

**Bournemouth Symphony Orchestra**  
**(A company limited by guarantee)**

**Report and Financial Statements**  
**Year ending 31 March 2021**

**Company Registration No: 00538351**

**Charity No: 208520**

**Bournemouth Symphony Orchestra**  
**Annual report and financial statements for the year ended 31 March 2021**

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**Bournemouth Symphony Orchestra**  
**Annual report and financial statements for the year ended 31 March 2021**  
**Trustees' Report**

**Reference and administrative details**

Charity number                      208520  
Company number                    00538351

**Trustees**

Mr T D O'Rourke MBE                      (Chairman – retired 24 March 2021)  
Mr A Flockhart                                (appointed Chair 24 March 2021)  
Miss A Z D'Abreo                              (Deputy Chair)  
Mr N Ashley-Cooper  
Mr S M Edge  
Ms M M O'Sullivan  
Mr R Preston                                  (Musician Trustee – deceased 22 November 2020)  
Mr A Dunford  
Ms L Carver                                      (Resigned 23 June 2021)

**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

**Banker**

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

**Bournemouth Symphony Orchestra**  
**Annual report and financial statements for the year ended 31 March 2021**  
**Trustees' Report**

Reference and administrative details (continued)

**Solicitor**

Ellis Jones LLP  
302 Charminster Rd  
Bournemouth  
Dorset  
BH8 9RU

**Auditor**

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

**Investment Manager**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

Ruffer  
80 Victoria Street  
London  
SW1E 5JL

# **Bournemouth Symphony Orchestra**

## **Trustee's report (continued)**

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2021. 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 2021-22 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 latest version 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.

#### **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

# Bournemouth Symphony Orchestra

## Trustee's report (continued)

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 2020/21 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:

- Continuation of the Covid-19 pandemic restrictions resulting in delays in our concert halls returning to full capacity and delays in venues being able to ensure they are financially stable.
- 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 2020-21 is the third year of BSO's original 4 year funding agreement with Arts Council England. The funding was initially flat for the whole period to 2022. In December 2019 ACE announced a 1.84% inflationary increase for 20-21 and in June 2021 advised this 1.84% increase would also be applied to 21-22. The four year funding agreement 2018-22 has been extended for a further 12 months to 2022-23. An outline budget plan for 22/23 will need to be submitted to ACE by September 2021.

## **Bournemouth Symphony Orchestra Trustee's report (continued)**

Under the authorities, BCP Council and Dorset Council, local authority funding continues to remain under pressure. BSO have continued to work hard over the last 12 months to build on the new relationships we have made with council representatives and to ensure a close dialogue at the highest level with our principal Local Authority officers, Chief Executives and Leaders.

A significant funding stream for BSO has been Orchestra Tax Relief (OTR) which is now in its 5<sup>th</sup> year. This scheme continues to play a key role in our ongoing ability to invest in a range of work. In 20-21 the ability to claim OTR has been significantly challenged due to many concerts not going ahead or going ahead but with no audiences so that there is no eligibility for the tax relief. 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.

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

## Bournemouth Symphony Orchestra Trustee's report (continued)

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 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. During the pandemic, where attendance at concerts was restricted or prevented by government lockdown regulations, BSO has made its performances available online with the lowest price of a digital ticket of £6.

In 2020-21 BSO sold a total of 32,468 digital tickets with an estimated reach of at least 55,196 people.

Through the work of *BSO Participate*, during the pandemic the orchestra has also created a range of free digital content aimed at children & families and also those living with dementia and their carers.

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.

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

Bournemouth Symphony Orchestra (BSO) is proud to reach the end of 2020-21, with the Company intact, having played a leading role in bringing live music and creativity to audiences and communities during the pandemic. Having accepted the challenge presented in 2012 to turn round a structural deficit and build a more resilient business, BSO is proud that it has been able to navigate the challenges of Covid-19 without the need to apply for emergency funding. The success of the strategy in recent years has meant that BSO has been able to demonstrate the best possible value for money in extraordinary times.

Everyone at the BSO is deeply grateful to DCMS and Arts Council England for the remarkable support given to cultural organisations in the last year and appreciates that the significant additional funding awarded to Lighthouse has been absolutely crucial in enabling BSO to continue to deliver its mission.

Throughout the last 12 months BSO has been recognised as a positive and constructive voice in the cultural sector, championing a flexibility of approach. The constructive approach has helped create a strong narrative with supporters, and key stakeholders helping achieve continued business success.

The Company is determined to continue this attitude as we navigate a way through an ongoing uncertain landscape, towards a 'post-pandemic' world.

The investment made by BSO in 2016 in digital capacity combined with making digital a key strategic operational focus from the very start of lockdown has enabled BSO to be a leading player in the return of live performances in



## Bournemouth Symphony Orchestra Trustee's report (continued)

the autumn of 2020. From a standing start, BSO has sold 28,000 digital tickets for its performances, far exceeding the paid reach achieved elsewhere. BSO has freely given guidance and support to organisations from the UK and across the world to help signpost their own digital development.

*"I visited the BSO and saw the amazing work they are doing to bring their beautiful music to audiences all around the world because of that investment they have made in [digital] capacity"* Caroline Dinenage, Minister for Digital and Culture speaking in the House of Commons January 2021

BSO has done everything in its power to support the freelance community. BSO has honoured fees for freelance musicians way beyond any normal cancellation period. BSO is one of the very first orchestras to commit to honour the fees for any freelance musician unable to work with the BSO due to Covid-19 or if they have been told to self-isolate.

*"Thank you for your email regarding your commitment support your freelance musicians who play for the orchestra. I understand how difficult it will be for the BSO to keep its head above water in these difficult times, but your news will come as much relief to all those who are freelance and will be truly appreciated by all. I thought I'd take the opportunity to say thank you on behalf of all of us."* Freelance musician, April 2020

Despite the significant artistic challenge of performing symphonic music with a socially distanced orchestra, not to mention the many operational and logistical difficulties, BSO has delivered a season of concerts of the very highest quality.

BSO has been a leading voice in championing live music in the most difficult of times. BSO is in the forefront of exploring how live classical music and livestreaming will co-exist in a post-lockdown world.

