

ST ALBANS SYMPHONY ORCHESTRA

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31<sup>ST</sup> JULY 2019

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## **ST ALBANS SYMPHONY ORCHESTRA**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2019**

The trustees are pleased to present their report together with the financial statements of St Albans Symphony Orchestra (SASO) for the year ended 31<sup>st</sup> July 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with SASO's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 published on 16<sup>th</sup> July 2014.

### **OBJECTIVES AND ACTIVITIES**

The objectives of the charity are to advance the education of the public in the appreciation of orchestral music by the provision of public performances.

The orchestra contributes to the quality of life of the people of St Albans and surrounding areas by promoting a number of public concerts during the year and performing in concerts promoted by other organisations. In the period under review the orchestra promoted seven concerts in St Albans.

### **ACHIEVEMENTS AND PERFORMANCE**

The 2018/19 season opened with performances of Arnold: Peterloo Overture, Shostakovich: Cello Concerto No. 1 and Shostakovich: Symphony No. 5.

In November we held our annual concerts aimed at children, both concerts played to capacity audiences.

The annual New Year's Day concert of popular favourite works included a selection of favourite works around the themes of "Strictly Dancing" and "Mostly Movies".

Our March concert consisted of Matthew Taylor: Storr, Brahms: Violin Concerto with Clare Howick as soloist and Schubert: Symphony D.944, C Major, *The Great*.

In May we were joined by a guest conductor Bill Carslake, to play two works by Ralph Vaughan Williams: Aristophanic Suite Overture (The Wasps) and Fantasia on a theme by Thomas Tallis. The programme was completed with Elgar: Symphony No. 1.

For the final concert of the season, the orchestra were joined by Veronika Shoot in a performance of Grieg: Piano Concerto. This was performed alongside Verdi: La Forza del Destino Overture and Nielsen: Symphony No. 4, *The Inextinguishable*". This concert was the final concert played by the orchestra's longstanding leader, Jenny Wigram, after 38 years involvement with the orchestra. She retired at the end of the season with the orchestra's warm thanks for all she has contributed and achieved.

During the year the orchestra held a further workshop funded by a legacy from Babs Yule, this time on Walton: Symphony No. 1 culminating in a public performance. Following the success of this workshop, this symphony will now be performed in our March 2020 concert.

## **ST ALBANS SYMPHONY ORCHESTRA**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

In addition the orchestra scheduled a programme of events for members of the Friends of St Albans Symphony Orchestra, including the opportunity to attend some rehearsals, and undertook a number of rehearsals with guest conductors.

#### **FINANCIAL REVIEW**

The financial result for the year was a deficit of £1,004 (2018 – surplus £441). This deficit arises due to the planned expenditure on projects for which funds have previously been set aside in restricted or designated funds. The result for the year on unrestricted funds was a surplus of £899.

The concerts in the period under review have continued to attract large audiences.

#### **RESERVES POLICY**

The current level of free reserves is £54,879; however this falls to £23,244, if designated funds are excluded. The trustees believe that the charity needs to hold a level of reserves for two reasons: firstly as a contingency against a drop in box office income, as around 50% of the annual box office income is generated by the New Year's Day concert and, therefore, is particularly dependant on the success of a single concert; secondly, in order to secure the availability of performers and venues, the orchestra has to enter into a number of contracts up to two years in advance of receiving any income for the planned concerts. To cover the advance contracts and protect against a 50% fall in box office income would require reserves of approximately £35,000. The current level of reserves exceeds the trustees' estimate of the reserves requirement, due to the unexpected receipt of a legacy received in 2011. The trustees have scheduled some additional projects to utilise these funds, and further projects are planned for the future to reduce the orchestra's reserves to around the optimal level over time.

#### **RISK MANAGEMENT**

In common with all performing organisations, the orchestra relies on ticket sales for a significant proportion of its income. It therefore plans its programme carefully to ensure that expected ticket sales over the course of the season will cover the associated costs. It also has to enter into expenditure commitments before tickets sales take place. The orchestra therefore maintains a level of reserves that would allow it to honour its contractual obligations in the event of lower than expected ticket sales.

Contractual risks are reviewed before being entered into to assess that they could not significantly impact upon SASO's ability to fulfil its charitable objectives. All major insurable risks are subject to insurance policies.

