even more after Covid. The sound of music in school was a great way for all of us to settle. Children really love the days they work with the orchestra.*  
**Teachers**

*With the culmination of all the work through the year, there is a real collective sense of pride, that an organisation as prestige as the Ulster Orchestra has made the effort (and the effort is significant on their part) to engage with our community. That sends out the tremendously powerful message to the people of this area and that pride is evident in the way that the children talk about it and the way their mums and dads talk about it.*  
**Principal**

## CHAIRMAN'S REPORT (CONT'D)



**Live Primary School Concerts:** November-December 2022 saw 6 live school concerts take place in Ballymena, Derry/Londonderry, Enniskillen, Newry, Omagh and Belfast. These concerts reached 3,817 people (361 teachers and 3,456 pupils) from 69 schools across Northern Ireland. Consultation with schools suggested that following the pandemic a focus on the joy of music was needed by pupils, and we reduced the age range down to include P4-P7 pupils so that young pupils had the opportunity to reconnect with live music:

*The concert itself was so enjoyable, "pitched" perfectly for the kids and the right balance between listening and audience participation. Overall, a fabulous experience for all. To quote one of my pupils, "It was the best day of my life!"*

*There were gasps of delight every time the orchestra played well known themes like Harry Potter and Star Wars. The pupils were very excited to see a real live orchestra and the experience exceeded their expectations! Teachers*

Online educational resources were distributed to all attending schools before and after the concerts. In addition, 19 Introductions to the Orchestra Primary Schools Shows were given by the Community Liaison (with assistance from players Richard Guthrie and Philip Walton) throughout Northern Ireland from November 22 through March 23 to 3,489 children and 270 adults. The 12 shows in November and December were a showcase to schools prior to their attendance at the Primary Schools Concerts, with the subsequent 7 delivered in schools from deprived areas with more than 50% of the school population receiving free school meals and having no access nor experience of live musical interaction. Aside from the educational emphasis, season brochures were left in the staff rooms of the schools as many staff expressed interest in future concert attendance. Universally the shows had a very positive impact:

*The school show was brilliant. Originally it was only set for Primary 3 - Primary 7 but Primary 1 and 2 came in for the first 20 minutes and stayed for the whole show. They show was interactive and engaging for all ages and the whole school (staff included) loved it.*

*Once in a lifetime opportunity for a lot of our kids. Impact on children who are having violin lessons- seeing what to aim for.*

*Children from our school absolutely loved the show. It was informative, interactive and fun for the participants. The music choices in the show are excellent as they are age appropriate. The visit was excellent. A really thoughtful & appropriate selection of musical pieces which would be relevant and motivating for the pupils. There was also plenty of extra consideration for SEN circumstances (recommending ear defenders if necessary etc).*

## CHAIRMAN'S REPORT (CONT'D)



**Residency Project with Queen's University Music Department:** During the 6th year of this project the Education Liaison with some players delivered weekly performance coaching to all three undergraduate years in the QUB school of music. This included solo and ensemble coaching across several genres - classical, music theatre, rock, jazz, traditional and singer-songwriter. Feedback has been universally positive and enthusiastic. Solo players from UO also delivered occasional composition workshops.

**Partnership with the Education Authority Music Service:** Our bassoonists made three visits to each of the seven schools (five primary, two post-primary) involved in a pilot project to encourage the take-up of bassoon in schools (a critically endangered instrument). The students and EA staff came to an orchestra rehearsal in Waterfront Hall to hear the full orchestra and meet the bassoon section. We held training workshops for non-double reed peripatetic woodwind teachers to develop skills in playing and teaching oboe and bassoon. A similar project is in planning for viola.

*I spent a lovely afternoon with 4 of my mini-bassoonists at the U.O. rehearsal for tonight's concert. A very enjoyable experience for all of us! Music coordinator, Holy Cross Boys' PS (bassoon project participating school)*

**Ceara SEND School Project, Lurgan:** In March 2023, our violinist Zuzanna and double-bass player Helen delivered workshops with pupils from Ceara School, Lurgan, led by facilitator Cecily Smith-Nesbitt. The workshops included a focus on music performed by the Orchestra this season and pupils showed off what they learned to the rest of the school in two showcase concerts at the end of the month which got everyone joining in.

## CHAIRMAN'S REPORT (CONT'D)



### **Come & Play**

Come and Play is an opportunity for aspiring amateur musicians of all ages to come and play with Northern Ireland's only symphony orchestra for a day. We were thrilled to hold our first in-person event since the pandemic on Sunday 5 February for amateur musicians of Grade 4-6 standard at Belfast Model School for Girls, with a programme including music by Purcell, Stravinsky and Copland. A second event for musicians of Grade 6-8 standard took place on Sunday 12 March at the Ulster Hall featuring repertoire by Tchaikovsky, Bizet and John Williams. Nearly 100 musicians of all ages took part and the feedback was overwhelmingly positive:

*Had a fantastic experience playing in the come and play event. I loved getting able to sit beside the player that I normally watch when I go to hear the orchestra, it really helped give me confidence. The tutors were fantastic and really good fun. Thank you for such a special day.*

*I really felt involved and a valued member of the orchestra.*

*This is a great event that offers children a wonderful opportunity to play with a full orchestra. The members of the orchestra were so supportive and generous with their time and knowledge. My daughter was buzzing after it.*

*I thoroughly enjoyed my afternoon playing with the Ulster Orchestra and would highly recommend the experience to any musician. All ages were catered for - wasn't the eldest as feared!*

*2023 Come and Play Grade 6-8 concert was utterly outstanding! The Come and Play events have consistently delivered support and encouragement to young players through the years, but this year it surpassed all expectations.*