BSO has embraced opportunities created by international travel restrictions, to build new relationships with a range of British artists, many of whom it has been difficult engage in the past. BSO musicians have relished chances to play chamber scale music in the main season.

BSO is proud to be one of the very first orchestras to receive a 'strong' rating for the Creative Case for Diversity for the leadership and pioneering role it has taken in this area in recent years. Whilst, like so many areas of activity, the pandemic has resulted in a delay to some plans, BSO remains fully committed to continuing its important role in the sector. During lockdown BSO has continued to commission diverse composers to create new work, reached out to diverse and excluded communities and committed to returning BSO Resound to performance as soon as it was safe to do so.

Strong Governance remains at the heart of BSO and BSO has achieved a smooth and seamless succession planning for the Chair of Trustees.

During the last year BSO has continued to play a significant role in wider agendas including the development of the case in BCP for a Cultural Compact. BSO has now worked with three different political administrations on this, working closely with officers to ensure BCP is best placed to deliver on the ambitions set out in the Cultural Enquiry.

*"Good to see that their determination to adapt and survive is alive and kicking"* The Times – Cultural Heroes 2020, December 2020

### *BSO's response to Covid 19*

An understanding of BSO's response to the Covid-19 pandemic is a key indicator of how it has remained faithful to its mission in 2020-21.

#### First National Lockdown

Government announcement during the Dress Rehearsal for Richard Strauss' opera Elektra heralds the shutting down of all BSO activity

- BSO Head Office moves to working from home. Gradual postponement and cancellation of a total of 37 performances including Grange Festival, where BSO was due to perform four operas and BSO Proms in the Park
- 80 BSO Participate events cancelled or postponed
- Swift action by ACE, Local and Central Government offers key lifelines to the business, including waiving of normal funding conditions and furlough scheme

## Bournemouth Symphony Orchestra Trustee's report (continued)

- Remarkable generosity from BSO ticket buyers with £103,545 in tickets purchased turned into donations
- Remarkable ongoing support from members, donors and corporate supporters, standing by their BSO

### BSO Strategy

Keep the Company together – look after each other, maintain a can-do approach

- Keep contact with our audiences and supporters
- Plan for our return – behind scenes work on digital and website infrastructure and support started from April 2020, 6 months before the return to performance
- Proactive and positive engagement with key stakeholders including DCMS, ACE, Local Government, venues
- Lockdown creates a closer than ever working relationship with Lighthouse

### Lockdown 1 – digital (May to July 2020)

Whilst preparing for a return to live performance, BSO created a range of high-quality products to engage with core audiences and key community group across the South West. As well as great product this was also part of upskilling staff and refining the best livestream technical options.

- Hugh's Musical Walks – 10 weekly programmes featuring BSO Associate Hugh Nankiwell, taking viewers on a musical journey, focused on people living with Dementia and their carers

*"We watched together and both sang along. I could see mum moving her head in time to the music. The classical pieces are nice to hear too because they are easily recognisable and therefore easy to sing or hum along to. It will also encourage mum to engage more in any conversation rather than just listen to others."* Hugh's Musical Walks, BrendonCare Club Member & Daughter

- Sea Voyages and Hope – a five-week digital version of BSO's planned schools' concert programme, which had terrific participation from young people across the South West. The project included a final digital sharing performance featuring children of key workers
- BSO Voices lockdown video of Somewhere over the Rainbow featuring over 500 rainbows send in by school children across the South

*"Thank you for what you are doing, for including the kids and their work. This kind of support from the community like you keeps us frontline workers going."* BSO Rainbow Project, Parent and Frontline Worker

- BSO@Home – 15 weekly broadcasts of high-quality conversation and music from great artists associated with the BSO. These included Kirill Karabits, Marin Alsop, Sunwook Kim, Nemanja Radulović, Ben Grosvenor.

### Audience, Artist Artform

- Amidst the ongoing crisis management BSO aspired to put itself in the position of our audiences, thinking about what they wanted and needed from the BSO at that time. It was also absolutely key to strike the right narrative tone; respectful, caring and passionate about our artform, but never self-important.
- BSO aspired to do everything it could to support our employed staff, guest artists and also the freelance musician community for whom the pandemic has had a catastrophic impact.
- Through BSO's financial resilience the Company has been able to protect salaries at pre-pandemic levels – one of the few orchestras to be able to do so.
- BSO has done everything in its power to support the freelance community. BSO has honoured fees for freelance musicians way beyond any normal cancellation period.
- In focusing on symphonic scale work on the return to performance BSO has ensured that all our employed musicians have been able to return to work, that we have been able to offer work to freelance musicians and that we remain true to our mission to bring the finest quality symphonic music to our loyal audiences.

### Supporter communication

- BSO delivered a focused communications strategy to supporters emphasising and building on the established close relationship between orchestra and supporter.
- Genuine desire from supporters for us to keep in touch and BSO emphasised a personal approach including regular filmed CEO updates, messages from musicians and Kirill.

## Bournemouth Symphony Orchestra Trustee's report (continued)

### A safe return to performance (May to September 2020)

- Constructive dialogue with DCMS and ABO helping to shape the Government guidance on the return to activity for performing organisations.
- Comprehensive preparation of Covid-secure protocols and codes of conduct, working closely with Lighthouse.
- Whilst many orchestras were planning small scale chamber return to performance, a key BSO decision was to focus on a socially distanced symphonic scale orchestra from the off.
- To accommodate this a new 25m x 4m stage extension was designed and built for Lighthouse – accommodating up to 60 players fully socially distanced.
- Re-modelling of BSO's orchestra rest room to create a fully functioning digital studio plus investment in further mics and cameras to best capture the socially distanced orchestra.

### Best value for money in unprecedented times

- BSO has publicly acknowledged on numerous occasions the outstanding pandemic support from ACE and its Local Government partners, BCP Council, Dorset Council and Portsmouth City Council.
- BSO made an early decision not to furlough business focused staff and kept all of the Development team and key Marketing and Finance staff un-furloughed throughout.
- BSO achieved high levels of tickets turned into donations in support of the Company during lockdown 1.
- BSO has achieved significant fundraising success in 2020-21.
- Digital sales success has outstripped all expectations, adding some further financial resilience at a time of reduced 'in hall' sales potential.
- Only major orchestra not to have to apply for emergency Government funding.

