

# **Bournemouth Symphony Orchestra**

**(A company limited by guarantee)**

## **Report and Financial Statements**

**Year ending 31 March 2019**

**Company Registration No: 00538351**

**Charity No: 208520**

**Bournemouth Symphony Orchestra**  
**Annual report and financial statements for the year ended 31 March 2019**

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**Bournemouth Symphony Orchestra**  
**Annual report and financial statements for the year ended 31 March 2019**  
**Trustees' Report**

**Reference and administrative details**

Charity number            208520  
Company number        00538351

**Trustees**

Mr T D O'Rourke MBE	(Chairman)
Miss A Z D'Abreo	(Deputy Chair)
Mr N Ashley-Cooper	
Prof. S Bartholomew CBE	(resigned 25 September 2019)
Mr L A Dillner	(resigned 22 May 2019)
Ms M J Drabble OBE	(resigned 25 September 2019)
Mrs C Dipple	(resigned 30 May 2018)
Mr S M Edge	
Ms M M O'Sullivan	
Mr R Preston	(Musician Trustee)
Mr A Dunford	(appointed 25 September 2019)
Ms L Carver	(appointed 25 September 2019)
Mr A Flockhart	(appointed 25 September 2019)

**Charity Name**

Bournemouth Symphony Orchestra

**Chief Executive**

Mr D W Scarfe

**Assessors**

Mr P Goddard    (Assessor for Arts Council South West)

**Company Secretary**

Mrs T Woolley ACMA

**Registered Office**

2 Seldown Lane  
Poole  
Dorset  
BH15 1UF

**Bankers**

National Westminster Bank PLC  
Heron House  
Christchurch Road  
Bournemouth  
Dorset  
BH1 3NR

# **Bournemouth Symphony Orchestra**

## **Trustees' report (continued)**

### **Reference and administrative details (continued)**

#### **Solicitors**

Ellis Jones LLP  
302 Charminster Rd  
Bournemouth  
Dorset  
BH8 9RU

#### **Auditor**

BDO LLP  
Arcadia House  
Maritime Walk  
Ocean Village  
Southampton  
SO14 3TL

#### **Coutts Investment**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

#### **Ruffer Investment**

Ruffer  
80 Victoria Street  
London  
SW1E 5JL

# **Bournemouth Symphony Orchestra**

## **Trustees' report (continued)**

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2019. This report has been prepared in accordance with the provision applicable to companies entitled to the small companies' exemption. Accordingly, the Trustees have elected to take advantage of the exemption from preparing a Strategic report.

### **Structure, governance and management**

#### **Structure**

The organisation is a charitable Company limited by guarantee, incorporated on 22nd May 1954 and registered as a Charity on 24 July 1962. The Company was established under a Memorandum of Association, which established the objects and powers of the charitable Company and is governed under its Articles of Association. In the event of the Company being wound up the members are required to contribute an amount not exceeding £1.

#### **Governance**

The overall governance of the Company is by the Board of Trustees, which consists of no more than twelve members.

No employee can be a member of the Board except the musician Trustee. Trustees may, under normal circumstances, serve up to two three-year terms, which can be extended by one term in certain instances.

Trustees in office at the date of signing these financial statements are disclosed on page 1.

The Board is committed to following best practice in all aspects of corporate governance and following a thorough review the Board adopted a new Corporate Governance manual in July 2014.

During 2019-20 the Trustee's intend to review the current governance arrangements and, where improvements are required, take the appropriate steps to align with current best practice, including the July 2017 edition of the Charity Governance Code.

There are three Board Committees:

#### **Finance and Resources**

The purpose of the Finance and Resources Committee is to assist the Board in discharging its responsibilities by providing a forum with the Senior Management Team that considers the overall strategic planning process and makes recommendations on areas of financial planning, including the annual budget, audit, fundraising strategy and delivery, risk register plus any proposal of the Senior Management Team that has significant financial implications.

#### **Health and Safety**

The Health and Safety Committee oversees Bournemouth Symphony Orchestra's (BSO) Health and Safety Policy and Strategy and reports thereon to the Board. It ensures that all systems of work and procedures in use by the Company are monitored regularly for effectiveness. The Committee considers all reported injuries and accidents and, if considered necessary, makes recommendations relating thereto.

It aims to ensure that all persons working for, or on behalf of the Company are made aware of safety guidance, whether such guidance is generated within the Company or from external sources.

#### **Nominations and Governance**

The Nominations and Governance Committee advises the Board on the operation and effective discharge of the Company's responsibilities for corporate governance and the appropriate delegation of the Board's authority. Areas for review and scrutiny include the composition and membership of the Board and its Committees, open and appropriate procedures for Board recruitment, to determine and maintain a succession plan for Board members, Officers of the Board and Committee Chair and to seek and recommend candidates for election to the Board.

# **Bournemouth Symphony Orchestra**

## **Trustees' report (continued)**

### **Trustee recruitment and induction**

New Trustees undergo an induction process with the Chairman and Chief Executive. They are briefed on their legal obligations under Charity and Company law, the content of the Memorandum and Articles of Association, the Board and decision making processes, and the budget and financial performance of the Charity. New Trustees are introduced to key members of the Company's management team and staff. The Board aims to recruit new Trustees such that the Board reflects the diversity of audience, geographically and in other respects, and has the depth and spread of expertise to meet its responsibilities.

### **Organisational structure**

The Board of Trustees is responsible for governing the Charity and directing how it is managed and run. The Board meets five times a year. It has delegated the day to day running of the Charity to the Chief Executive, with whom it agrees the overall direction and strategy. The Chief Executive leads a senior management team covering the areas of: concert programming and planning; education; finance, operations and IT; fundraising; HR; and marketing.

### **Pay policy for senior staff**

The Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year except for the musician trustee who received remuneration for his role as a musician to the orchestra.

The Board is responsible for setting the salary of the Chief Executive. The Chief Executive is responsible for setting the salaries of the senior management team. The pay of the senior staff is reviewed annually and normally increased in line with other members of the company.

### **Fundraising Practices**

Fundraising from private sources is an increasingly important element of BSO's funding mix. The Orchestra's fundraising strategy is overseen by its Board of Trustees; its implementation is delivered by an in-house fundraising team which seeks support from individuals, companies and charitable trusts.

BSO conducts all of its fundraising activity in line with the Fundraising Regulator Code of Fundraising Practice and is pleased to confirm that it has received no complaints in relation to its fundraising activity over the course of the 2018/19 year.

### **Risk Management**

The Trustees are responsible for ensuring that an effective system of internal financial control is maintained and operated by the Company. The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected within a timely period.

The system for internal control is based on a framework of regular financial information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular this includes a comprehensive budgeting system both long and short term. Management accounts are reviewed at regular Board and Finance and Resources Committee meetings.

As part of the monitoring process the Trustees have implemented a risk management strategy. The Trustees consider that the major risks to the Company are:

- a decline in levels of national and local government investment; and
- increased competition for voluntary income

The risks stated above have been reviewed and the systems and procedures have been established to manage these risks.

The year 2018-19 is the first year of BSO's 4 year funding agreement with Arts Council England. The funding is flat for the whole period to 2022.

## **Bournemouth Symphony Orchestra Trustees' report (continued)**

In April 2019 Dorset's nine councils merged to create two new authorities, BCP Council and Dorset Council. The new structure aims to save £108m over six years. Local Authority Funding continues to remain under pressure and a close dialogue is maintained at the highest level with our principal Local Authority officers, Chief Executives and Leaders.

A significant funding stream for BSO has been the introduction of the Orchestra Tax Relief Programme. This scheme is playing a key role in our ongoing ability to invest in a range of work. The Board are mindful of this in agreeing future financial plans.

### **Objectives and activities**

The objects for which the Company is established are to promote, maintain, improve and advance education, particularly musical education, and to encourage the arts, especially music.

The mission of BSO is:

***To be a Cultural Beacon at the heart of our communities, in and beyond the concert hall.***

It aims to do this by:

- Delivering a year-round, high quality, diverse and distinctive programme of work in and beyond the concert hall locally, regionally, nationally, internationally;
- Celebrating a full-time contract symphony orchestra at the core of the Company;
- Maximising the artistic achievements and impact of Chief Conductor Kirill Karabits;
- Providing the highest possible quality artistic roster on the concert platform and in the community;
- Preserving artistic reach - providing cultural opportunity not only in regional centres, where investment in artistic practice matches the national average, but also the many sub-regional and rural 'cold-spots', where the investment per head is much less;
- Developing a life-long relationship with audiences, supporters and partners;
- Challenging barriers to access to high quality music;
- Embedding our impacts through strong, resilient partnerships; and
- Using digital technology in a way which enhances the unique remit of the BSO.