**Wellbeing workshops:** As care homes and day centres gradually reopened up to live activity, the 2022/23 period saw delivery of both our Courtyard Concerts outside care homes and a return to indoor visits by small ensembles. Care homes targeted during the period included Madelayne Court Care Home, Ratheane Nursing Home, Our Lady's Care Home, Bradley Manor Care Home, Edgcumbe Centre, City Way Day Centre, Oaktree Manor Care Home, Parkmanor Oaks Care Home, Towell House Care Home, Greenisland Care Home and Glenabbey Manor. Feedback from the visits highlighted their success:

*Thanks for the beautiful session and meaning full time for the staff and residents. I had a lovely time organizing this and being part of it. I was for a moment lost listening to the music. Thomas (a resident) said to me: He remembers taking his wife to the theatre for the orchestra and listening to them playing live- so, thank you for bringing that to us. Sr Luca said: She was so delighted to see them playing live for her as it had always been a dream of hers to see them closely playing for her Coordinator, Parkmanor Oaks Care Home.*

## CHAIRMAN'S REPORT (CONT'D)

*I would like to say a 'big thank you' to yourself and the Ulster Orchestra who took time out their day to come and play music to the residents of Glenabbey Manor. It took my breath away to watch the residents faces and see how much they enjoyed listening to the music; music really does make a difference for people living with dementia. Coordinator, Glenabbey Manor.*

*Another resident who I've noticed often becomes a bit tearful when she hears music, was sitting listening with tears in her eyes (happy or sad memories I'm not sure, but she was certainly moved by the music). Coordinator, Oaktree Manor.*

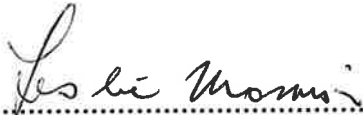
**Libraries NI:** 2 Time Out workshops were delivered by Ioana Petcu-Colan with Tea and Newspaper group participants at Chichester Library in north Belfast and Tullycarnet Library in February and March 2023.



## Courtyard Concert at Towell House, June 2022

**Townsend Street Church:** We continued to connect with community groups, schools and networks in the vicinity of our new home including West Belfast Partnership, Falls Residents Association and New Life City Church. The Music Animateur delivered workshops with Key Stage pupils in 6 local schools in the period September-December 2022, and free family tickets to our Halloween concert were offered to schools in the area. 2 Welcome events were held for tenants of Townsend Enterprise Park in October, while Christmas-themed music was performed by an ensemble for Welcome Organisation service users in December. Raidió Fáilte featured an interview with an Irish-speaking Orchestra musician ahead of a performance in its café in February, and Wellbeing visits were delivered and planned in the local Tennant Street and Cullingtree Meadows care homes. We attended meetings of the Falls Shankill Community Forum, administered by the Department of Justice, and were pleased to learn that one member's child is a Crescendo participant in nearby Malvern PS.

**CHAIRMAN'S REPORT (CONT'D)**



.....  
**Leslie Morrison**  
**Chairman**

Date 15<sup>th</sup> June 2023

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2023. The financial statements comply with the current statutory requirements including the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by other Charities" (FRS102).

### **Reference and administrative details**

Details of the registered office, directors, independent advisers and other relevant information are given on pages 1 and 2.

### **Structure, Governance and Management**

#### ***Governing document***

The Ulster Orchestra Society Limited is a society limited by guarantee governed by its Articles of Association. The Society's Board of Directors is responsible for its affairs. The Chief Executive Officer, assisted by the Senior Management Team, reports to the Board on behalf of the management and staff.

#### ***Directors***

All directors are members of the Society. All directors are guarantors of the Society with a maximum liability of £10.

#### ***Appointment of directors***

At least five directors are elected by the membership for an initial period of three years. Directors are eligible to serve for a maximum of six consecutive years.

Not more than three Musicians and one member of the administrative staff are elected by the membership. A further three directors are nominated as Representative Directors, one from each of the following bodies: the Belfast City Council, the BBC and the Northern Ireland Local Government Association.

The ACNI has a representative member, who is known as an Assessor.

While the Managing Director was a full member of the Board until the end of October 2022, the new structure implemented on 1 November 2022 is led by a Chief Executive Officer who does not sit on the Board.

#### ***Director induction and training***

Appropriate induction and training is given to all Board members. Each new director is provided with a pack of information about the Orchestra and their responsibilities and is given an opportunity to meet all staff.

#### ***Organisation***

The Board, which consists of 16 (2022: 16) directors, administers the Society. The Board meets approximately every six weeks and there are sub-committees covering nominations, marketing and digital, finance, audit, HR, learning and community engagement, artistic advisory and health & safety. A Chief Executive Officer is appointed by the directors to manage the day-to-day operations of the Society. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation approved by the directors, for operational matters including finance, employment and artistic performance-related activity. A Deputy Chief Executive has been appointed to support the Chief Executive Officer in performing these duties.

#### ***Related parties***

The Society works in close collaboration with its principal funders, the Arts Council of Northern Ireland, the BBC and Belfast City Council. It also works with many local councils, music societies, Education and Library Boards, universities, Thrive (formerly Audiences NI) and others to promote the work of the Society in its artistic programme and its learning and community engagement work.

#### ***Risk management and internal control***

The directors are responsible for ensuring that an effective system of internal financial control is maintained and operated by the Society.

The system of internal financial control is based on a framework of regular management information; administrative procedures; and a system of delegation and accountability.

## DIRECTORS' REPORT (CONT'D)

In particular, it includes:

- A comprehensive budgeting system, with a business plan and an annual budget, which is reviewed and agreed by the directors;
- Regular reviews by the directors of periodic and annual financial reports, which indicate financial performance against approved budget and forecast;
- A review by the Audit Committee (being a sub-committee of directors which operates under specific terms of reference which delegates certain functions from the director board) of the comments made by the external auditors in their management and other reports; and
- Procedures for monitoring progress against the business plan.