### BSO's first socially distanced & digital live season

- Key decision to focus on symphonic scale work despite the significant challenges of Covid-secure protocols and a socially distanced orchestra
- Key decision that concerts would be live with audience in hall and all concerts livestreamed through BSO website, available for 30 days after Key changes agreed in the collective BSO/Musicians' Union agreement to enable the flexibility required
- BSO remained faithful to artists originally booked for 2020-21 wherever possible.
- A full autumn season of 12 concerts launched with a careful blend of programming looking to match the mood of audiences.

*"it was a stroke of programming genius to follow the [Bach] chorale with Charles Ives's The Unanswered question, a little masterpiece that seems to encapsulate the futility of humanity's quest for the meaning of life..."*  
The Times \*\*\*\*\* October 2020

- Adventurous programming including Voices from the East, works by Akimenkov and Arutunian, UK Premiere of new commission from Magnus Lindberg, Beethoven Prometheus.
- Socially Distanced layout works and brings new and positive perspective on orchestral texture.
- Huge challenge with travel and quarantine for artists leading to seven changes of conductor in 12 concerts.
- BSO demonstrates a flexible and positive approach to the enormous challenges on a weekly basis.
- Extraordinary digital reach.
- New creative work including Explore the Orchestra and GCSE Concerts
- Significant Corporate Sponsorship of BSO's digital season from Investec.
- BSO concerts achieved an increase in national newspaper reviews with reviewers able to review from home.
- Outstanding audience reaction and feedback – even when BSO had to change conductor and programme, there was no negative feedback.

*"It's not an exaggeration to say that the musical world has looked over to the south coast of England, to Bournemouth, with envy and admiration over the past year. Colleagues in New York, Sydney, Singapore and more have told me of their amazement at what has been achieved by the BSO during the pandemic. With absolute attention to the details of health and safety this orchestra, unlike so many, has risen to the challenge in this most challenging of times. It isn't just that a few dozen musicians have been kept in work, but that the message has rung out clearly: live concerts matter, to those playing and to those attending. Music isn't just a*

## Bournemouth Symphony Orchestra Trustee's report (continued)

*cherry on the cake in good times; it helps all of us face the harder times with optimism and courage. It knits together our communities. The BSO has led the way.*" Stephen Hough CBE, March 2021

BSO has navigated a Spring Season (January to March 2021) with unprecedented challenges

- BSO launched its second digital socially distanced season from Lighthouse covering period Jan-March 2021.
- Programming plans developed based on what we learned in the autumn.
- Very strong line up of artists including return of Sir John Eliot Gardiner
- Strong programming including UK premieres of Turkmen composer Chary Nurymov Symphony No.2 and American Composer Mason Bates' work
- New quarantine exemption for international artists widely welcomed however very short lived.
- 8 January 2021, exceptionally high and rapidly increasing local Covid-19 rates (c980/100,000) led to the decision to pause live symphonic work and keep the orchestra at home.
- Site visits and detailed preparation for pilot BSO on your Doorstep performances paused due to Lockdown 3.
- January 2021, BSO maintained weekly broadcast content to audiences.
- BSO works closely with Lighthouse to re-build confidence and becomes the first UK orchestra to bring in weekly PCR testing. Lighthouse introduces Lateral Flow tests for its staff and any visitors to the building.
- Return to Lighthouse stage with of chamber scale work.
- 22 February 2021, return of the full symphony orchestra to the stage, amongst the first in the UK.

*"By far the greatest achievement which does need to be underlined in any application to retain funding is the fact that since Sept 2020 you have presented to the general public a full Symphony Orchestra and until lockdown with a live audience in the Concert Hall as well as a worldwide on line audience. You created this by extending your Concert platform to accommodate a full orchestra meeting the covid restrictions and making your Musicians safe.*

*You also developed from the word go, a pre-concert talk in the capable hands of Andrew Burn, a full Concert programme, and proper presentation verbally each week and loyalty of Martin Handley and Catherine Bott so important, - charging per concert or for the full series a fee that was nominal compared to ticket costs. A single person paying a modest sum and a number of people could also watch for that nominal fee, not possible in normal times. Email from digital livestream audience member follow up to BSO customer experience survey, March 2021*

*"How nice to learn that BSO continues to stick to its principles in getting out there for its audiences in spite of all the constraints. You are a powerful example of how arts organisations have adapted, and your success helps us make the case for funding, so thank you! ... congratulations on the way you continue to push the boundaries, including this autumn series and your work in the field of d/deaf and disability."* Sir Nicholas Serota, October 2020

*"It's my favourite day of the week. I've noticed a big difference since I began. I'm more resilient... I left my troubles at the door and for over an hour nothing could trouble my head. It's given me something to focus on. I feel more socially confident. And I noticed straight away the actual physicality of blowing the flute is doing me good... And emotionally, I cried less this week."* BSO Recovery Orchestra, Participant

### **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 even in this year so drastically affected by the pandemic we have still used approximately 260 volunteer hours. If this is conservatively valued at £11 an hour the volunteer effort amounts to £2,860. Volunteer co-ordination is carried out by a designated member of staff.

### **Digital**

Spektrix is our Customer Relationship Management System

The investment the Company has made in Spektrix was an opportune decision as it proved critical in allowing the BSO to adapt to a predominantly digital suite of online concerts and activity in a year severely affected by the Covid-19 pandemic.

## Bournemouth Symphony Orchestra Trustee's report (continued)

Marketing to customers has been almost 100% achieved digitally which has resulted in significant savings on traditional direct mailing costs and allowed a quick and direct ability to keep in contact with BSO customers and supporters.

Using the marketing segmentation ability of *Spektrix*, the BSO (with its website delivery company) was able to create a bespoke paywall system to allow digital content to be blocked unless paid for. This in house solution not only achieved a seamless booking procedure on the BSO website for the customer, it also meant that we achieved massive savings on alternative third party hosting providers and also maintained the BSO's access to full customer data.