## **ST ALBANS SYMPHONY ORCHESTRA**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

#### **PLANS FOR THE NEW YEAR**

A full season of concerts has been planned in 2019/20 in which the orchestra will perform a varied programme of works. The orchestra is pleased to collaborate with a number of notable soloists during the course of the season.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The management committee of the orchestra are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the constitution the committee is elected annually by the members of the orchestra attending the Annual General Meeting. The Conductor and Leader of the orchestra are Ex Officio members of the committee. Currently the committee has 11 members, who meet periodically to administer the charity.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Constitution**

The St Albans Symphony Orchestra is a charity governed by its constitution of 8<sup>th</sup> December 1983, as amended on 6<sup>th</sup> June 2019. Charity number: 1038283

##### **Trustees**

The trustees serving during the year were as follows:

David Utting (Chair)  
Jenny Lines (Secretary)  
David Stott (Treasurer)  
Simon Allen  
Alison Bellerby  
Margaret Carpenter  
Christine Drury  
Josephine Lunt  
Phillipa MacKenzie  
Karen McLaren  
Richard Payne  
Ruth Wallace (appointed 24<sup>th</sup> October 2018)

##### **Bankers**

CAFBank Ltd, 25 Kings Hill, West Malling, Kent. ME19 4JQ.  
CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ.  
Secure Trust Bank, One Arlestone Way, Solihull, B90 4LH.

## **ST ALBANS SYMPHONY ORCHESTRA**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts the trustees are required to:-

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the applicable Charities SORP
- Make adjustments and estimates that are reasonable and prudent
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that the accounts comply with current statutory requirements and those of the charity's trust deed.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Approved by the Trustees on:**

13<sup>th</sup> October 2019

**And signed on its behalf by**

David Stott

**ST ALBANS SYMPHONY ORCHESTRA**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31st JULY 2019**

	Note	General Funds £	Restricted Funds £	Designated Funds £	2019 Total Funds £	2018 Total Funds £
<b>INCOME</b>						
Donations and legacies	3	9,887	383		10,270	9,532
Activities for generating funds		35			35	0
Investment income		576			576	581
Incoming resources from charitable activities	4	6,230			6,230	3,165
Other		265			265	241
<b>TOTAL INCOME</b>		<b>16,992</b>	<b>383</b>	<b>0</b>	<b>17,375</b>	<b>13,518</b>
<b>EXPENDITURE</b>						
Charitable activities	5	13,447		2,383	15,830	11,833
Other		1,726	383	440	2,549	1,255
<b>TOTAL EXPENDITURE</b>		<b>15,173</b>	<b>383</b>	<b>2,823</b>	<b>18,379</b>	<b>13,087</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>1,819</b>	<b>0</b>	<b>(2,823)</b>	<b>(1,004)</b>	<b>431</b>
<b>RECONCILIATION OF FUNDS</b>						
Funds at 01.08.2018		22,345	0	33,538	55,883	55,452
Transfer between funds		(920)		920	0	0
<b>Funds at 31.07.2019</b>		<b>23,244</b>	<b>0</b>	<b>31,635</b>	<b>54,879</b>	<b>55,883</b>

**ST ALBANS SYMPHONY ORCHESTRA**

**BALANCE SHEET AT 31st JULY 2019**

	Note	31 July 2019		31 July 2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Fixed Assets	6	1,765		2,205	
<b>CURRENT ASSETS</b>					
Debtors and Prepayments	7	6,772		9,666	
Short Term Deposits	9	42,226		41,706	
Cash at bank and in hand	9	8,460		6,885	
			59,223		59,427
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	8	4,344		3,544	
			4,344		3,544
<b>NET ASSETS</b>					
			54,879		55,883
<b>THE FUNDS OF THE CHARITY</b>					
Designated Funds		31,635		33,538	
General Fund		23,244		22,345	
<b>TRUST FUNDS</b>					
			54,879		55,883

Approved by St Albans Symphony Orchestra and signed on its behalf by:

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David Stott

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David Utting

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13<sup>th</sup> October 2019

The notes on pages 9 to 12 form part of these accounts



## **Notes forming part of the financial statements for the year ended 31<sup>st</sup> July 2019**

### **1. Accounting policies**

The financial statements have been prepared under the historical cost convention and 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 FRS 102 published on 16<sup>th</sup> July 2014, and the Charities Act 2011 and applicable regulations.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

#### **Incoming resources**

##### *Charitable trading activities*

Income from concert admission fees is included in incoming resources in the period in which the relevant concert takes place.