The vision of BSO is:

***To be the model of a 21<sup>st</sup> century orchestra, enhancing lives through the power of music.***

It aims to do this by:

- Being outstanding advocates for the role music and cultural engagement has on lives of individuals and the communities we serve;
- Becoming recognised as a 'centre for excellence' in the quality of work and in the development of distinctive models of performance, engagement and training;
- Exemplifying strong governance and good business practice;
- Developing the skills and opportunities of our staff;
- Being collaborative and partnership focused;
- Exploring new business development as a strategy to add resilience to the traditional funding model;
- Striving to be diverse in everything we do; and
- Celebrating and evaluating our societal and economic impacts.

## Bournemouth Symphony Orchestra Trustees' report (continued)

The BSO seeks to define an orchestra of international standing, delivering artistic excellence across a geographically and socially varied region. The BSO aims to be a cultural leader, and, embracing its role as the largest performing arts organisation to the south and west of London, to help shape local, regional, national and international agendas.

The BSO's core funding remit embraces not only regional centres, where investment in artistic practice matches the national average, but also the many sub-regional and rural 'cold-spots' across the South West region, where the investment per head is much less.

Delivering great music and cultural engagement to such a variety of communities, across a 10,000 square mile area, makes the BSO unique amongst symphony orchestras in the UK.

The Company looks to achieve its mission by:

- Sustaining the progress made in recent years to develop the business and improve its resilience, whilst increasing reach, and impact of our work;
- Developing the BSO, maximising existing and new partnerships to give increased focus, impact, efficiency and resilience to our work; and
- Leading – embracing the responsibility of a major cultural organisation to lead on key agendas, working with the sector and stakeholders to build a more robust, diverse and sustainable arts landscape.

### *Public Benefit*

In considering the strategies and policies of the Charity, the trustees have had due regard to the public benefit guidance published by the Charities Commission, in accordance with the Charities Act 2006.

In reviewing and developing the BSO's activities and future plans, careful consideration is given to the public benefit arising from the Company's work.

The BSO's core activities encourage the enjoyment of, and participation in music by the public at large. The lowest ticket price for concerts at the Orchestra's home venue of the Lighthouse Poole is currently £11, the BSO *Kids for a Quid* scheme enables children under 18 to attend for just £1 and members of the BSO *Vibes* scheme, which is aimed at 18-25 year olds can attend for £5. All of this ensures that the Orchestra's live performances are widely accessible.

In 2018/19:

- 16,677 (2018:13,761) under 18s attended a BSO concert for free or just £1;
- 1,484 (2018:1,454) students attended a main BSO concert;
- 1,794 (2018:1,730) disabled people or their personal assistants attended a main BSO concert;

Those unable to experience the Orchestra's performances live can hear selected concerts, which are broadcast on BBC Radio 3 or alternatively purchase inexpensive recordings on CD or digital downloads. Through a relationship with Classic FM, whereby the BSO is Classic FM's *Orchestra in the South of England*, the Orchestra's concerts and recordings are promoted to an audience in excess of 5 million people per week.

The work of BSO *Participate* sees the Orchestra working beyond the concert hall with a thriving programme aimed at people of all ages and abilities. Activities range from inspirational workshops in schools and performance opportunities for amateur musicians, to special performances in care homes. Many projects aimed at disadvantaged groups can be accessed without cost to the participants themselves and, where charges are necessary, services are affordable and delivered through creative funding solutions in collaboration with partners.

### **Achievements and performance during the year**

The Company continued to demonstrate excellent progress with its Business Plan to build a strong, resilient business. Good governance, high artistic values and greater connectivity with audiences, communities and funders is helping to increase the structural integrity of the Company. A confident, forward facing organisation is now able to evolve as a leading 21<sup>st</sup> century Arts Charity.



## Bournemouth Symphony Orchestra Trustees' report (continued)

The Company maintained a full artistic programme with 153 public performances (117 symphonic, 36 Chamber performances) in 45 towns and cities of the UK, emphasising both the unique remit and extraordinary reach of the BSO.

*World-Class music making, delivered locally, regionally, nationally, internationally*

Notable highlights:

- The ongoing outstanding artistic relationship between Kirill Karabits, BSO and the audience
- A major commemoration of 100th Anniversary of WW1 including a new commission from Mark-Anthony Turnage – *Testament*, which explores the fate of refugees of war through the eyes of contemporary Ukrainian poets;
- A unique contribution to *Bernstein 100*, a performance of Chichester Psalms in the venue for which it was written with the same choirs, conducted by Marin Alsop;
- A major celebration of BSO's 125<sup>th</sup> anniversary, performing to c10,000 people across Bournemouth and Poole, in concert halls, in care homes and in public spaces. The celebration included a major new commission from James Redwood – *Symphony 125*. The material for *Symphony 125* was created with young people from schools in Bournemouth and Poole and the final work was performed by over 200 young people, performing alongside members of the BSO;
- The UK Premiere plus recording of Armenian Composer Avet Terterian's *Symphony No.3* for Chandos Records' *Voices from the East* strand;
- The highest quality work delivered in 45 places across the South West;
- Performing at the BBC Relaxed Prom with a number of 'world's firsts'. BSO Resound is the first disabled-led ensemble to perform at the BBC Proms in its history
- Delivery of BSO's first international touring performances in 3 years to Amsterdam & Dublin; and
- The continuation of our policy of offering debuts e.g. Allison Oakes, soprano – UK debut and BSO debuts including Robert Trevino, conductor, whilst further development ongoing relationships e.g. Ion Marin, Nemanja Radulović, Sunwook Kim.

Talent Development including:

- Progress in the sheer variety of repertoire with over 200 works a year from Handel to Symphonic Disco plus specific opportunities including e.g. very rare performance of Richard Strauss' *Symphonia Domestica*;
- Working with guest artists to develop their repertoire e.g. Artist in Residence Johannes Moser performing the Walton Cello Concerto for the 1st time;
- The creation, development and showcasing of BSO Resound;
- Trinity Laban Post Graduate training programme with 5 selected students performing with the BSO and working with BSO Participate;
- Leverhulme Young Conductor in Association – Victor Aviat and Marta Gardolińska, both performed in the main Season;
- World Premiere commissions by BSO Resound Composer in Residence, Alexander Campkin, Young Composer in Association Lucy Hale and a major commission for BSO 125<sup>th</sup> anniversary from James Redwood;
- Composers' Day – 12 World Premieres from new composers with BSO, plus mentoring from Sally Beamish;

The programming and quality of the BSO have been celebrated through regular broadcasts from Radio 3, and outstanding coverage on Classic FM.

The theme of Rising Talent runs through all of the outputs of the BSO, ranging from our work with schools, a number of regional youth groups, Trinity Laban Conservatoire of Music & Dance, through to developing significant relationships and opportunities for young artists including BSO's Leverhulme Young Conductor in Association, Victor Aviat and Marta Gardolinska

*Extraordinary reach and engagement*

The Company continued to deploy its resources in the most effective way to deliver extraordinary levels of reach and engagement across the region. In excess of two-thirds of performances are given away from its hometown.

## Bournemouth Symphony Orchestra Trustees' report (continued)

Different elements contributing to the development of greater reach and engagement included:

- Performances in 45 towns/villages and cities in the year, ranging from the deployment of full symphonic forces through to string, wind and brass ensembles with an overall attendance of 126,056 people,
- Extensive touring reach underpinned by key residencies in Bournemouth, Bristol, Exeter, Poole and Portsmouth;
- Performances were given in a wide range of types of venues from city concert halls to village churches & community centres, outdoor stages, schools, care homes and hospitals enabling a wide range of access to experience and participate as fits the diverse nature of the region the BSO serves;
- Collaborations with rural touring organisations Take Art, Carn to Cove & Artsreach enabled concerts in rural communities across Cornwall, Dorset, & Somerset;
- BSO's Learning and Participation department delivered work in 217 locations across the region engaging 77,950 people as session participants with increasing range of people from socio economic backgrounds;
- Working in partnership with 17 Music Education Hubs through the *BSO Blast* strand, a specific response to the National Plan for Music Education;
- Significant increase in access to live concerts for school children with a livestream, which reached over 12,000 children beyond the concert hall;
- A particular focus on developing the skills and opportunities for professional musicians with disability has seen the BSO become the first Symphony Orchestra in the world to have a professional disabled-led ensemble as a core part of its ongoing activities – BSO Resound;
- Cornwall week-long residency and Devon weeklong residency February 2019
- Continued development of the *BSO Associates* programme – Musicians in the Community - based in Cornwall, Devon, Avon & Gloucestershire and Wessex;
- Continuing to build success of Music for a While – we have continued working in Dorchester and Bournemouth NHS Trust Hospitals & started to work with Royal Devon & Exeter from October 2018;
- Working with the BBC to bring national and international reach through broadcasts of BSO performances through the season;
- Working with Classic FM as Principal Media Partner to promote work designed to build new audiences for live classical music;
- Attracting under 18s to major symphonic concert provision through 'Kids for a Quid' scheme - removing cost barriers.