As part of the monitoring process, the directors have implemented a risk management strategy which comprises:

- An annual review of the risks which the Society may face and actions taken to mitigate identified risks;
- The establishment of a system of procedures to mitigate those risks identified; and
- The implementation of procedures designed to minimize any potential impact on the Society should any of those risks materialise.

The principal risk identified is the sector-wide continuing impact of the Covid pandemic along with the economic climate on the Society's financial stability and cashflow. The Orchestra Tax Relief Scheme has been a significant support to the organisation during this difficult period.

We are fortunate to have had a full season of activity in the financial year 2022/2023 which brought the organisation together in our new home on Townsend Street, with a renewed focus on audience development, diversity and programming to appeal to a variety of audiences. While audiences across the sector remain diminished due to the pandemic, the variety of work that we do and the varied settings have allowed us to continue to deliver our music and outreach in more innovative ways, for example through a partnership with Libraries NI. We have continued to invest in our music program, digital initiatives and supported by a strong recruitment process, we are attracting international interest and good reviews of our work and projects. We will be striving to tightly control expenditure to ensure sustainability, without impacting on the growth objectives and long term vision.

### **Objectives and activities of the Society/public benefit test**

In shaping our objectives for the year and planning our activities, the directors have considered the Charity Commission's guidance on public benefit.

The key objectives of the Society are to develop and advance the education of the public in all aspects of orchestral music; maintain and manage the Ulster Orchestra, develop public appreciation of orchestral music through the provision of an orchestra and the presentation of public concerts; promote such concerts by the Orchestra in Northern Ireland; present concerts by the Ulster Orchestra throughout the United Kingdom, Irish Republic and overseas in association with local promoters; ensure the widest possible access to such concerts through a pricing policy which endeavours to encourage all within our community to take part in our activities; facilitate the production of recordings and broadcasts for radio and television by the Orchestra; and undertake learning and community engagement work in Northern Ireland and elsewhere to involve young people, encouraging a culture in which different age ranges play a complementary part.

The Society seeks to constantly improve artistic standards, enhance the Orchestra's profile in its concerts and education and learning and community engagement work, and to reach world-class standards of musicianship.

The Society aims to have a full schedule of concerts, recordings (BBC and commercial CD/downloads, etc.), learning and community engagement work, and tours. It also seeks to secure itself financially by controlling costs and increasing income. Our new home in Townsend Street is an opportunity to generate future income for the organisation and strengthen our financial sustainability, while providing a resource for the use of the organisation that will be more efficient and will address availability and cost issues in rehearsal and recruitment activities.

## DIRECTORS' REPORT (CONT'D)

### **Achievements and performance**

The Statements of Financial Activities for the Society is set out on pages 21-23. A full review of the Society's activities and achievements against the above objectives is set out in the Chairman's Report and the Review of the Period.

### **Financial review**

The financial stability of the Orchestra and its solvency continue to be high on the agenda for the organization. As detailed below box office income remains challenging and is not yet back to pre-pandemic levels, however income remains robust overall with consistent voluntary income, together with support from the Orchestra Tax Relief Scheme which continues to offer an enhanced rate due to the impact of the pandemic.

The Orchestra reported an overall net deficit of expenditure over income of £212,572, which was covered by funds brought forward from prior year for projects within the year. Funds being carried forward amount to £1,028,202.

Going forward, we are projecting a deficit for 23/24 which again will be covered by funds brought forward from 22/23.

While we are confident that the Balance Sheet position is sufficiently strong to allow us to successfully mitigate the financial and operating risks that continue to arise from the ongoing effects of the COVID-19 pandemic into 2023/24, in the unlikely event that the impact results in an unsustainable financial position, we will move swiftly to re-position the business and protect liquidity through actions designed to reduce fixed and variable costs and by identifying alternative income streams.

### **Income**

Income remained robust, increasing by 10.9% (£509k) overall. Box Office income is improving with the full return to live activity, up by 68% (£162k) on the prior year to £400k, however it is not yet back to pre-pandemic levels (19/20 £469k). Income generated from regional concerts and engagements was up by £157k on the prior year to £193k, while encouraging is not near pre-pandemic levels (19/20 £386k).

Incoming resources from voluntary income, which have consistently been above pre-pandemic levels, have been held at a similar level to the prior year £2.97m in 22/23 (£2.96m in 21/22) however we anticipate that this support will become more challenging as competition is increasing in the current climate.

Although the Orchestra was initially awarded ACNI annual funding of £2,084,038 (2022: £2,084,038) as per the previous year, the Department for Communities and the Arts Council of Northern Ireland provided the Society with over £184k in additional support during 22/23.

We are very grateful for the support of our patrons, donors and supporters, and in particular for a significant legacy left to support the work of the organisation in 22/23. Overall donations and legacies were received of £295k (£118k 21/22).

BBC income remained in line with 2021/22 at £639,000. In addition, the Belfast City Council provided annual funding of £149,283, for the third year of a 4-year agreement.

### **Expenditure**

A full analysis of expenditure on charitable activity is given in notes 4 to 11.

As the Orchestra was operating at more normal levels during 22/23, expenditure increased by 13%/£623k compared to 21/22.

## DIRECTORS REPORT (CONT'D)

### ***Investment powers and policy***

The directors, having regard to the liquidity requirements of maintaining the Orchestra and to the reserves policy have operated a policy of keeping available funds in an interest-bearing deposit account and seeking to achieve the best rate of deposit interest available whilst accounting for relevant risks.