With all ticket purchases being directly processed on the BSO system, we have seen a large proportion of new customers added to the database. This data is already proving to be of great value in the implementation of audience development plans including encouraging new customers to book additional concerts or even full digital subscriptions.

The growth in direct bookings has also achieved a much higher than predicted income stream from small top-up donations at the checkout.

### BSO in-house Digital Unit

Most of the output this year has been via digital livestreams serviced by the BSO's own 'Digital Unit' supplemented by a professional sound engineer and the purchase of additional equipment, mostly funded by grants from a variety of trusts and foundations.

The weekly livestreams have proved a unique provision in the UK over the year and have helped maintain contact with existing BSO audiences but also found new engagement with people watching from all over the UK (beyond the traditional reach of the BSO in the South and South West of England) as well as internationally, and have helped the BSO become recognised as a leader in digital performance, applauded by Arts Council England and the Department of Digital, Culture, Media and Sport.

In addition to the concerts themselves, the BSO has adapted in other ways to digitally supply content and services that would have normally been achieved by traditional means. This has included online resources for school children and people living in care homes, video versions of pre-concert talks and artist interviews, and downloadable concert programme notes.

*"Locking in a clear and efficient system for streaming performances has put the BSO ahead of many of its UK competitors now that the concert halls are closed again..."* The Times, November 2020

There have been 1842 brand new customers added to the database since September 2020 representing 29.5% of all ticket bookings. 1315 of these new customers have addresses beyond the traditional remit of our South West region.

The website has had a doubling of page views with a 32% increase in the number of individual sessions and 40% in the number of sessions per user. The number of users remained constant at around 110,000.

Social media engagement across all active platforms has seen another year of continued increase largely due to the big rise in digital content creation.

- Spotify listeners have nearly doubled over the last year
- Instagram followers increased by 600
- Facebook video views up by +296% compared to 19/20
- YouTube views over 100,000 in a year

*"We cheer and clap from our sofa every week, I'm surprised you didn't hear us tonight! Excellent concert, thank you all so much for this wonderful opportunity to continue to enjoy beautiful music."* Audience member, November 2020

### Fundraising

A total of £961,162 was raised from private sources during 2020/21 financial year representing an 8% decrease on last year.

However, philanthropic support for the Orchestra by individuals, members and customers reached new heights this year with a 43.1% increase in donations thanks to the continued support by BSO's loyal community patrons,

## **Bournemouth Symphony Orchestra Trustee's report (continued)**

donors and members and new gifts from customers kindly donating the value of cancelled concert tickets to the BSO.

A 46.5% increase in income from trusts and foundations was driven by the receipt of an exceptional grant from the Weston Culture Fund, a proportion of which has been attributed to this financial year.

This outstanding generosity has helped to offset the impact of the pandemic on other sources of income including a 33.8% reduction in corporate sponsorship (which relies so heavily on hospitality around a live concert experience) and an 84.3% reduction in income from gifts in wills due to widespread delays across the estate administration process.

The Board of Trustees would like to express its profound thanks and appreciation to all the people and organisations who have so kindly supported the BSO during this challenging year. This collective demonstration of support and appreciation for the orchestra and its work inspires us all.

### **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 the covid-19 pandemic we have not been able to tour away from our home venue. However during this period we have continued to build on and strengthen our relationship with the Lighthouse in Poole. Being able to use our home venue to perform both to a live audience and to deliver digital livestreams has been critical to our work over the last 18 months and for the future. Also during this period we have been grateful for the financial support that has been given to the Lighthouse from DCMS and ACE in the form of the Culture Recovery Funds.

We have kept in touch with our main venues in Exeter, Portsmouth and Bristol and have got events booked in these venues for the new season 2021-22.

### **Financial review**

The overall financial performance shows net income for the year of £1,532,341 (2020: £121,502) after orchestra tax relief. If the two main exceptional items of furlough income and unrealised gain on investments are removed then this reflects a true trading position of a loss of £60,606 (2020: surplus £85,103).

The total income for the year is £5,668,258 (2020: £6,491,640). This is a decrease of 13% year on year.

There has been a reduction in earned ticket and engagement income of £1,713,456 (85% year on year). This is due to the COVID-19 crisis which stopped any live activity from March 2020 to August 2020. All activity that we had planned had to be cancelled. We started to earn ticket income from September 30<sup>th</sup> 2020 with our delivery of concerts to a socially distanced audience. All concerts were livestreamed and digital ticket sales were generated. When concerts could no longer be performed to a live audience we continued to digitally livestream concerts and sell digital tickets. Between the period September 30<sup>th</sup> and March 31<sup>st</sup> 2021 we sold £293,042 of which 66% (£192,337) were digital tickets and 34% (£100,705) were tickets sold to a live audience.

Fundraising income has decreased by 8% in the year to £961,162 mainly due to a reduction in legacies and corporate sponsorship. Equally there has been an increase in donations and grants from trusts and foundations. Within donations there is £109,760 of cancelled tickets that were converted to donations. Participate income has decreased by 75% to £50,092. Of this reduction £71,537 relates to the Change maker project that was completed in the previous financial year and the rest is due to cancelled work as a result of the pandemic.

Grant income has increased in the year for the following reasons. Arts Council England (ACE) awarded all grant holders with an unexpected 1.184% (£47,008) in 20/21. The significant change to grant income has come in the form of furlough income of £1,327,469 (2020: £65,481). We were eligible to claim this income because the majority of our employees were not able to work due to COVID. The company went into lockdown on March 23<sup>rd</sup> 2020 and the whole orchestra and half of head office staff were placed on furlough. The orchestra delivered its first public performance on September 30<sup>th</sup> 2020. Since this date the orchestra and some head office staff have been on flexible furlough. Half of head office staff have worked full time throughout the crisis. We have delivered 26 digitally streamed concerts of which 10 were also in front of a live audience at our home venue of the Lighthouse in Poole.

## **Bournemouth Symphony Orchestra Trustee's report (continued)**

Total expenditure was £4,539,666 (2020: £7,002,067). This is a decrease of 35% year on year. Cost of raising funds has decreased by 40% which reflects the curtailing of any in person events and the costs associated with them. There has been a decrease in orchestral costs of 34% mainly due to no activity away from our venue in Poole due to the national lockdown. Education costs have decreased due to much reduced activity. Costs have been incurred for digital activity for Education work in the latter half of the year. Also included in these figures is an apportionment of support costs that have reduced by 14% year on year due to reduced activity. There are many support costs that are fixed regardless of the pandemic.