##### *Donations and grants*

Donated income without conditions attached, including that gifted under Gift Aid, is taken into account when the amount of the donation, along with a date of receipt has been communicated to SASO, or in the absence of such communication, the date received by SASO, except as follows:

- When donors specify that donations and grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

#### **Resources expended**

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

## Tangible fixed assets

Tangible fixed assets are depreciated on a straight-line basis over their estimated as follows:

Musical instruments	10%
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## Fund Accounting

Funds held by the charity are either:

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Designated funds* – these are funds set aside by the trustees 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 charity. Restrictions arise when specified by the donor or when 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.

## 2 Related party transactions and trustees' expenses and remuneration

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind. No expenses were paid to the trustees in the year (2018: nil).

There were no related party transactions in the year.

### 3. DONATIONS AND LEGACIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Donations	337	383	720	36		36
Membership income	9,550		9,550	9,496		9,496
	<u>9,887</u>	<u>383</u>	<u>10,270</u>	<u>9,532</u>	<u>0</u>	<u>9,532</u>

### 4. INCOME FROM CHARITABLE ACTIVITIES

	2019 £	2018 £
Other concert income	6,179	3,165
	<u>6,179</u>	<u>3,165</u>

**5. CHARITABLE ACTIVITIES**

	2019 £	2018 £
Cost of promoted concerts	16,213	11,833
	<u>16,213</u>	<u>11,833</u>

**6. FIXED ASSETS**

	Equipment £
GROSS BOOK VALUE	
At 1st August 2018	5,275
Additions	<u>0</u>
At 31st July 2019	<u>5,275</u>
DEPRECIATION	
At 1st August 2018	3,070
Charge for the period	<u>440</u>
At 31st July 2019	<u>3,510</u>
NET BOOK VALUE	
At 1st August 2018	<u>2,205</u>
At 31st July 2019	<u>1,765</u>

**7. DEBTORS**

	2019 £	2018 £
Subsidiary company debtor	6,759	9,635
Other debtors	<u>13</u>	<u>31</u>
	<u>6,772</u>	<u>9,666</u>

**8. CREDITORS**

	2019 £	2018 £
Other Creditors	2,167	1,388
Accruals	<u>2,177</u>	<u>2,156</u>
	<u>4,344</u>	<u>3,544</u>

**9. BANK AND CASH BALANCES**

	2019 £	2018 £
CafBank Ltd	2,123	2,069
HSBC plc	250	250
COIF Charities Deposit Fund	6,087	3,531
SecureTrust Bank	<u>42,226</u>	<u>41,706</u>
	<u>50,686</u>	<u>47,556</u>

# **10. ANALYSIS OF MOVEMENT OF FUNDS**

	Balance 01-08-18	Receipts	Payments	Transfers	Unrealised Gain/(Loss) on investment	Balance 31-07-19
	£	£	£	£	£	£
Restricted Funds						
Specific expenditure	0	383	383	0	0	0
<b>Total Restricted Funds</b>	<b>0</b>	<b>383</b>	<b>383</b>	<b>0</b>	<b>0</b>	<b>0</b>
Designated Funds						
Babs Yule memorial funds	28,818		2,383	920		27,355
Depreciation reserve	1,420		440			980
Children's Concerts	3,300					3,300
<b>Total Designated Funds</b>	<b>33,538</b>	<b>0</b>	<b>2,823</b>	<b>0</b>	<b>0</b>	<b>31,635</b>
General Funds	22,345	16,992	15,173	(920)		23,244
<b>Total</b>	<b>55,883</b>	<b>17,375</b>	<b>18,379</b>	<b>0</b>	<b>0</b>	<b>54,879</b>

The assets and liabilities representing each fund are as follows

	Fixed assets	Bank balances	Other current assets	Total
	£	£	£	£
<b>Designated Funds</b>				
Babs Yule memorial funds		27,355		27,355
Depreciation reserve	980			980
Children's Concerts		3,300		3,300
<b>Total Designated Funds</b>	<b>980</b>	<b>30,655</b>	<b>0</b>	<b>31,635</b>
General Funds	785	20,031	2,428	23,244
<b>Total</b>	<b>1,765</b>	<b>50,686</b>	<b>2,428</b>	<b>54,879</b>