### ***Reserves***

The actual general reserves as at 31 March 2023 were £518,400 (2022: £513,279) (see page 22). This level of reserves is sufficient to maintain liquidity and to cover unforeseen short-term emergency cash requirements. The directors had previously set aside £179,000 of designated funds for specific purposes and £154,000 of these funds were used for those purposes during the year, leaving £25,000 carried forward at 31 March 2023. However, on a longer-term basis beyond the next twelve months, additional income needs to be generated and funding secured to replenish reserves used as a result of the pandemic and economic challenges for the sector. Due to the use of restricted funds for projects in 22/23, our restricted funds have reduced from £548,495 at 31 March 2022 to £484,802 at 31 March 2023.

### ***Plans for future periods***

Efficiency and economy reviews are ongoing to ensure that the Orchestra receives value for money in all aspects of its expenditure. Although staffing levels are at a minimal level compared to other orchestras, they have been strengthened so that the Orchestra is able to operate efficiently and effectively ensuring that it is fit for purpose and in the best possible position to deliver on key performance indicators. Our move to secure premises and diversify streams of income generation is underway and we hope that having a more varied income base and diversity of audiences will protect future financial sustainability.

Despite our success to date, third party fund raising for the Orchestra remains a key objective to ensure that the organisation has a sustainable future. We continue to focus on development so that we can broaden our learning and community engagement activities. Increased emphasis on digital content continues despite our return to live concerts due to our continued investment on increasing the Orchestra's profile but also in attracting a new audience base.

We have a varied and exciting programme in place for 23/24 and confidence that the quality of programming and delivery, excellence in performance and reputation of the organisation as a whole will support future growth.

### ***Forward funding***

The Society intends to apply for continued core and project funding from the Annual Funding Programme of the ACNI and will be seeking additional funding from both private and public sources to ensure the organisation can continue to operate on a sustainable basis for the foreseeable future.

### ***Statement of disclosure of information to auditors***

So far as each of the directors at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Society's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice and Accounting and Reporting by Charities 2005. The directors are also responsible for

## DIRECTORS REPORT (CONT'D)

### Statement of directors' responsibilities in respect of the Annual Report and financial statements

The directors (who are also trustees of the Ulster Orchestra Society Limited for the purposes of Charity law), are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

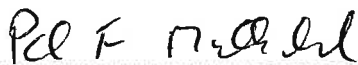
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic or Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under Charity law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the society and of the incoming resources and application of resources, including income and expenditure, of the society for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice and Accounting and Reporting by Charities 2005. The directors are also responsible for safeguarding the assets of the Society and hence to take reasonable steps to prevent and detect fraud and other irregularities.

### Auditors

The auditors, Harbinson Mulholland, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.



Paul Mulholland  
Director

Date 15 June 2023

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ULSTER ORCHESTRA SOCIETY LIMITED

### Opinion

We have audited the consolidated financial statements of The Ulster Orchestra Society Limited for the year ended 31 March 2023 which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out therein.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

### Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the charitable company's ability to continue as a going concern. Cashflow projections predict that expenditure will exceed income for the period ended 31 March 2024. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the charitable company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charitable company were unable to continue as a going concern.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ULSTER ORCHESTRA SOCIETY LIMITED (CONT'D)

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the charity'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ULSTER ORCHESTRA SOCIETY LIMITED (CONT'D)

### 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 (UK) 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 economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and/or senior management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including Companies Act 2006, Charities Act, data protection, anti-bribery, employment, environmental and health and safety legislation
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ULSTER ORCHESTRA SOCIETY LIMITED  
(CONT'D)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Angela Craigan (Senior Statutory Auditor)  
for and on behalf of Harbinson Mulholland**

**Chartered Accountants  
Statutory Auditors**

Centrepoint  
24 Ormeau Avenue  
Belfast  
Co. Antrim  
Northern Ireland  
BT2 8H

15/6/23

**STATEMENT OF FINANCIAL ACTIVITIES**

	Notes	2023			2022		
		Restricted funds £	Unrestricted funds £	Total £	Restricted funds £	Unrestricted funds £	Total £
<b>Income and endowments from:</b>							
Donations and legacies	2	260,376	2,712,386	2,972,762	613,539	2,351,961	2,965,500
Charitable activities	2	-	1,267,701	1,267,701	1,000	925,535	926,535
Investment income	2	-	-	-	-	22	22
Other	3	-	942,140	942,140	-	781,679	781,679
<b>Total</b>		<b>260,376</b>	<b>4,922,227</b>	<b>5,182,603</b>	<b>614,539</b>	<b>4,059,197</b>	<b>4,673,736</b>
<b>Expenditure on:</b>							
Raising funds	4	-	337,502	337,502	-	253,366	253,366
<b>Charitable activities:</b>							
Orchestral programme	5	178,048	4,432,725	4,610,773	678,516	3,513,914	4,192,430
Educational programme	6	146,021	300,879	446,900	131,594	194,884	326,478
<b>Total</b>		<b>324,069</b>	<b>5,071,106</b>	<b>5,395,175</b>	<b>810,110</b>	<b>3,962,164</b>	<b>4,772,274</b>
<b>Net Income/(Expenditure)</b>		<b>(63,693)</b>	<b>(148,879)</b>	<b>(212,572)</b>	<b>(195,571)</b>	<b>97,033</b>	<b>(98,538)</b>
Transfers between funds	7	-	-	-	-	-	-
Net movements in funds		(63,693)	(148,879)	(212,572)	(195,571)	97,033	(98,538)
Total funds brought forward		548,495	692,279	1,240,774	744,066	595,246	1,339,312
<b>Total funds carried forward</b>		<b>484,802</b>	<b>543,400</b>	<b>1,028,202</b>	<b>548,495</b>	<b>692,279</b>	<b>1,240,774</b>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 24-36 form part of these accounts.