This is the fifth year that BSO will accrue Orchestra Tax Relief (OTR). 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 to a live paying audience. In previous years this has been a substantial figure for the BSO (2020: £670,157). In this financial year due to the pandemic we have only been able to perform 10 concerts to a live audience. This has substantially decreased our eligibility for OTR and with the added offsetting of furlough income has led to an estimated figure of £148,461 for 2021. 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 £10,190 (2020: £9,148) on the trading surplus that has been calculated on our sponsorship income.

There has been a significant recovery in the valuation of our investment portfolios to show an unrealised gain on investment of £265,478 (2020: loss of £29,082) taking the value of the portfolio significantly higher than pre-pandemic levels. Also since year end the portfolios have continued to increase in value.

The surplus that has been generated this year will underpin our recovery back to normal trading activity over the next couple of years. We are planning a significant loss in 2021-22 as we build back our activity and our audiences. Our plan is that our reserves will not be lower than those we started with at the beginning of the pandemic as at 31/3/20. Net assets have increased in the year mainly as a result of an improved cash position largely influenced by the furlough income we have received.

### **Going concern**

The Trustees acknowledge that the continuing levels of uncertainty as we move out of lockdown towards a normal trading environment mean that the judgements and estimates made in the operation of budgets and forecasts are more challenging than under normal circumstances. As set out in the plans for the future, included within the Report of the Trustees on page 15, the Trustees have given due regard to the increased pressure on income streams as we progress to a more normal trading environment and have concluded that the positive level of general reserves, a healthy cash balance, the benefit of some Orchestra Tax Relief as well as other returning sources of income and the continued support of its major funders, mean that the going concern basis remains appropriate for the preparation of these financial statements

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

### **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. As we build back activity in 2021-22 in the wake of the pandemic maintaining a level of reserves is even more critical. The challenges of maintaining public funding continue along with 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 £4,564,771 at the Balance Sheet date of which £550,000 is designated for specific projects. Hence the level of reserves is in line with the policy.

The Company holds a significant amount of its assets as investments per note 16. 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

## **Bournemouth Symphony Orchestra Trustee's report (continued)**

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". Although in 20-21 it is worthy of note that we have not drawn down any of these funds.

### **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 decreased in value by 4.9% 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 increased in value by 2.5% year on year.

We are planning to review our investment managers by going out to tender with a new brief in July 2021 with a view to selecting one fund manager to take over in October 2021.

### **Plans for the future**

BSO has demonstrated a strong dynamic and can-do approach during 2020-21 and built an excellent track record of delivering for audiences and communities in the most difficult of circumstances. This will continue.

The BSO Board of Trustees, at their November 2020 and January 2021 meetings affirmed their support for a set of guiding principles by which BSO Senior management will build the company activity plan for 2021-22 with a flexibility that allows for possible on going Covid-19 restrictions:

- BSO will maintain its can-do approach to deliver great art and engagement coming out of Covid-pandemic lockdown. It will continue to develop new ways of thinking and working inspired by the experience of the last year.
- Using the financial and business resilience developed 2015-2021 to invest in activity and support the company in what is sure to be a challenging financial year
- Emphasis on 'Everything is BSO' approach, which has been at the heart of the BSO Business Plan since 2012
- Maintain and grow BSO's leadership approach to the Creative Case for Diversity. Setting new benchmarks and challenges to further embed inclusion in all areas of the company
- Maintenance of a full, live symphonic scale programme from Lighthouse, delivered regionally, nationally and internationally through BSO Digital Livestream
- When restrictions allow, through BSO on your Doorstep – a programme of high quality small/mid-scale work – engage with audiences both existing and new to help grow confidence in audiences to return to live in-person work
- Once Social Distancing regulations for artists and audiences have been relaxed, the return of touring symphonic scale work, leading the opportunities to renew the work opportunities for the freelance musician sector
- Continuation of the well-established partnership approach to developing and delivering work. Through BSO Participate re-focusing activity to meet current national and local agendas in a post-pandemic landscape
- Build on the success of BSO Digital in 2021-22 to empower a new creativity and reach from the BSO, helping to deliver on all four principles of Let's Create and a delivery model best fit for a post-pandemic cultural landscape.
- Further development of an integrated operating model across all departments. Understanding that an ever more flexible use of the full company resource demands additional changes to the way the Company plans, budgets and delivers its work.



## **Bournemouth Symphony Orchestra Trustee's report (continued)**

The 2021-22 budget was approved by Trustees in March 2021. A revised budget and cash flow for 2021-22 and an outline budget for 2022-23 will be prepared in September 2021.

### **Acknowledgements**

The Trustees of the Bournemouth Symphony Orchestra would like to extend their sincere thanks to the great number of people and organisations who supported the BSO's work during this exceptionally challenging year, including:

- **Principal Funders:** Arts Council England
- **Public Funders:** BCP Council, Dorset Council and Portsmouth City Council
- **Principal Academic Partner :** University of Exeter
- **Academic Partner:** Arts University Bournemouth
- **Conservatoire Partner:** Trinity Laban Conservatoire of Music and Dance
- **Corporate Partners:** Allianz Musical Insurance, Investec Wealth and Investment
- **Corporate Patrons:** Tapper Funeral Service; Gervis Meyrick Estate, J.P. Morgan,
- **Trusts and Foundations:** Garfield Weston Foundation, The Pointer Family Trust, Talbot Village Trust, The Flaghead Charitable Trust, The Michael & Ilse Katz Foundation, Thriplow Trust, The Pitt-Rivers Charitable Trust, Gess Charitable Trust, Bedhampton 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

And finally, a special acknowledgment to BSO's loyal band of supporters, members and volunteers and to those individuals who supported the BSO through donations or by remembering the Orchestra in their wills – thank you. It is with your support that the BSO has been able to bring the thrill of live music to people across the country.