### *BSO Participate – In and beyond the concert hall*

Through the work of the BSO's Learning and Participation Department *BSO Participate* the Company reaches out to develop new relationships through music with the most diverse range of people across the South and South West of England.

*BSO Participate* is core to the mission of the Company "To be a Cultural Beacon at the heart of our communities, in and beyond the concert hall".

*BSO Participate* creates 'great art' in the concert hall and in community settings, and it engages both those for whom cultural engagement is the norm and those to whom it is a new experience.

As a key output of the Company, *BSO Participate* makes a full contribution to the goal of building the broadest range of diverse audiences for classical music across the region in which it is resident.

*BSO Participate* not only looks to be an exemplar of an outstanding Learning and Participation Department but also challenges perceptions of what the orchestral art-form can and should be in the 21<sup>st</sup> century.

The strategy covers five key areas:

- *BSO Bbs* - Musical exploration and play aimed at parents and young children;
- *BSO Blast* - School workshops and curriculum based projects;
- *BSO Rising Talent* - Focussing on exceptionally talented young musicians and emerging artists;
- *BSO Resonate* - Family and community performance and participation events; and
- *BSO Boost* - Promoting health and wellbeing through music.

## Bournemouth Symphony Orchestra Trustees' report (continued)

The strategy is enabling the Company to increase its reach and levels of engagement across a range of communities in the region. Outcomes have included:

- BSO *Participate* delivered 859 events in 2018/19, engaging with 77,950 people;
- the development and delivery of the BSO Associates programme of work, embedded in communities across the South West;
- 10,413 young people attending schools' concerts, plus over 12,000 watching online through a livestream;
- the continued development of a new Community Choir, Inspiration Southampton, which engages singers from backgrounds that might not necessarily engage with traditional choir models;
- BSO Resound - In its first 8 months August 2018 to March 2019 BSO Resound has given 22 public performances. In addition to performances alongside the full Orchestra, BSO Resound have given concerts in our rural touring programme and played a full part in our Devon and Cornwall Residency including a significant & impactful series of concerts for Children and Young People;
- Cross generational creative Family Orchestras in Bournemouth, Southampton, Torquay, Cornwall and Exeter; Full Company residency in Cornwall engaging with 3227 people across 46 locations including 31 schools and 7 dementia-friendly events;
- First ever Full Company Devon Residency engaging with 4005 people across 18 locations, including 11 school concerts and 5 dementia-friendly events;
- Working with people living with dementia – Music for a While provided participatory and performance opportunities in acute medical hospital wards in Poole, Dorchester, Royal Devon & Exeter (initial trial for 12 months) and ongoing discussions with NHS Trusts in Hampshire in respect of further research projects and on-ward delivery;
- BSO performed a series of 'Cake Concert's specifically created for those living with Dementia and their carers;
- Relaxed Concerts where the environment was specifically adapted for concert-goers with autistic spectrum conditions, those with sensory, communication or learning difficulties and anyone else who would benefit from a less formal environment;
- Programme of concerts for SEND Schools at Victoria Education Centre and Great Oaks Southampton, ;
- Delivery of key National Curriculum related activity including GCSE concerts across the South West region;
- Providing high quality talent development opportunities for the next generation of orchestral musicians including Trinity Laban Conservatoire of Music & Dance with the continuation of the delivery of a postgraduate training programme for five selected students from Trinity Laban
- Symphony 125 – Building on the success of the performance of Symphony 125 during BSO's 125 Anniversary celebrations, the project was expanded even further. BSO created a massed ensemble working with over 600 young people from schools in Bournemouth, Southampton and the Isle of Wight who performed at the Music for Youth Proms at the Royal Albert Hall in November 2018;
- Specific under 18s 'Meet the Orchestra' pre-concert events in all major venues;
- Continuation of the successful Rusty and not so Rusty Musicians programme including a celebration of International Women's Day where we explored repertoire by female composers through the ages.
- Delivery of a training programme for disabled conductor James Rose and the world's first disabled-led ensemble attached to a Symphony Orchestra.

### *BSO Participate* Community feedback

The following feedback quotes give a small indication of the impact of the BSO's work to reach out to the broadest and most diverse range of communities across the South West:

#### BSO Resound

*"I didn't know people like me could do things like that for a job."-School Pupil, BSO Resound Schools' Tour November 2018*

*"Lots of children who said they perceived themselves to have a disability said that they felt really motivated and inspired by learning about Resound. I'm aware of pupils I teach who have disabilities and always aim to be inclusive. Meeting Resound has made me question what else I could be doing to make music even more accessible/enjoyable for every pupil."-School Teacher, BSO Resound Schools' Tour November 2018*

## Bournemouth Symphony Orchestra Trustees' report (continued)

*"One pupil with cerebral palsy had had a really difficult week and was totally lifted by the concert. He said it made him feel much more positive about life with a disability."-School Teacher, BSO Resound Schools' Tour November 2018*

*"It was amazing to see one young man want to dance to the music- he normally doesn't even want to stay in the hall and listen to music, let alone respond so positively and involve others in his enjoyment."-School Teacher, BSO Resound Schools' Tour June 2018*

*"Pupils with disabilities were in some cases considering new possibilities."-School Teacher, BSO Resound Schools' Tour November 2018*

*"It's the reason to be playing again, something to work for."-BSO Resound Musician*

Space & Exploration Poole KS2 Schools' Concerts June 2019

*"The children thought it was wonderful and I even had one child say it was life changing! I'd call that a success. The BSO were total professionals as always and James' enthusiasm is catching. Thank you to everyone."*

*"One boy turned round after One Small Step and said "That was fantastic" They all lit up at the opening! The guidance for listening before the pieces helped to focus them well as did the visuals."*

*"We attend the concert every year and our students are always wowed by the tremendous sound of the BSO. It is a fantastic opportunity for the children to see a full orchestra performing music they are familiar with. Hopefully it encourages children to go on and play an instrument. "*

*"Having been in the previous few years, I know how amazing an opportunity it is for my children to see a live orchestra. The quality of music is exceptional and James' explanation of each piece really helps to open the children's eyes as to what they are listening to. It is incredibly inspirational and we use it to launch our peripatetic contracts for the next year."*

*"It is a wonderful experience for all our students and provides them with an opportunity not only to experience a live orchestra but also to go out into the local community and extend their skills in a real life situation, coping with new things and places."*

*"Thank you for bringing the music residency to our hospital, it is very much appreciated by everyone from Phlebotomists to our Occupational Therapists and I have seen a really positive impact on some of our long stay elderly patients" Arts Manager at Arts in Hospitals, Dorchester County Hospital*

*"I just wanted to thank you for the Dorset Rusties experience. It was my first year and boy, am I rusty! But the atmosphere was so welcoming and relaxed it really didn't matter (too much!). It was such an inspiring time and I'm now about to sign up to an orchestra to get back into the swing of it so THANK YOU" Dorset Rusties Participant*

*"I'm just writing to thank you and the musicians for the wonderful concert yesterday afternoon. It was a pleasure to meet you all and a joy to be part of an event that brought pleasure to so many people. We took Jean home afterwards and she didn't stop speaking about it all the way home." Participant, Cake Concerts*

### Digital

The Company continued to make significant improvements to the quality, range and accessibility of its digital engagement this year. With the arrival of our new streaming equipment, we were able to increase our livestream quantity, quality and variety.