**BALANCE SHEET**

	Notes	<u>2023</u>	<u>2022</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	12	554,711	445,919
<b>CURRENT ASSETS</b>			
Debtors	13	1,256,071	1,006,109
Cash at bank and in hand		<u>412,836</u>	<u>860,632</u>
		1,668,907	1,866,741
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(1,195,416)</u>	<u>(1,071,886)</u>
<b>NET CURRENT ASSETS</b>		<u>473,491</u>	<u>794,855</u>
<b>NET ASSETS</b>		<u>1,028,202</u>	<u>1,240,774</u>
<b>FUNDS</b>			
<b>UNRESTRICTED FUNDS</b>			
General	15	518,400	513,279
Designated funds	16	25,000	179,000
<b>RESTRICTED FUNDS</b>	17	<u>484,802</u>	<u>548,495</u>
Total Funds		<u>1,028,202</u>	<u>1,240,774</u>

The accounts were approved by the directors on 15/6/23

DIRECTOR:   
Leslie Morrison

Company registration number: NI014222

The notes on pages 24-36 form part of these accounts

**STATEMENT OF CASH FLOWS**

		2023		2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		(213,702)		(129,574)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(234,094)		(258,024)	
Disposal of tangible fixed assets		-		1,413	
Interest received		-		22	
		-		22	
<b>Net cash (used in)/generated from investing activities</b>			<u>(234,094)</u>		<u>(256,589)</u>
<b>Net decrease in cash and cash equivalents</b>			(447,796)		(386,163)
Cash and cash equivalents at beginning of year			<u>860,632</u>		<u>1,246,795</u>
<b>Cash and cash equivalents at end of year</b>			<u>412,836</u>		<u>860,632</u>
<b>Relating to:</b>					
Bank balances and short term deposits			<u>412,836</u>		<u>860,632</u>

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES

#### (a) Accounting convention

The Society constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, Society Law and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Going Concern

The Society's financial performance for the year is set out in the Statement of Financial Activities on page 21 and described in the Chairman's Report on pages 3 to 11. The society has a deficit of £212,572 (2022: deficit of £98,538) and its total funds (restricted and unrestricted) were decreased to £1,028,202 (2022: £1,240,774) at the year end.

Due to the continuing challenges facing the sector we are projecting a deficit for 23/24 albeit at more manageable levels than previous years' projections.

Incoming resources include an amount for Orchestra Tax Relief for the year ended 31 March 2023 of £916,129 (2022: £580,198) which includes an accrued amount of £855,839 (2022: £407,038) in respect of the current year. The directors have based the calculations on the guidance available and are satisfied that given the information available at the year end the amount included is reasonable.

Despite projecting a deficit for the financial year ending 31 March 2024, cash projections indicate that the Orchestra can continue in operation for at least 12 months from the date of approving these accounts. The Chief Executive continues to operate closely with the Arts Council of Northern Ireland to ensure their continued stability. The Board will also continue to monitor the situation and finances prudently in order to ensure a financially stable outcome.

While we are confident that the Balance Sheet position is sufficiently strong to allow us to successfully mitigate the financial and operating risks that would arise from the ongoing effects of the COVID pandemic into 23/24, in the event that the impact results in an unsustainable financial position, we will move swiftly to re-position the business and protect liquidity through actions designed to reduce fixed and variable costs and by identifying alternative income streams.

Having considered these circumstances, the directors do not consider there is a material uncertainty regarding the ability of the company to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

## NOTES TO THE ACCOUNTS (CONT'D)

### 1 ACCOUNTING POLICIES (CONT'D)

#### (c) Income

Income is recognised in the period in which the Society is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the Society has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities (SoFA) when receivable.
- Income received from activities for generating funds is included when collected.
- Investment income is included when receivable.
- Grants and contracts, including capital grants, from the government and other agencies have been included as income from activities in furtherance of the Society's objects where these amount to a contract for services, but included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example, government block grants.
- Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable, transferred to designated funds on the purchase of an asset and then released to general funds over the related asset's useful life.
- Training income is included in the year to which it relates.
- Donated facilities are included at the value to the Society where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

#### (d) Expenditure

Resources expended are included in the SoFA on an accruals basis, inclusive of any VAT which cannot be recovered.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Society in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, eg. staff time as set out in note 9.

#### (e) Support costs allocation

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at the Society's main premises. Support costs are allocated on a basis consistent with the use of resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

## NOTES TO THE ACCOUNTS (CONT'D)

### 1 ACCOUNTING POLICIES (CONT'D)

#### (f) Fixed assets

At each balance sheet date, the carrying amounts of tangible assets are reviewed to determine whether there is an indication that those assets have suffered an impairment loss. Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs to sell and value-in-use), an impairment loss is recognised by writing down the assets cash-generating units to their recoverable amount. An impairment loss is recognised immediately in the profit and loss. Any reversal of a previous impairment loss is similarly recognised immediately in the profit and loss.

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions, where the useful life is considered to be less than 2 years, are not capitalised.

#### (f) Fixed assets (continued)

Depreciation on the assets of the society is provided on the cost of the assets, calculated at annual rates estimated to write off each asset over the term of its useful life. The rates in use are as follows:-

Property Improvements	-	Over 7 years
Motor vehicles	-	20-25% straight line
Fixtures and fittings	-	12.5% - 25% straight line
Music library	-	Nil

The cost of the music library is not depreciated and additions are charged to revenue. The Society will conduct an impairment review when events or circumstances indicate that the carrying amount of the fixed assets may not be recoverable.

#### (g) Taxation

No provision is required for taxation as the society is defined as a charity for taxation purposes.

#### (h) Pension costs

Amounts payable by the Society in respect of its contributions to employee pension schemes are charged to the statement of financial activities in the period to which they relate.