### **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;
- 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.

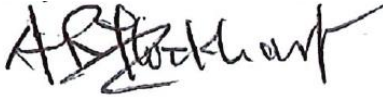
## Bournemouth Symphony Orchestra Trustee's report (continued)

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

A handwritten signature in black ink, appearing to read 'A Flockhart', written in a cursive style.

Mr A Flockhart

Chair

29 September 2021

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

## Opinion

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 2020 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.

We have audited the financial statements of Bournemouth Symphony Orchestra ("the Charitable Company") for the year ended 31 March 2021, 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).

## 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.

### *Independence*

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 qualified opinion.

## Conclusions related to going concern

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

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

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

## Other information

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

## Other Companies Act 2006 reporting

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.

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 by the Charitable Company, 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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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

We considered those laws and regulations that have a direct impact on the financial statements, such as the Companies Act 2006, Charities Act 2011 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

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

Procedures performed by the audit team included:

- Discussions with management and those charged with governance regarding consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Obtaining an understanding of controls designed to prevent and detect irregularities, including specific consideration of controls and accounting policies relating to significant accounting estimates;
- Reviewing minutes from resource and finance committee meetings for evidence of any fraud or non-compliance with laws and regulations;
- Communicating relevant laws and regulations and potential fraud risks to all engagement team members and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit; and
- Assessing journal entries as part of our planned audit approach, with a particular focus on journals entries to key financial statement areas.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

## 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.

DocuSigned by:

*David I Anson*

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David I'Anson (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor  
Southampton

01 October 2021

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 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	(restated) Total Funds 2020 £
<b>Income &amp; endowments from:</b>					
Donations and legacies	2	863,996	-	863,996	899,233
Grants	3	4,296,950	-	4,296,950	2,987,954
<b>Income from charitable activities:</b>					
Orchestral concerts and related work	4	342,850	104	342,954	2,229,666
Participate	4	50,092	-	50,092	201,447
<b>Income from other trading activities</b>	5	97,167	-	97,167	148,968
<b>Investment income</b>	6	17,100	-	17,100	24,372
<b>Total income</b>		<b>5,668,154</b>	<b>104</b>	<b>5,668,258</b>	<b>6,491,640</b>
<b>Expenditure on:</b>					
<b>Costs of raising funds:</b>					
Commercial trading operations	7	302,996	-	302,996	504,965
<b>Expenditure on charitable activities:</b>					
Orchestral concerts and related work	8	3,995,877	4,550	4,000,427	6,043,324
Education	8	236,244	-	236,244	453,778
<b>Other expenditure:</b>					
<b>Total expenditure</b>		<b>4,535,116</b>	<b>4,550</b>	<b>4,539,666</b>	<b>7,002,067</b>
<b>Net (expenditure/income before tax)</b>		<b>1,133,038</b>	<b>(4,446)</b>	<b>1,128,592</b>	<b>(510,426)</b>
<b>Tax receivable</b>		138,271	-	138,271	661,010
<b>Net income after tax before investment gains/(losses)</b>		<b>1,271,309</b>	<b>(4,446)</b>	<b>1,266,863</b>	<b>150,583</b>
Net (losses)/gains on investments		265,478	-	265,478	(29,082)
<b>Net income for the year</b>		<b>1,536,787</b>	<b>(4,446)</b>	<b>1,532,341</b>	<b>121,502</b>
Transfers between funds	21	-	-	-	-
<b>Net movement in funds</b>		<b>1,536,787</b>	<b>(4,446)</b>	<b>1,532,341</b>	<b>121,502</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,027,983	119,706	3,147,689	3,026,188
<b>Total funds carried forward</b>		<b>4,564,770</b>	<b>115,260</b>	<b>4,680,030</b>	<b>3,147,689</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 £1,272,114 (2020 £163,535).

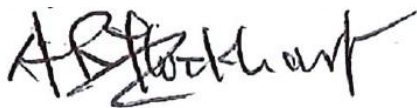
The notes on pages 24 - 36 form part of these financial statements

**Bournemouth Symphony Orchestra**  
**Balance Sheet**  
**For the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	504,042	529,260
Investments	16	1,654,698	1,388,752
		2,158,741	1,918,012
<b>Current assets</b>			
Stock		838	977
Debtors	17	457,093	1,144,075
Cash at bank and in hand		2,906,181	1,058,428
		3,364,112	2,203,482
<b>Liabilities</b>			
Creditors: amounts falling due within one year	18	(831,881)	(954,408)
Net current assets		2,575,231	1,249,074
		4,690,972	3,167,086
Creditors: amounts falling due after more than one year			
Finance leases		(10,942)	(19,396)
Net assets		<b>4,680,030</b>	<b>3,147,689</b>
<b>Funds</b>			
<b>Unrestricted funds:</b>			
General unrestricted	21	3,865,961	2,329,173
General unrestricted BSOET		698,810	698,810
		4,564,771	3,027,983
<b>Restricted funds:</b>			
Restricted		115,260	119,706
<b>Total funds</b>		<b>4,680,030</b>	<b>3,147,689</b>

The financial statements of the Bournemouth Symphony Orchestra (registered number 00538351) were approved by the Board of Trustees and authorised for issue on 29 September 2021.

Signed on behalf of the Board of Trustees



.....  
A Flockhart  
Chair



.....  
M M O'Sullivan  
Trustee

The notes on pages 24 – 36 form part of these financial statements

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

	Note	2021 £	2020 £
<b>Cash used in operating activities:</b>	1	1,219,108	(422,351)
Taxation received		688,318	662,014
<b>Net cash used in operating activities</b>		<u>1,907,426</u>	<u>239,663</u>
<b>Cash flows from investing activities:</b>			
Interest income		285	909
Proceeds from the sale of plant and equipment		-	3,900
Purchase of plant and equipment		(50,407)	(20,679)
Dividend received on investments		4,498	6,432
<b>Net cash provided by investing activities</b>		<u>(45,624)</u>	<u>(9,437)</u>
<b>Cash flows from financing activities:</b>			
Capital element of lease repaid		(14,049)	(34,305)
<b>Increase in cash and cash equivalents in the year</b>		<u>1,847,752</u>	<u>195,920</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>1,058,428</u>	<u>862,509</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>2,906,181</u>	<u>1,058,428</u>