Highlights included:

- Schools' Concert livestream audience of 12,350
- Other livestream content included our Artist in Residence - Johannes Moser's Recital, Meet the Music Live lunchtime recitals and the Symphony 125 Soundstorm (Music Education Hub) concert

## Bournemouth Symphony Orchestra Trustees' report (continued)

- Focus on shareable content for both fans and partners, including our "Christmas Violins" video shared by Classic FM, which achieved 75,000 views after 48 hours across multiple platforms
- Despite our total overall spend increasing whilst total reach decreased on the Facebook Ad platform, we ran a higher number of smaller, targeted campaigns, which saw our engagement rate rise to 7.8% (56% up on last year), indicating that our ads are resonating with our target audience
- We have secured over £4,000 in free advertising through our Google Grant since May 2018, which has allowed us to reach users in an entirely new way whilst driving more traffic to our website

With our new CRM system and our new website going live at the end of 2018/19, we focussed on ensuring each of our key platforms was in the best possible position to provide a solid platform to build on with our new systems:

- a 1% increase in total website sessions and a 5% increase in pages per session;
- a 7% increase in customers on our e-database;
- an 8% increase in followers on Facebook, with engagement rising to 7%, over double the previous year;
- a 9% increase in followers on Twitter and a 28% increase to the numbers of impressions, equating to an extra 259,000 impressions;
- a 28% increase in YouTube subscribers and a 14% increase in total number of views, equating to nearly 2,000 hours of BSO videos being consumed;
- a 53% increase in followers on Instagram and a 38% increase in post frequency; and
- a 6% increase in followers on Spotify, once again achieving over 3 million plays globally.

James Rose and BSO Resound, the ensemble created as part of James' Change Makers' training programme, have had media coverage regionally, nationally and internationally.

- Regionally, including features in local papers, interviews on BBC regional radio and two separate pieces on BBC South Today, the BSO reached an estimated audience of 500,000 people.
- Nationally, including interviews on BBC Radio 3 and BBC Radio 4, a feature in The Guardian, and pieces on BBC Proms Extra, BBC Breakfast and BBC News at 10, the BSO reached an estimated audience of 13-15 million people.
- Internationally, including being the lead feature for the BBC Proms 2018 season announcement, a video published by American video production company Now This, and a piece on BBC World Service, the BSO reached an estimated audience of 10 million people.

### *Fundraising*

A total of £912,434 was raised from private sources in 2018/19, 4% less than in the previous year. This slight fall in fundraising income was the result of a number of internal and external challenges. This included a vacancy in the Development team leading to a reduced capacity to submit planned applications to charitable trusts and foundations and a delay in the receipt of anticipated corporate sponsorship.

In contrast, philanthropic support by individuals who donated to the Orchestra or left gifts to BSO in their Wills both increased. This incredible generosity and commitment to the BSO continues to play a vital role in sustaining the Orchestra and its artistic ambitions.

The BSO would like to thank each and every one of the individuals, Members and organisations for their support. It is only because of this loyalty and commitment the BSO is able to deliver an incredible programme of symphonic music and life-enhancing work in the wider community every year.

### *Partnerships*

The continued success of the BSO is reliant on the partnership with Arts Council England (ACE) and a number of significant Local Authority partnerships; their investment combined with that of the private sector provides the basis upon which the Orchestra can achieve its mission.

As an Orchestra, giving more performances away from its home venue than any comparable ensemble, positive, collaborative partnerships with key venues and institutions are key. During this period there were significant developments in the relationships with the Lighthouse Poole, University of Exeter, Portsmouth Guildhall and Trinity

## **Bournemouth Symphony Orchestra Trustees' report (continued)**

Laban Conservatoire of Music and Dance, Bristol Colston Hall and Hall for Cornwall are currently closed for refurbishment and due to open in 2021 and Autumn 2020 respectively. We are continuing to work closely with Bristol Music Trust during the closure.

### **Volunteers**

BSO is grateful for the unstinting efforts of its volunteers who are involved in the running of the box office, membership scheme administration and mailing activities. It is estimated that approximately 2,800 volunteer hours were provided during the year. If this is conservatively valued at £11 an hour the volunteer effort amounts to over £30k. Volunteer co-ordination is carried out by a designated member of staff.

### **Financial review**

The overall financial performance was an operating surplus of £226,070 after orchestra tax relief (2018: £410,286).

The total income for the year is £6,520,188 (2018: £6,729,850 excluding the exceptional donation). This is a decrease of 3% year on year.

There has been a reduction in earned ticket income of 3% year on year. This is mainly as a result of the closure of one of our main venues for a major rebuild, Bristol Colston Hall, in June 2018. It is not due to re-open until 2021. In the interim period we are performing in smaller venues which impacts on the revenue we can generate but with the same costs. A reduction in engagement income of 29% compared to an increase of 46% last year reflects the cyclical nature of this income stream. Recording income increased by 57% in the year. Fundraising income has decreased by 4% in the year due to a vacancy in the Development team covering fundraising from charitable trusts and foundations. However, strong individual donor retention and legacy income have helped reduce this shortfall. Participate income (excluding the Change Makers project) has increased by 13% in year which reflects our continuing growth in this area. The reduction in grant income is mainly due to the loss of our grant from Wiltshire Council.

Total expenditure was £6,973,580 (2018: £6,959,091). This is a decrease of 0.25% year on year. There has been a decrease in staff costs due to there being a one-off non-consolidated bonus paid in the previous year. Participate costs (excluding Change Makers project) have increased by 6% which is more than matched with increased income. Governance and support costs have increased mainly due to extra depreciation for the new piano and the new digital equipment. Both of these assets were purchased from monies raised by our fundraising team in the last financial year.

This will be the third year that BSO will accrue Orchestra Tax Relief. Our claim for the previous year has been successful. This is a tax subsidy on a proportion of pre-production costs incurred in concert planning and preparation of live concerts. This is a substantial figure for the BSO of £710,195 (2018: £660,711). This funding is vital to enable us to continue to be creative and to allow us to invest in work that will help to raise our profile and attract more funding. We have also accrued corporation tax of £19,229 (2018: £31,465) on the trading surplus that has been calculated on our sponsorship income.

The surplus is part of a wider strategy for the BSO to rebuild its reserves to offset increasing threats to income and pressure of increasing costs in the future.

### **Going concern**

The Orchestra benefits from the on-going commitment of its core funders with funding from ACE confirmed through to March 2022. A number of sponsorship and other funding agreements are also in place, which run for at least 12 months after the Balance Sheet date. The Company was in a net current assets position as at the Balance Sheet date.

After careful consideration of the Company's financial position, changes made and planned, and prospects, the Trustees have a reasonable expectation that the Company has adequate resources and future funding to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

# **Bournemouth Symphony Orchestra**

## **Trustees' report (continued)**

### **Reserves policy**

In accordance with best practice and Charity Commission guidance the charity maintains reserves in order to provide for contingencies that may arise in the future and to act as a buffer against trading fluctuations. This is particularly necessary given the current public funding landscape and BSO's dependence on variable income streams including earned ticket sales and fundraising income.

For the purposes of this policy, the Trustees define free reserves to be unrestricted funds which have not been designated for specific purposes. The BSO's policy is to set a target range for reserves of around six months core costs. The Company has general reserves of £2,877,766 at the Balance Sheet date, which is in line with the policy.

The Company holds a significant amount of its assets as investments per note 17. The risk of impairment is mitigated by a wide spread of investments. Investments held are managed by external fund managers.

The BSOET general unrestricted reserves will be utilised in line with the original object of BSOET as set out in the trust deed which is: "to advance the charitable purpose of the Bournemouth Symphony Orchestra by providing or assisting in the provision of the resources by which the Company may undertake activities of musical education not financed by national or local authorities and to further other charitable purposes directed at improving the public taste and appreciation of the art of music".

### **Investment policy and objectives**

Under the Memorandum and Articles of Association, BSO has the power to invest in any way the Board sees fit subject to the jurisdiction of the Charity Commission and any legal sanction.

The Company has appointed Coutts & Co to manage its investments. This appointment is reviewed on a regular basis. Their brief is: "to sustain investment fund growth at a level equal to or above inflation using a cautious to moderate risk investment strategy and generating a spendable annual return of approximately 4.5%." This return is a blend of income and capital. The fund increased in value by 2.1% year on year.

The Ruffer investment mandate is to deliver a positive 'absolute return' ahead of cash over a twelve month rolling basis. If they do achieve this over the medium term, then they would hope to outpace the rate of inflation and grow the charity's income and capital, whilst protecting its purchasing power. The parameters that the Trustees have agreed for the management and operation of the fund are that the total return is to be the maximum consistent with a cautious to medium risk profile and the desire to avoid loss in any 12 month period. The fund decreased in value by 3.2% year on year.

### **Plans for the future**

The BSO's future plans centre on continuing its desire for excellence across all of its activities. The Orchestra will continue to develop the business model with the aim of delivering its core mission within a funding climate that is ever changing. Specific plans for the year ahead include the following:

- Continuing to grow private sector income and identifying other sources of income to achieve a business model that sustains and improves excellence;
- Working closely with BCP, Dorset and Portsmouth Council officers and Leaders to ensure the ongoing financial support of the Orchestra following Local Government Reorganisation that happened in April 2019;
- Continuing to demonstrate the Orchestra's extraordinary geographical audience reach;
- Continuing the development of new strategic relationships with venues, higher education institutions, media partners, artists, promoters and recording companies;
- Continuing to develop the artistic profile of Chief Conductor Kirill Karabits;
- Continuing to demonstrate a flexibility of programming and methods of artistic delivery (live and recorded) that match the orchestras unique remit;
- Developing increased audience reach through digital streaming of concerts;

## Bournemouth Symphony Orchestra Trustees' report (continued)

- Continuing commitment to geographic reach including a new residency model for Southampton and the Isle of Wight with a range of performances and education engagement, programmed and developed in response to local need; and
- Continuing the outstanding work of *BSO Participate*.