#### (i) Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### (j) Fund accounting

Funds held by the Society are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.
- Designated funds – these are funds set aside by the directors out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Society. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

## NOTES TO THE ACCOUNTS (CONT'D)

### 1 ACCOUNTING POLICIES (CONT'D)

#### (k) Employee benefits

When employees have rendered service to the Society, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The Society operates a defined contribution pension scheme, the assets of which are held separately from those of the Society in an independently administered fund. The pension cost charge represents contributions payable to the scheme in the accounting period.

#### (l) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following are the society's key sources of estimation of uncertainty:

#### (l) Judgements and key sources of estimation uncertainty (continued)

Tangible fixed assets – the annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Debtors – short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

## 2 INCOMING RESOURCES FROM GENERATED FUNDS

	2023			2022		
	Restricted funds £	Unrestricted funds £	Total £	Restricted funds £	Unrestricted funds £	Total £
<b>Voluntary income:</b>						
Arts Council of Northern Ireland (ACNI)	-	2,268,057	2,268,057	-	2,084,038	2,084,038
ACNI arts and older people	-	-	-	2,323	-	2,323
ACNI Major Organisational Support	-	-	-	172,601	-	172,601
ACNI Stability & Renewal	19,248	-	19,248	82,335	-	82,335
ACNI capital grant	36,809	-	36,809	204,514	-	204,514
Trusts and foundations	186,545	-	186,545	145,266	500	145,766
City and District Councils	-	149,283	149,283	5,000	149,283	154,283
Crescendo instruments	17,774	-	17,774	-	-	-
Donations and legacies	-	295,046	295,046	-	118,140	118,140
Queens University Belfast	-	-	-	1,500	-	1,500
Garfield Weston	-	-	-	-	-	-
	<b>260,376</b>	<b>2,712,386</b>	<b>2,972,762</b>	<b>613,539</b>	<b>2,351,961</b>	<b>2,965,500</b>
<b>Activities for generating funds:</b>						
Commercial sponsorship	-	8,350	8,350	1,000	4,167	5,167
Regional concert hire & special engagements	-	193,040	193,040	-	36,374	36,374
Advertising income	-	2,500	2,500	-	-	-
Recording income	-	10,577	10,577	-	8,000	8,000
Box Office income	-	400,043	400,043	-	237,994	237,994
BBC engagement fee	-	639,000	639,000	-	639,000	639,000
Townsend income	-	1,350	1,350	-	-	-
Educational program	-	12,841	12,841	-	-	-
	<b>-</b>	<b>1,267,701</b>	<b>1,267,701</b>	<b>1,000</b>	<b>925,535</b>	<b>926,535</b>
Bank interest	-	-	-	-	22	22

## NOTES TO THE ACCOUNTS (CONT'D)

### 3 OTHER INCOMING RESOURCES

	2023 Total	2022 Total
	£	£
Job retention scheme income	-	99,976
Orchestra tax relief	916,129	580,198
Other income	26,011	101,505
	<u>942,140</u>	<u>781,679</u>

Included within other incoming resources is an accrued amount of £855,899 (2022: £407,038) in respect of the estimated Orchestra Tax Relief for the year ended 31 March 2023. The accrual has been calculated in accordance with HMRC guidance currently available. The total Orchestra tax relief for the year in the Statement of Financial Activities is £916,129 (2022: £580,198) which includes the accrual amount for the current year of £855,899 (2022: £407,038) and an amount of £60,230 relating to 2022 which was received in addition to the amount provided in the 2022 accounts.

Other income includes nil (2022: £100,000) regarding an insurance claim received for loss of income due to COVID.

### 4 COSTS OF GENERATING VOLUNTARY INCOME

	2023 Total	2022 Total
	£	£
Salaries, fees and related costs	142,762	111,369
Advertising and sponsorship support	99,613	76,901
Ticket commissions	41,403	25,474
Support costs	53,724	39,622
	<u>337,502</u>	<u>253,366</u>

### 5 ORCHESTRAL PROGRAMME

	2023 Total	2022 Total
	£	£
Salaries, fees and related costs	2,555,899	2,378,490
Deputy fees	376,571	342,773
Conductors' fees and expenses	127,224	99,867
Soloist fees and expenses	94,471	70,416
Augmentation	124,543	13,327
Travel and removal expenses	23,929	10,852
Orchestral misc	30,744	17,057
Music	39,999	50,046
Instrument hire and maintenance	47,964	52,268
Hire of concert halls including PRS	162,100	171,102
Instrument depreciation	14,529	10,183
Recording expenses	7,241	31,876
Special engagements and regional income	253,680	84,359
Technical and event management	17,936	204,196
Support costs	733,943	655,618
	<u>4,610,773</u>	<u>4,192,430</u>

NOTES TO THE ACCOUNTS (CONT'D)

**6 LEARNING & COMMUNITY ENGAGEMENT PROGRAMME**

	<u>2023</u>	<u>2022</u>
Learning & community engagement - salaries	244,868	200,684
Learning & community engagement - other	130,894	74,739
Support Costs	<u>71,138</u>	<u>51,055</u>
	<u>446,900</u>	<u>326,478</u>

**7 TRANSFERS BETWEEN FUNDS**

An amount of £NIL (2022: £86,000) was transferred from unrestricted general funds to designated funds. An amount of £154,000 (2022: £NIL) of previously designated funds was used in the year in respect of the capital spend on the new office/venue and on crescendo instruments, see note 16.

**8 SUPPORT COSTS**

Support costs are allocated on the basis of employee time spent on each activity.