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

**Notes to the cash flow statement**

	2021 £	2020 £
<b>Net income for the year</b>	1,532,341	121,502
<b>Adjustments for:</b>		
Depreciation charges	75,624	89,833
Investment management costs	11,849	11,421
(Gains)/losses on investments	(265,478)	29,082
Interest income	(17,100)	(24,372)
Tax receipt	(138,271)	(661,010)
Loss (profit) on sale of fixed assets	-	(3,900)
(Increase)/decrease in stocks	139	5,136
(Increase)/decrease in debtors	136,935	(63,904)
Increase/(decrease) in creditors	(116,932)	73,861
<b>Net cash used in operating activities</b>	<u>1,219,108</u>	<u>(422,351)</u>

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

	2021 £	2020 £
Cash in hand		
<b>Total cash and cash equivalents</b>	<u>2,906,181</u>	<u>1,058,428</u>

	At 1 April 2020 £	Cash Flows £	Other non cash changes £	At 31 March 2021 £
<b>3. Net Debt reconciliation</b>				
Cash at bank and in hand	1,058,428	1,847,752	-	2,906,181
Finance leases	(33,445)	14,049	-	(19,395)
	<u>1,024,983</u>	<u>1,861,802</u>	<u>-</u>	<u>2,886,787</u>



# **Bournemouth Symphony Orchestra**

## **Notes to the financial statements**

### **For the year ended 31 March 2021**

#### **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.

In preparing the financial statements and the continued use of the going concern assumption, the Trustees have considered the expected financial performance for the financial years ending 31 March 2022 and 31 March 2023 taking into account expected trading performance and the principal risks and uncertainties as set out in the Trustee's report, including the continued impact of the covid pandemic on audience confidence in returning to live performances and the ability of venues to be able to continue to operate with reduced ticket sales.

The 21/22 revised budget includes 56 symphonic concerts of which 36 are at our home venue in Poole and most of these will be digitally livestreamed. The concerts were put on sale in July for the Autumn of 2021 and are to a live audience based on some social distancing in the balcony and will be digitally livestreamed. The symphonic concerts have been devised in such a way that they can be flexed in line with changes in government restrictions. The 21/22 budget continues to include furlough income from the government's coronavirus job retention scheme until the relief ends in September 2021 but also reflects a 60% reduction in orchestra tax relief due to lower activity and furlough scheme offset.

For the period January to March 2022 we are planning 22 concerts of which 13 are in Poole and the rest in Bristol, Exeter and Portsmouth but still with 75% audience capacity. The confirmed continued financial support from the major funder, Arts Council England has been included in the 21/22 budgets. For the 22/23 extended fifth year of the ACE funding agreement we are required to submit an outline 22/23 Budget plan by the middle of September 2021. We will receive notification of the extension in December 2021. The charity enters the future period with a solid financial base – cash held at 31<sup>st</sup> July 2021 was £3,021k and the investment portfolio was valued at £1,691k.

Based on the above assumptions, the charity is forecast to have a healthy cash balance and good levels of reserves as at 31 March 2022 and 31 March 2023 and does not anticipate a need to have to liquidate any part of the investment portfolio during this period. However, the Trustees acknowledge that the continuing levels of uncertainty as we move out of lockdown towards a normal trading environment mean that the judgements and estimates made in the operation of budgets and forecasts are more challenging than under normal circumstances. They have therefore assessed the impact of events through to March 2022 being at 75% of normal capacity with a return to normal levels of activity for 22/23. The outline budget for 22/23 shows that we would still have sufficient reserves without having to drawdown from our investment portfolio.

After considering all of the above factors, the Trustees have a reasonable expectation that the company has sufficient access to adequate resources to continue in operational existence for the foreseeable future, and for at least the period of twelve months following the date of approval of the financial statements. The Trustees therefore consider it appropriate to continue to adopt the going concern principle in preparing the financial statements.

##### **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

# Bournemouth Symphony Orchestra

## Notes to the financial statements

### For the year ended 31 March 2021

#### 1. Accounting policies (continued)

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.

#### **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.

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**1. Accounting policies (continued)**

**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 / Fixtures & Fittings	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.

**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.

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**2. Income from donations and legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	671,232	468,954
Legacies	46,915	297,910
Membership subscriptions	67,514	70,978
Donated services and facilities	9,075	14,115
Grants (T&F, BSOET)	69,261	47,275
<b>Total</b>	<b>863,996</b>	<b>899,233</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.

**3. Income from grants**

	<b>2021</b>	<b>(restated)</b> <b>2020</b>
	<b>£</b>	<b>£</b>
Arts Council England – core funding	2,601,798	2,554,790
Other Grants	367,683	367,683
Furlough Income	1,327,469	65,481
<b>Total</b>	<b>4,296,950</b>	<b>2,987,954</b>

**4. Income from charitable activities**

	<b>2021</b>	<b>(restated)</b> <b>2020</b>
	<b>£</b>	<b>£</b>
<b>Orchestral concerts and related work:</b>		
Ticket sales	293,042	1,669,472
Engagement fees	-	337,026
Recording fees	22,143	29,832
Programme sales	708	26,345
Other income	27,060	166,991
<b>Total</b>	<b>342,954</b>	<b>2,229,666</b>
<b>Participate:</b>		
Community music	11,860	129,910
Children & Young Persons	38,232	71,537
<b>Total</b>	<b>50,092</b>	<b>201,447</b>

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**5. Income from other trading activities**

	2021	2020
	£	£
Sale of merchandise	-	2,131
Sponsorship	97,167	146,837
<b>Total</b>	<b>97,167</b>	<b>148,968</b>

**6. Investment income**

	2021	2020
	£	£
Coutts & Co	12,317	17,031
Ruffer	4,498	6,432
Bank Interest	285	909
<b>Total</b>	<b>17,100</b>	<b>24,372</b>

**7. Cost of raising funds**

	Direct Staff Costs	Other Direct Costs	Governance Support costs	Other Support costs	Total 2021	Total 2020
	£	£	£	£	£	£
Costs of raising funds	242,248	4,435	1,116	43,347	291,147	493,544
Investment management costs	-	11,849	-	-	11,849	11,421
<b>Total</b>	<b>242,248</b>	<b>16,284</b>	<b>1,116</b>	<b>43,347</b>	<b>302,996</b>	<b>504,965</b>