### Acknowledgements

The Trustees of the Bournemouth Symphony Orchestra would like to extend their sincere thanks to the great number of people and organisations supporting BSO's work including:

- **Principal Funders:** Arts Council England
- **Public Funders:** Bournemouth Borough Council, Borough of Poole, Dorset County Council, Portsmouth City Council, West Dorset District Council, Purbeck District Council;
- **Principal Academic Partner :** University of Exeter;
- **Academic Partner:** Arts University Bournemouth;
- **Conservatoire Partner:** Trinity Laban Conservatoire of Music and Dance;
- **Corporate Partners:** Investec Wealth and Investment, Tilney Wealth Management Group
- **Supporting Partners:** SWRAC, Allianz Musical Insurance
- **Patrons:** Tapper Funeral Service; J.P. Morgan, WH Ireland, Mazars, Nuffield Health, Blue Sky Financial Planning, Wessex Water, Gervis Meyrick Estate, Sandbourne Investment Advisers, St Giles House
- **Trusts and Foundations:** The Leverhulme Trust, The Michael & Ilse Katz Foundation, Flaghead Charitable Trust, J&M Charitable Trust, The Pitt-Rivers Charitable Trust, The Cressy Foundation, Gess Charitable Trust, Bedhampton Charitable Trust, Golden Bottle Trust, Mazars Charitable Trust, The Homelands Charitable Trust,
- **Principal Media Partner:** Classic FM;
- **Broadcast Partner:** BBC Radio 3;
- **Media Partner:** Daily Echo;
- **Music at St Giles Partner:** Shaftesbury Estates;
- **In-kind partners:** Ellis Jones Solicitors, Sea View Coaches, Beales Gourmet, The Italian Villa, PKF Francis Clark, Liz Lean Public Relations

And finally, to BSO's loyal band of Members and Volunteers and to those individuals who support BSO through donations or by remembering the Orchestra in their wills – thank you. It is with your support that BSO goes from strength to strength in its mission to transform lives through music.

### Trustees' responsibilities statement

The Trustees (who are also Directors of Bournemouth Symphony Orchestra for the purposes of the Companies Act 2006) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the charitable Company and of the incoming resources and application of resources, including the Income and Expenditure, of the charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the principles in the Charities SORP;



## **Bournemouth Symphony Orchestra Trustees' report (continued)**

- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

By order of the Board



T D O'Rourke  
Chairman  
25 September 2019

# **Independent auditor's report to the members of Bournemouth Symphony Orchestra**

## **Opinion**

We have audited the financial statements of Bournemouth Symphony Orchestra ("the Charitable Company") for the year ended 31 March 2019, which comprise the statement of financial activities (including income and expenditure account), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019 and of its incoming resources and application of resources 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 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.

## **Conclusions related to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises The Trustees' Report. The Trustees are responsible for the other information.

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.

# **Independent auditor's report to the members of Bournemouth Symphony Orchestra**

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

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' 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 Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determines 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 Trustees are responsible for assessing the Charitable Company'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 Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Independent auditor's report to the members of Bournemouth Symphony Orchestra

### Use of our 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 Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*BDO LLP*

David l'Anson (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Southampton

*21 October* 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**Bournemouth Symphony Orchestra**  
**Statement of Financial Activities (including Income and Expenditure Account)**  
**as at 31 March 2019**

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
		£	£	£	£
<b>Income &amp; endowments from:</b>					
Donations and legacies	2	759,659	18,178	777,837	803,103
Exceptional Donations	3	-	-	-	883,158
Grants	4	2,922,473	-	2,922,473	2,928,473
<b>Income from charitable activities:</b>					
Orchestral concerts and related work	5	2,331,492	220	2,331,712	2,544,864
Participate	5	248,357	75,279	323,636	267,683
<b>Income from other trading activities</b>	6	137,425	-	137,425	167,437
<b>Investment income</b>	7	27,325	-	27,325	18,290
					-
<b>Total income</b>		<b>6,426,731</b>	<b>93,677</b>	<b>6,520,408</b>	<b>7,613,008</b>
<b>Expenditure on:</b>					
<b>Costs of raising funds:</b>					
Commercial trading operations	8	457,923		457,923	442,605
<b>Expenditure on charitable activities:</b>					
Orchestral concerts and related work	9	5,889,595	88,937	5,978,532	6,028,565
Participate		462,066	75,279	537,345	484,921
<b>Other expenditure:</b>					-
<b>Total expenditure</b>		<b>6,809,584</b>	<b>164,216</b>	<b>6,973,800</b>	<b>6,956,091</b>
<b>Net (expenditure)/income before tax</b>		<b>(382,852)</b>	<b>(70,539)</b>	<b>(453,391)</b>	<b>656,917</b>
<b>Tax receivable</b>		690,966	-	690,966	629,246
<b>Net income after tax before investment gains/(losses)</b>		<b>308,113</b>	<b>(70,539)</b>	<b>237,575</b>	<b>1,286,163</b>
<b>Net (losses)/gains on investments</b>		<b>(11,505)</b>	<b>-</b>	<b>(11,505)</b>	<b>7,281</b>
<b>Net income for the year</b>		<b>296,608</b>	<b>(70,539)</b>	<b>226,070</b>	<b>1,293,444</b>
<b>Transfers between funds</b>	22	-	-	-	-
<b>Net movement in funds</b>		<b>296,608</b>	<b>(70,539)</b>	<b>226,070</b>	<b>1,293,444</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,581,158	218,960	2,800,118	1,506,674
<b>Total funds carried forward</b>		<b>2,877,766</b>	<b>148,422</b>	<b>3,026,188</b>	<b>2,800,118</b>

The statement of financial activities includes all gains and losses recognised in the year, and all income and expenditure derives from continuing activities. The net income for Companies Act purposes includes only realised gains and amounts to £253,455 (2018 £1,297,863).


The notes on pages 22-35 form part of these financial statements


**Bournemouth Symphony Orchestra**  
**Balance Sheet**  
**For the year ended 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	16	574,527	552,513
Investments	17	1,412,223	1,415,867
		<u>1,986,750</u>	<u>1,968,380</u>
<b>Current assets</b>			
Stock		6,114	1,392
Debtors	18	1,081,175	1,042,486
Cash at bank and in hand		862,509	696,298
		<u>1,949,797</u>	<u>1,740,176</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	19	(898,593)	(864,576)
Net current assets		<u>1,051,204</u>	<u>875,601</u>
		3,037,954	2,843,981
Creditors: amounts falling due after more than one year			
Finance leases		(11,766)	(43,863)
Net assets		<u>3,026,188</u>	<u>2,800,118</u>
<b>Funds</b>			
<b>Unrestricted funds:</b>			
General unrestricted	22	2,853,807	2,556,158
Designated		23,959	25,000
		<u>2,877,766</u>	<u>2,581,158</u>
<b>Restricted funds:</b>			
Restricted		148,422	218,960
<b>Total funds</b>		<u>3,026,188</u>	<u>2,800,118</u>

The financial statements of the Bournemouth Symphony Orchestra (registered number 00538351) were approved by the Board of Trustees and authorised for issue on 25 September 2019.