	<u>2023</u>	<u>2022</u>
Salaries and related costs	374,041	363,169
Travelling and entertainment	13,626	2,351
Office rent	21,913	23,836
Insurance	26,970	21,324
Telephone	7,516	9,214
Repairs and maintenance	46,313	37,077
Postage and stationery	6,255	6,403
Computer services	19,813	13,319
Professional and legal fees	90,381	57,343
Professional and consultancy fees	45,027	76,465
Bank fees and charges	4,863	3,085
Miscellaneous	52,746	42,711
Recruitment costs	14,575	12,338
Depreciation	110,776	58,511
Electricity	12,814	9,151
Audit fee	<u>11,175</u>	<u>9,998</u>
	<u>858,804</u>	<u>746,295</u>
Split between:		
Cost of generating voluntary income (note 4)	53,724	39,622
Orchestral programme (note 5)	733,943	655,618
Education programme (note 6)	<u>71,138</u>	<u>51,055</u>
	<u>858,805</u>	<u>746,295</u>

## NOTES TO THE ACCOUNTS (CONT'D)

### 9 NET INCOMING RESOURCES FOR THE YEAR

	<u>2023</u>	<u>2022</u>
	£	£
This is stated after charging:		
Depreciation	125,305	68,695
Auditors remuneration	<u>11,175</u>	<u>9,998</u>

### 10 STAFF COSTS AND NUMBERS

	<u>2023</u>	<u>2022</u>
	£	£
Salaries and wages	2,884,461	2,643,962
Social Security costs	297,383	262,359
Pension costs	<u>140,631</u>	<u>147,392</u>
	<u>3,322,475</u>	<u>3,053,713</u>

The average numbers of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	<u>2023</u>	<u>2022</u>
	Number	Number
Orchestra	51	50
Administration	<u>34</u>	<u>25</u>
	<u>85</u>	<u>75</u>

The total amount of employee benefits received by key management personnel was £301,399 (2022: £258,152). The Society underwent changes in the key management personnel structure during this period. From April until November 2022, a Managing Director (included in Board remuneration figures) was in post, with a key management structure of Chief Operating Officer, Head of Artistic Planning and Operations, Head of Community Engagement and Grants and Head of Marketing and Corporate Fundraising. In November 2022, following the departure of the Managing Director, a Chief Executive was appointed to sit independently of the Board as part of the key management personnel, alongside a Head of Artistic Planning and Deputy CEO, Head of Finance and Business Management, Head of Community Engagement and Grants and Head of Marketing and Corporate Fundraising.

### 11 DIRECTORS' REMUNERATION

Expenses of £4,579 (2022: £1,183) were reimbursed to directors in respect of their services in the current year. Employee Directors received the following remuneration during the year:

	<u>2023</u>	<u>2022</u>
	£	£
Salaries and wages	200,682	218,033
Social Security costs	22,408	19,875
Pension costs	<u>38,713</u>	<u>13,050</u>
	<u>261,803</u>	<u>250,958</u>

NOTES TO THE ACCOUNTS (CONT'D)

12 TANGIBLE FIXED ASSETS

	Leasehold property	Motor vehicles	Fixtures & fittings	Music library	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2022	-	180,469	739,253	2,500	922,222
Additions	151,549	-	82,545	-	234,094
Disposals	-	-	-	-	-
At 31 March 2023	151,549	180,469	821,798	2,500	1,156,316
<b>Depreciation</b>					
At 1 April 2022	-	66,144	410,156	-	476,300
Charge for period	8,308	22,865	94,132	-	125,305
Released on disposal	-	-	-	-	-
At 31 March 2023	8,308	89,009	504,288	-	601,605
<b>Net book value</b>					
At 31 March 2023	143,241	91,460	317,508	2,500	554,708
At 31 March 2022	-	114,325	329,095	2,500	445,919

13 DEBTORS

	2023	2022
	£	£
Trade debtors	188,521	239,240
Other debtors	867,920	438,999
Prepayments and accrued income	199,630	327,870
	<u>1,256,071</u>	<u>1,006,109</u>

14 CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	315,699	188,159
Other taxes and social security	139,047	57,667
Accruals	481,130	549,842
Deferred income	259,540	276,218
	<u>1,195,416</u>	<u>1,071,886</u>

NOTES TO THE ACCOUNTS (CONT'D)

15 UNRESTRICTED FUNDS

	General unrestricted funds £
At 1 April 2022	513,279
Net outgoing resources before transfers	(148,879)
Designated funds used in the year	154,000
Transfer to restricted fund	-
At 31 March 2023	<u>518,400</u>

16 DESIGNATED FUNDS

	Balance 1 April 2022	Incoming	Outgoing	Transfer from general fund	Balance 31 March 2023
Fixed asset fund	25,000	-	-	-	25,000
New office/venue	134,000	-	(134,000)	-	-
Crescendo Instruments	20,000	-	(20,000)	-	-
<b>Total designated funds</b>	<u>179,000</u>	-	<u>(154,000)</u>	-	<u>25,000</u>

The directors have elected to designate £25,000 of general funds. The objects of each of the funds is as follows:

- The fixed asset fund is a fund designated for The Ulster Orchestra Society's contribution to the purchase of a new truck.