Signed on behalf of the Board of Trustees

  
 TD O'Rourke  
 Chairman

  
 M M O'Sullivan  
 Trustee

The notes on pages 22 –35 form part of these financial statements

**Bournemouth Symphony Orchestra**  
**Statement of Cash Flows**  
**For the year ended 31 March 2019**

	Note	2019 £	2018 £
<b>Cash used in operating activities:</b>			
Taxation received	1	(342,430)	(228,752)
		640,962	574,247
<b>Net cash used in operating activities</b>		<u>298,532</u>	<u>345,495</u>
<b>Cash flows from investing activities:</b>			
Interest income		431	534
Purchase of plant and equipment		(103,212)	(130,264)
Dividend received on investments		7,588	1,219
<b>Net cash provided by investing activities</b>		<u>(95,193)</u>	<u>(128,511)</u>
<b>Cash flows from financing activities:</b>			
Capital element of lease repaid		(37,127)	(37,127)
<b>Increase in cash and cash equivalents in the year</b>		<u>166,211</u>	<u>179,858</u>
<b>Cash and cash equivalents at the beginning of the year</b>	2	696,298	516,440
<b>Cash and cash equivalents at the end of the year</b>	2	<u>862,509</u>	<u>696,298</u>

**1. Reconciliation of net income to net cash flow from operating activities**

**Notes to the cash flow statement**

	2019 £	2018 £
<b>Net income for the year</b>	226,070	1,293,444
<b>Adjustments for:</b>		
Depreciation charges	81,198	54,675
Investment management costs	11,445	6,590
Transfer in of office lease	-	(300,000)
Transfer in of BSOET Investment	-	(638,108)
Losses/(Gains) on investments	11,505	(7,281)
Interest income	(27,325)	(18,290)
Tax receipt	(690,966)	(629,247)
(Increase)/decrease in stocks	(4,721)	5,911
Decrease in debtors	11,315	1,985
Increase in creditors	39,050	1,570
<b>Net cash used in operating activities</b>	<u>(342,430)</u>	<u>(228,752)</u>

**2. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	862,509	696,298
<b>Total cash and cash equivalents</b>	<u>862,509</u>	<u>696,298</u>

# **Bournemouth Symphony Orchestra**

## **Notes to the financial statements**

### **For the year ended 31 March 2019**

#### **1. Accounting policies**

##### **Basis of accounting**

Bournemouth Symphony Orchestra is a charitable company limited by guarantee and registered in England and Wales. The registered office, company number and charity registration number are disclosed on page 1.

Bournemouth Symphony Orchestra meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting & Reporting 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 (FRS102)(Effective 1 January 2015) – (Charities SORP(FRS102)), Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

##### **Preparation of financial statements - going concern basis**

The Company's largest source of funding, ACE grant was £2,554,790 in 2018/19 and is at standstill for the next 4 years. Local Authority grants in 2018/19 amount to £367,683 (2018: £373,683).

The Company was in a net current assets position as at the Balance Sheet date.

After careful consideration of the Company's current financial position, and future plans and prospects, the Directors have a reasonable expectation that the Company has adequate resources to continue operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the accounts.

##### **Incoming resources**

Performance income arises on promotions, engagements and other bookings undertaken by the Orchestra. Performance income is credited to the Income and Expenditure account in the period to which it relates, as is income from donations, memberships, and grants relating to specific projects. Investment income and other income from non-specific donations are credited to the income and expenditure account in the year in which it is received. Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable: receipt is considered probable when there has been grant of probate; the executors have established that there are sufficient assets in the estate after settling any liabilities to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met. Income is deferred when it is received in advance of the event or the period to which it relates.

Incoming resources including donated services are credited to the Statement of Financial Activities when the Company has entitlement to the funds, receipt is probable and the amount is measurable. Grants received in respect of a subsequent period are carried forward to the relevant period.

##### **Resources expended**

Costs are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered, once there is a legal constructive obligation to make a payment to a third party.

The costs of generating voluntary income represent the costs of securing sponsorship and donations for the funds of the Charity.

The cost of activities in furtherance of the Company's charitable objectives includes costs directly incurred in undertaking those activities. Where costs cannot be directly attributed to particular categories they have been allocated to activities on the basis of time spent by staff on those activities.

Governance costs represent the costs associated with the governance arrangements of the Company which relate to the general running of the Company and are accounted proportionally across other activities. They include the costs of external audit, legal and professional advice for Trustees and the costs of constitutional and statutory compliance.

Support costs relating to a single activity are allocated directly to that activity. Where support costs relate to several activities they have been apportioned on an estimated time basis.



**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**1. Accounting policies (continued)**

**General reserves**

General reserves are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

**Restricted reserves**

Restricted reserves are amounts that have been awarded and will be spent on projects as specified by the donors.

**Heritage assets**

The Company has a music library which has not been capitalised and included in the Balance Sheet. The library has been built over the past 100 years and expensed through the Income and Expenditure account. It is not the Company's intention to include this item in the Balance sheet as it would almost certainly have been written down to nil under the historical cost convention. The Company's policy is to add to the library if a piece of music is played on a regular basis and the cost compared to hire charge is economic. There are no disposals and the assets are maintained by two librarians in a bespoke secure room.

**Pensions**

The Company operates a defined contribution Group Personal Pension Scheme. Employees wishing to join this scheme pay a fixed percentage of salary into the scheme as does the Company. Costs are recognised in the Statement of financial activities as contributions become payable.

**Tangible fixed assets**

Tangible fixed assets, other than long leasehold property, costing more than £500 are stated at historical cost less accumulated depreciation and any accumulated impairment losses. The long leasehold property received as a donation is stated at fair value on receipt of the donation less accumulated depreciation and any accumulated impairment losses. Depreciation on all assets is charged to allocate the cost of value on acquisition less their residual value over the estimated useful lives using the straight line method. The estimated useful lives range as follows:

Computer Equipment	3 years
Motor vehicles	5 years
Instruments	10-15 years
Long leasehold property	Life of the lease

**Investments**

The Charity recognises income and fees on investments and unrealised gains and losses on the difference in book value to market value at the end of the financial year. Investments include cash held by the Investment managers as amounts are held for reinvestment.

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

**Taxation**

As a registered Charity Bournemouth Symphony Orchestra benefits from various exemptions from taxation afforded by the tax legislation and is therefore not liable to corporation tax on income or gains falling within these exemptions.

Where income falls outside of these exemptions, current tax is recognised in the Statement of Financial Activity for the year to which it relates.

Orchestra tax relief is recognised when the receipt is considered probable and can be reasonably measured.

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2019**

**1. Accounting policies (continued)**

**Leases**

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases) the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the lease term. The lease commitments are shown as payable to the lessee. Depreciation is charged to the SOFA over the shorter of the estimated useful economic life and the term of the lease. Lease payments are analysed between capital and interest, so that the interest is charged to the SOFA over the term of the lease and the capital reduces the capital creditor.

**Debtors**

Trade and other debtors are recognised as the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid Investments with a short maturity of three months from the date of acquisition or opening of the deposit account.

**Creditors**

Creditors are recognised where the Charity has a present obligation resulting from a past event that will result in a payment of funds to a third party and the amounts can be measured reliably.

**2. Income from donations and legacies**

	2019 £	2018 £
Donations	388,408	331,915
Legacies	246,674	221,150
Membership subscriptions	80,049	85,763
Donated services and facilities	10,627	19,604
Grants (T&F, BSOET)	52,079	144,671
<b>Total</b>	<b>777,837</b>	<b>803,103</b>

**3. Exceptional donation related to the valuation of asset transferred from BSOET**

	2019 £	2018 £
Leasehold on office	-	300,000
Investments	-	638,108
Less debtors	-	(54,950)
	<b>-</b>	<b>883,158</b>

The charity benefits greatly from the involvement of volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

During the year, the charity benefited from the receipt of professional services and the use of premises free of charge. The estimated value of these services is recognised within incoming resources as donated services and facilities and the equivalent charge is included within charitable activities.

**Bournemouth Symphony Orchestra**  
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**4. Income from grants**

	2019 £	2018 £
Arts Council England – core funding	2,554,790	2,554,790
Other Grants	367,683	373,683
<b>Total</b>	<b>2,922,473</b>	<b>2,928,473</b>

**5. Income from charitable activities**

	2019 £	2018 £
<b>Orchestral concerts and related work:</b>		
Ticket sales	1,849,171	1,915,282
Engagement fees	381,757	538,519
Recording fees	45,013	28,687
Programme sales	29,558	29,398
Other income	26,213	32,978
<b>Total</b>	<b>2,331,712</b>	<b>2,544,864</b>
<b>Participate:</b>		
Community music	205,975	150,989
Children & Young Persons	117,661	116,694
<b>Total</b>	<b>323,636</b>	<b>267,683</b>

**6. Income from other trading activities**

	2019 £	2018 £
Sale of merchandise	2,828	2,998
Sponsorship	134,597	164,439
<b>Total</b>	<b>137,425</b>	<b>167,437</b>

**7. Investment income**

	2019 £	2018 £
Coutts & Co	19,306	17,595
Ruffer	7,588	161
Bank Interest	431	534
<b>Total</b>	<b>27,325</b>	<b>18,290</b>

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**8. Cost of raising funds**

	Direct Staff Costs £	Other Direct Costs £	Governance Support costs £	Other Support costs £	Total 2019 £	Total 2018 £
Costs of raising funds	199,366	53,199	4,530	189,384	446,478	436,015
Investment management costs	-	11,445	-	-	11,445	6,590
<b>Total</b>	<b>199,366</b>	<b>64,644</b>	<b>4,530</b>	<b>189,384</b>	<b>457,923</b>	<b>442,605</b>

**9. Expenditure on charitable activities**

	Direct Staff Costs £	Other Direct Costs £	Governance Support costs £	Other Support costs £	Total 2019 £	Total 2018 £
Orchestral and related work	3,358,403	2,108,366	11,955	499,808	5,978,532	6,028,565
Participate	371,358	115,960	1,169	48,859	537,345	484,921
<b>Total</b>	<b>3,729,760</b>	<b>2,224,326</b>	<b>13,124</b>	<b>548,667</b>	<b>6,515,876</b>	<b>6,513,486</b>

**10. Analysis of governance and support costs**

	Direct Staff Costs £	Overheads £	Total 2019 £	Total 2018 £
Governance costs	-	17,654	17,654	13,740
Finance, HR and IS costs	169,525	101,999	271,524	268,924
Management costs	161,545	19,994	181,539	198,090
Premises and office costs	-	284,987	285,987	266,922
<b>Total</b>	<b>331,070</b>	<b>424,634</b>	<b>755,704</b>	<b>747,676</b>

Support costs have been allocated on the basis of time spent working on the activity.

**11. Net income for the year**

	2019 £	2018 £
<b>Net income for the year is stated after charging:</b>		
Depreciation	81,198	54,676
<b>Auditor's remuneration:</b>		
Audit fees	15,300	15,600
Non-audit fees	8,000	10,994
<b>Operating lease rentals:</b>		
Plant and machinery	12,731	10,858
Other operating leases	4,258	4,258

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**12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

	2019 £	2018 £
Salaries and wages	2,454,519	2,602,817
Social security costs	239,242	262,020
Pension costs	230,427	232,534
Freelance and other costs	1,336,008	1,185,677
<b>Total</b>	<b>4,260,196</b>	<b>4,283,048</b>

The number of staff paid over £60,000 during the year was:

	2019 No.	2018 No.
£ 60,001 - £70,000	-	1
£120,001 - £130,000	1	1

One employee had employee benefits in excess of £60,000 (2018: 2). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Trustee who is also a member of the orchestra received compensation, including national insurance and pension contributions, totalling £21,689 (2018: £10,438), on the same pay scale as that paid to other playing members in respect of their performance with the orchestra. No extra payments were made for their services as a Trustee of the charity. No other charity Trustees were paid nor received any other benefits from employment with the charity or for their services as Trustees in the year (2018: £nil), neither were they reimbursed expenses during the year (2018: £nil).

The senior management personnel of the charity comprise the Chief Executive Officer, Head of Finance, Head of HR, Head of Development, Head of Concerts and Programming and Head of Participation. The total employee benefits of the key management personnel of the Charity were £423,007 (2018: £420,617).

**13. Staff numbers**

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was 83 (2018:83) and the average monthly head count during the year was as follows:

	2019 No.	2018 No.
Orchestra	54	56
Office and management	33	32
<b>Total</b>	<b>87</b>	<b>88</b>

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**14. Government grants**

Income from government grants comprises performance related grants made by the Arts Council and local authorities to fund the artistic and theatrical programme of the Orchestra as follows:

	2019 £	2018 £
Arts Council England – core funding	2,554,790	2,554,790
Arts Council England – Change Makers	75,279	47,425
Bournemouth Borough Council	194,020	194,020
Poole Borough Council	79,700	81,700
Dorset County Council	63,336	63,336
Portsmouth City Council	25,000	25,000
West Dorset District Council	4,827	4,827
Wiltshire Council	-	4,000
Purbeck District Council	800	800
<b>Total</b>	<b>2,997,752</b>	<b>2,975,898</b>

**15. Taxation**

	2019 £	2018 £
<b>Orchestra Tax Relief</b>		
Tax credit due	655,004	605,000
Adjustment in respect of prior years	55,191	55,711
	<u>710,195</u>	<u>660,711</u>
 <b>Corporation Tax</b>		
Tax on taxable income for the year	(15,000)	(15,000)
Adjustment in respect of prior years	(4,229)	(16,465)
	<u>(19,229)</u>	<u>(31,465)</u>
 <b>Net tax receivable for the year</b>	 <u><b>690,966</b></u>	 <u><b>629,246</b></u>

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**16. Tangible fixed assets**

	Long Leasehold Buildings £	Fixtures, computers & equipment £	Motor Vehicles £	Instruments £	Total £
Cost b/f 1 April 2018	300,000	540,996	40,461	325,203	1,206,660
Additions in the year	-	101,108	-	2,104	103,212
Disposals in the year	-	(31,646)	(28,261)	(1,671)	(61,578)
Cost c/f 31 March 2019	300,000	610,459	12,200	325,636	1,248,294
Dep'n b/f 1 April 2018	-	400,445	38,706	214,996	654,147
Charge for the year	5,085	68,641	1,755	5,717	81,198
Eliminated on disposal	-	(31,646)	(28,261)	(1,671)	(61,578)
Dep'n c/f 31 March 2019	5,085	437,441	12,200	219,042	673,767
<b>NBV 1 April 2018</b>	<b>300,000</b>	<b>140,551</b>	<b>1,755</b>	<b>110,207</b>	<b>552,513</b>
<b>NBV 31 March 2019</b>	<b>294,915</b>	<b>173,018</b>	<b>-</b>	<b>106,594</b>	<b>574,527</b>

Included within fixtures, computers & equipment are assets held under finance leases with the cost of £183,355 (2018: £183,355) and accumulated depreciation of £139,491 (2018: £102,363).

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**17. Investments**

	<b>Coutts</b>	<b>Ruffers</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Carrying value (market value) at beginning of year	779,363	636,504	1,415,867	760,531
Additions to investments at cost	246,044	477,646	723,690	148,412
Exceptional donation of investment portfolio	-	-	-	638,108
Disposal proceeds	(232,810)	(521,428)	(754,238)	(142,805)
Net (loss)/gain on revaluation	2,414	(13,919)	(11,505)	7,281
Utilisation of cash account	827	37,582	38,409	4,340
<b>Carrying value (market value) at end of year</b>	<b>795,838</b>	<b>616,385</b>	<b>1,412,223</b>	<b>1,415,867</b>
<b>Historical cost</b>				
Cash	34,616	-	34,616	82,903
Managed funds - Coutts	654,000	-	654,000	631,000
Managed funds - Ruffers	-	634,124	634,124	638,108
<b>Total</b>	<b>688,616</b>	<b>634,124</b>	<b>1,322,740</b>	<b>1,352,011</b>
	<b>Coutts</b>	<b>Ruffers</b>	<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
<b>Analysis of Investments</b>				
<b>Fixed Interest:</b>				
UK	177,341	-	177,341	112,106
Global	50,615	-	50,615	76,160
<b>Index linked:</b>				
UK	-	85,552	85,552	127,711
Global	-	137,838	137,838	63,593
<b>Liliquid &amp; credit strategies:</b>				
Liliquid & credit strategies	-	61,006	61,006	52,853
<b>Equities:</b>				
North America	63,699	41,631	105,330	44,048
Europe (ex UK)	15,867	33,807	49,674	60,070
United Kingdom	322,709	58,855	381,564	404,257
Japan	19,136	68,394	87,530	144,183
Pacific Basin ex Japan	9,015	26,740	35,755	37,064
Global Emerging Markets	16,624	-	16,624	17,301
Thematic	28,797	-	28,797	35,148
<b>Commodities</b>				
Precious Metals	-	42,902	42,902	26,692
<b>Alternative Investments</b>				
Global	28,109	12,015	40,124	77,023
<b>Property</b>				
Global	29,310	-	29,310	29,681
<b>Other</b>				
Other	-	9,894	9,894	25,074
<b>Cash</b>				
Capital Account Sterling	34,616	37,750	72,366	82,903
	<b>795,838</b>	<b>616,385</b>	<b>1,412,223</b>	<b>1,415,867</b>



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**18. Debtors**

	2019 £	2018 £
Trade debtors	170,059	67,792
Orchestra tax relief	655,004	605,000
Prepayments & advances	256,112	369,694
<b>Total</b>	<b>1,081,175</b>	<b>1,042,486</b>

**19. Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	258,966	213,792
Taxation & social security	83,126	92,549
Accruals	135,989	184,824
Grants received in advance	49,725	63,652
Other receipts in advance	317,777	250,646
Pension Contributions	20,913	21,984
Finance lease	32,097	37,129
	<b>898,593</b>	<b>864,576</b>

**20. Deferred income**

Deferred income comprises advance ticket sales related to performances that will take place from April–August 2019.