NOTES TO THE ACCOUNTS (CONT'D)  
17 RESTRICTED FUNDS

	Balance 1 April 2022	Incoming	Outgoing	Transfer from unrestricted fund	Balance 31 March 2023
Garfield Weston	13,336	-	(735)	-	12,601
ACNI capital grant	51,944	-	(19,170)	-	32,774
BCC – Dfc capital grant	3,920	-	(1,968)	-	1,952
Esmee Fairbairn Funding Plus	6,000	-	-	-	6,000
ACNI Major Organisation Support (capital)	45,237	-	(14,900)	-	30,337
ACNI Stability & Renewal (capital)	125,491	-	(13,249)	-	112,242
ACNI Musical instrument funding	3,247	-	(811)	-	2,436
ACNI capital and minor works grant	121,551	-	(20,286)	-	101,265
ACNI Townsend Drapes	20,640	-	(2,580)	-	18,060
ACNI stability and renewal	-	36,809	(1,171)	-	35,638
Belfast City Airport Crescendo instruments	-	2,410	(26)	-	2,384
Stephen Clarke- crescendo instruments	-	1,000	-	-	1,000
Urban Villages- crescendo instruments	-	10,548	(224)	-	10,324
Network for Social change and Arnold Clarke	-	3,816	(188)	-	3,628
<b>Total fixed asset funds</b>	<b>391,366</b>	<b>54,583</b>	<b>(75,308)</b>	<b>-</b>	<b>370,641</b>
Support Fund	29,814	-	(583)	-	29,231
ACNI stability and renewal	-	19,248	(19,248)	-	-
Radcliffe Trust	-	5,000	-	-	5,000
Queend University Crescendo	-	5,307	(5,307)	-	-
Garfield Weston	50,042	-	(50,042)	-	-
Colin Neighbourhood Partnership	-	1,000	(1,000)	-	-
Urban Villages via Colin Neighbourhood Partnership	-	40,696	(40,696)	-	-
Network for Social change via Colin Neighbourhood Partnership	-	17,184	(10,584)	-	6,600
Edgar Lawley Foundation	-	1,500	(1,500)	-	-
Austin & Hope Pilkington Trust	-	5,000	-	-	5,000
Ulster Carpet Mills	-	1,500	(1,500)	-	-
Department of Foreign Affairs and Trade Reconciliation Fund	-	18,858	(591)	-	18,267
Enkalon Foundation	-	1,500	-	-	1,500
Lord and Lady Lurgan Trust	2,000	-	(2,000)	-	-
Souter	-	3,000	(3,000)	-	-
The Priests Charitable Fund	3,000	-	(3,000)	-	-
Paul Hamlyn	30,000	33,000	(30,000)	-	33,000
Esmee Mitchell	-	10,000	(10,000)	-	-
Utley Family Paul and Nick Harvey Fund	5,000	-	(5,000)	-	-
Community Foundation Gills Charity Fund	2,000	-	(2,000)	-	-
ACNI Arts and Older People	2,323	-	(2,323)	-	-
The D'Oyly Carte Charitable Trust	-	6,000	-	-	6,000
ARN Foundation	-	30,000	(30,000)	-	-
Ulster Orchestra Foundation-schools concerts	7,500	-	(7,500)	-	-
Ulster Orchestra Foundation - PES	10,000	-	(5,937)	-	4,063

NOTES TO THE ACCOUNTS (CONT'D)

17 RESTRICTED FUNDS (continued)

Evelyn Partners	-	5,500	-	-	5,500
SCOPs Arts Trust	15,000	-	(15,000)	-	-
Queens University Belfast	-	1,500	(1,500)	-	-
Black Santa	450	-	(450)	-	-
<b>Total net asset funds</b>	<b>157,129</b>	<b>205,793</b>	<b>(248,761)</b>	<b>-</b>	<b>114,161</b>
<b>Total funds</b>	<b>548,495</b>	<b>260,376</b>	<b>(324,069)</b>	<b>-</b>	<b>484,802</b>

The support fund is being spent on Courtyard Concerts and projects with CAP

- ACNI Health and safety funding was spent across company with a focus on equipment and preparatory work on new Townsend Street location

-Stephen Clarke, Black Santa, Belfast City Airport Community Fund, Network for Social Change and Urban Villages capital spend was on Crescendo instruments

- Garfield Weston is providing funding towards digital investment

The following are providing funds towards the Crescendo project:

-Radcliffe Trust, Queens University Belfast, Colin Neighbourhood Partnership, Urban Villages via Colin Neighbourhood Partnership, Edgar Lawley Foundation, Souter, Network for Social Change via Colin Neighbourhood Partnership, Enkalon, Paul Hamlyn, D'Oyly Carte, SCOPs, Lord and Lady Lurgan.

- Ulster Carpet Mills provided funding towards the Ceara School Project

- Department of Foreign Affairs and Trade Reconciliation Fund provided funding towards Townsend Street venue

- Austin & Hope Pilkington Trust provided funding towards PES

- Esmee Mitchell provided funding towards Come and Play

- The Priests Charitable Foundation provided funding towards orchestral content

- Utley Family Paul and Nick Harvey Fund provide funding towards wellbeing/Alzheimers

- Community Foundation Gills Charity Fund provide funding towards wellbeing/Alzheimers

- ACNI Arts and Older People provide funding towards wellbeing

- ARN Foundation provided funding towards percussion and overall UO

- The Ulster Orchestra Foundation is providing funding towards schools concerts

- Ulster Orchestra Foundation is providing funding towards the Professional Experience Scheme

- Queens University Belfast made a contribution to player costs for the university project

- Evelyn Partners are providing funding towards the Motown Concert in May 2023

NOTES TO THE ACCOUNTS (CONT'D)

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Other net assets	Total
	£	£	£
Restricted funds	370,641	114,161	484,802
Unrestricted funds	184,070	359,330	543,400
	554,711	473,491	1,028,202

19 SOCIETY STATUS

The Ulster Orchestra Society Limited is a society limited by guarantee and the liability of the members is limited to a maximum of £10 for each member.

20 PENSION SCHEMES

The society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an indendently administered fund. The pension cost represents contributions payable by the society to the fund and was £140,631 (2022: £147,392).

21 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

22 RECONCILIATION OF OPERATING SURPLUS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net outgoing resources for the year	(212,572)	(98,538)
Depreciation	125,305	68,695
Increase in creditors	123,527	473,389
(Increase) in debtors	(249,962)	(573,098)
Interest received	-	(22)
<b>Net cash outflow from operating activities</b>	<b>(213,702)</b>	<b>(129,574)</b>