	2019 £	2018 £
Balance as at 1 April	250,646	259,193
Amount released to income and expenditure account	(250,646)	(259,193)
Amount deferred in year	317,777	250,646
<b>Balance as at 31 March</b>	<b>317,777</b>	<b>250,646</b>

**21. Analysis of assets and liabilities between funds**

	Restricted Funds 2019 £	Unrestricted Funds 2019 £	Total 2019 £	Total 2018 £
Fixed assets	91,796	1,894,954	1,986,750	1,968,380
Current assets	66,500	1,883,297	1,949,797	1,740,176
Current liabilities	(9,875)	(900,484)	(910,359)	(908,438)
<b>Total</b>	<b>148,421</b>	<b>2,877,767</b>	<b>3,026,188</b>	<b>2,800,118</b>

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**22. Movement in funds**

	At 1 April 2018	Incoming Resources	Outgoing Resources	Investment Gains/ (Losses)	Transfer Between Funds	At 31 March 2019
	£	£	£	£	£	£
<b>Restricted Funds</b>						
Constantino Silvestri Will Trust	7,448	220	(220)	-	-	7,448
Leverhulme Trust	-	18,000	(16,500)	-	-	1,500
Jeffrey Machin	104,348	-	(20,000)	-	-	84,348
Piano Fund	59,164	178	(10,035)	-	-	49,307
Digital Project	48,000	-	(42,181)	-	-	5,819
Change Makers	-	75,279	(75,279)	-	-	-
<b>Total restricted funds</b>	<b>218,960</b>	<b>93,677</b>	<b>(164,216)</b>	<b>-</b>	<b>-</b>	<b>148,422</b>
<b>Unrestricted funds</b>						
<i><b>Designated:</b></i>						
CRM Database	25,000	-	(1,041)	-	-	23,959
<b>Total</b>	<b>25,000</b>	<b>-</b>	<b>(1,041)</b>	<b>-</b>	<b>-</b>	<b>23,959</b>
<i><b>Unrestricted:</b></i>						
General unrestricted	1,777,348	7,117,697	(6,808,543)	(11,505)	-	2,074,997
General unrestricted BSOET	778,810	-	-	-	-	778,810
<b>Total</b>	<b>2,556,158</b>	<b>7,117,697</b>	<b>(6,808,543)</b>	<b>(11,505)</b>	<b>-</b>	<b>2,853,807</b>
<b>Total Unrestricted Funds</b>	<b>2,581,158</b>	<b>7,117,697</b>	<b>(6,809,584)</b>	<b>(11,505)</b>	<b>-</b>	<b>2,877,766</b>
<b>Total Funds</b>	<b>2,800,118</b>	<b>7,211,374</b>	<b>(6,973,800)</b>	<b>(11,505)</b>	<b>-</b>	<b>3,026,188</b>

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**22. Movement in funds (continued)**

	At 1 April 2017	Incoming Resources	Outgoing Resources	Investment Gains/ (Losses)	Transfer Between Funds	At 31 March 2018
	£	£	£	£	£	£
<b>Restricted Funds</b>						
Constantin Silvestri Will Trust	7,448	-	-	-	-	7,448
Leverhulme Trust	-	16,500	(16,500)	-	-	-
Jeffrey Machin	-	104,348	-	-	-	104,348
Piano Appeal	122,084	38,659	-	-	(160,742)	-
Piano Fund	-	459	-	-	58,705	59,164
Digital Project	-	48,000	-	-	-	48,000
Change Makers	-	47,425	(47,425)	-	-	-
<b>Total restricted funds</b>	<b>129,532</b>	<b>255,389</b>	<b>(63,925)</b>	<b>-</b>	<b>(102,037)</b>	<b>218,960</b>
<b>Unrestricted funds</b>						
<i><b>Designated:</b></i>						
CRM Database	-	-	-	-	25,000	25,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>25,000</b>
<i><b>Unrestricted:</b></i>						
General unrestricted	1,377,142	7,208,054	(6,892,166)	7,281	77,037	1,777,348
General unrestricted BSOET	-	778,810	-	-	-	778,810
<b>Total</b>	<b>1,377,142</b>	<b>7,986,864</b>	<b>(6,892,166)</b>	<b>7,281</b>	<b>77,037</b>	<b>2,556,158</b>
<b>Total Unrestricted Funds</b>	<b>1,377,142</b>	<b>7,986,864</b>	<b>(6,892,166)</b>	<b>7,281</b>	<b>102,037</b>	<b>2,581,158</b>
<b>Total Funds</b>	<b>1,506,674</b>	<b>8,242,253</b>	<b>(6,956,091)</b>	<b>7,281</b>	<b>-</b>	<b>2,800,118</b>

**Restricted funds**

All restricted funds are used in line with the original restrictions imposed by the donors.

- Constantin Silvestri Will Trust represents monies received from the estate to be invested and the income from this used to fund the work of the Orchestra.
- Leverhulme represents funding to support the Young Conductor in Association
- Jeffrey Machin fund is to support a memorial concert each year and reduces each year as the funds are used to support events in accordance with the terms of the will.
- Piano fund is to support on-going maintenance costs related to our pianos.
- Digital Project represents balance of monies that will fund software to support the digital project.
- Changemakers represents ACE funding to develop a disabled led ensemble

**Designated funds**

These are funds towards the investment of the new CRM system.

**Unrestricted funds**

The BSOET general unrestricted reserves will be utilised in line with the original object of BSOET as set out in the trust deed which is: "to advance the charitable purpose of the Bournemouth Symphony Orchestra by providing or assisting in the provision of the resources by which the Company may undertake activities of musical education not financed by national or local authorities and to further other charitable purposes directed at improving the public taste and appreciation of the art of music".

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**23. Contingent assets**

The charity has been notified of its entitlement to legacies of £90,000 (2018: £nil) which have not been recognised in the current year as receipt of these legacies is not yet considered probable.

**24. Operating lease commitments**

The minimum operating lease payments are as follows:

	2019 £	2018 £
Within one year	11,737	16,989
Between one and five years	1,873	13,610
	<u>13,610</u>	<u>30,599</u>

**25. Transactions with related parties**

During the year the charity put on a series of events at the residence of one of the trustees, Nicholas Ashley-Cooper, free of hire charge. Both parties contribute costs to the events and share any surplus equally. Five events were held in the year, resulting in a surplus of £6,962 (2018:£11,616) that was shared evenly between the two parties.

**26. Pension scheme**

Since July 2001 the Company has operated a Group Personal Pension Scheme currently with Scottish Widows. The cost to the Company of contributions to the scheme amounted to £230,427 (2018: £232,534). There were £20,913 of contributions outstanding at the year-end (2018 £21,984).

**27. Legal status**

The Charity is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member.

**Bournemouth Symphony Orchestra**  
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**28. Statement of Financial Activities as at 31 March 2018**

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
<b>Income &amp; endowments from:</b>			
Donations and legacies	699,486	103,617	803,103
Exceptional Donations	778,810	104,348	883,158
Grants	2,928,473	-	2,928,473
<b>Income from charitable activities:</b>			
Orchestral concerts and related work	2,544,864	-	2,544,864
Participate	220,258	47,425	267,683
<b>Income from other trading activities:</b>	167,437	-	167,437
<b>Investment income:</b>	18,290	-	18,290
<b>Total income</b>	<b>7,357,618</b>	<b>255,390</b>	<b>7,613,008</b>
<b>Expenditure on:</b>			
<b>Costs of raising funds:</b>			
Commercial trading operations	442,605	-	442,605
<b>Expenditure on charitable activities:</b>			
Orchestral concerts and related work	6,012,065	16,500	6,028,565
Participate	437,496	47,425	484,921
<b>Total expenditure</b>	<b>6,892,166</b>	<b>63,925</b>	<b>6,956,091</b>
<b>Net income/(expenditure) before tax</b>	<b>465,452</b>	<b>191,465</b>	<b>656,917</b>
<b>Tax receivable</b>	629,426	-	629,246
<b>Net income after tax before investment gains/(losses)</b>	<b>1,094,698</b>	<b>191,465</b>	<b>1,286,163</b>
<b>Net gain on investments</b>	7,281	-	7,281
<b>Net income for the year</b>	<b>1,101,979</b>	<b>191,465</b>	<b>1,293,444</b>
<b>Transfers between funds</b>	102,037	(102,037)	-
<b>Net movement in funds</b>	<b>1,204,016</b>	<b>89,428</b>	<b>1,293,444</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	1,377,142	129,532	1,506,674
<b>Total funds carried forward</b>	<b>2,581,158</b>	<b>218,960</b>	<b>2,800,118</b>