**8. Expenditure on charitable activities**

	Direct Staff Costs	Other Direct Costs	Governance Support costs	Other Support costs	Total 2021	Total 2020
	£	£	£	£	£	£
Orchestral and related work	2,833,231	556,255	15,340	595,601	4,000,427	6,043,324
Participate	140,122	60,026	906	35,190	236,244	453,778
<b>Total</b>	<b>2,973,353</b>	<b>616,280</b>	<b>16,247</b>	<b>630,791</b>	<b>4,236,671</b>	<b>6,497,102</b>

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

	Direct Staff Costs	Overheads	Total 2021	Total 2020
	£	£	£	£
Governance costs	-	17,363	17,363	17,171
Finance, HR and IS costs	187,771	114,158	301,929	324,255
Management costs	162,823	2,326	165,149	186,594
Premises and office costs	-	207,059	207,059	277,944
<b>Total</b>	<b>350,594</b>	<b>340,907</b>	<b>691,501</b>	<b>805,964</b>

Support costs for 2021 have been allocated on the basis of the total of direct staff costs and other direct costs.  
Support costs for 2020 have been allocated on the basis of income generated against the activity.

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**10. Net income for the year**

	<b>2021</b>	<b>(restated) 2020</b>
	<b>£</b>	<b>£</b>
<b>Net income for the year is stated after charging:</b>		
Depreciation	75,624	89,833
<b>Auditor's remuneration:</b>		
Audit fees	15,500	15,300
Non-audit fees	-	3,756
<b>Operating lease rentals:</b>		
Plant and machinery	18,363	15,482
Other operating leases	2,909	3,288

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and wages	2,682,048	2,624,854
Social security costs	262,501	259,766
Pension costs	259,162	249,974
Freelance and other costs	362,483	1268,495
<b>Total</b>	<b>3,566,195</b>	<b>4,403,090</b>

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

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
£ 60,001 - £70,000	1	1
£120,001 - £130,000	1	1

Two employees had employee benefits in excess of £60,000 (2020: 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 £7,362 (2020: £17,431), 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 (2020: £nil), neither were they reimbursed expenses during the year (2020: £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 £405,506 (2020: £417,019).

**12. Staff numbers**

The average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was 86 (2020:86) and the average monthly head count during the year was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Orchestra	53	54
Office and management	37	36
<b>Total</b>	<b>90</b>	<b>90</b>

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**13. 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:

	2021	2020
	£	£
Arts Council England – core funding	2,601,798	2,554,790
BCP Council	273,720	273,720
Dorset Council	68,963	68,963
Portsmouth City Council	25,000	25,000
<b>Total</b>	<b>2,969,481</b>	<b>2,922,473</b>

**14. Taxation**

	2021	2020
	£	£
<b>Orchestra Tax Relief</b>		
Tax credit due	103,953	654,000
Adjustment in respect of prior years	44,508	16,157
	<u>148,461</u>	<u>670,157</u>
<b>Corporation Tax</b>		
Tax on taxable income for the year	(10,190)	(9,701)
Adjustment in respect of prior years	-	554
	<u>(10,190)</u>	<u>(9,148)</u>
<b>Net tax receivable for the year</b>	<b><u>138,271</u></b>	<b><u>661,010</u></b>

**15. Tangible fixed assets**

	Long Leasehold Buildings £	Fixtures, computers & equipment £	Motor Vehicles £	Instruments £	Total £
Cost b/f 1 April 2020	300,000	524,436	8,775	325,636	1,158,846
Additions in the year	-	50,407	-	-	50,407
Disposals in the year	-	(71,300)	-	-	(71,300)
Cost c/f 31 March 2021	<u>300,000</u>	<u>503,543</u>	<u>8,775</u>	<u>325,636</u>	<u>1,137,953</u>
Dep'n b/f 1 April 2020	10,169	310,374	8,775	300,269	629,587
Charge for the year	5,085	64,703	-	5,836	75,624
Eliminated on disposal	-	(71,300)	-	-	(71,300)
Dep'n c/f 31 March 2021	<u>15,254</u>	<u>303,777</u>	<u>8,775</u>	<u>306,105</u>	<u>633,911</u>
<b>NBV 1 April 2020</b>	<b><u>289,831</u></b>	<b><u>214,063</u></b>	<b><u>-</u></b>	<b><u>25,367</u></b>	<b><u>529,260</u></b>
<b>NBV 31 March 2021</b>	<b><u>284,746</u></b>	<b><u>199,766</u></b>	<b><u>-</u></b>	<b><u>19,530</u></b>	<b><u>504,042</u></b>

Included within fixtures, computers & equipment are assets held under finance leases with the cost of £40,343 (2020: £111,643) and accumulated depreciation of £20,947 (2020: £78,197).

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**16. Investments**

	<b>Coutts</b>	<b>Ruffer</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Carrying value (market value) at beginning of year	757,046	631,706	1,388,752	1,412,223
Additions to investments at cost	667,478	168,889	836,367	572,141
Exceptional donation of investment portfolio	-	-	-	-
Disposal proceeds	(616,076)	(215,836)	(831,912)	(590,349)
Net (loss)/gain on revaluation	121,166	144,311	265,477	(29,052)
Utilisation of cash account	(44,394)	40,408	(3,986)	23,789
<b>Carrying value (market value) at end of year</b>	<b>885,220</b>	<b>769,478</b>	<b>1,654,698</b>	<b>1,388,752</b>
<b>Historical cost</b>				
Cash	7,737	-	7,737	52,131
Managed funds - Coutts	776,365	-	776,365	667,634
Managed funds - Ruffer	-	654,250	654,250	653,334
<b>Total</b>	<b>784,102</b>	<b>654,250</b>	<b>1,438,352</b>	<b>1,373,099</b>
<b>Analysis of Investments</b>				
	<b>Coutts</b>	<b>Ruffer</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed Interest:</b>				
UK	31,262	-	31,262	79,081
Global	365,798	-	365,798	279,980
<b>Index linked:</b>				
UK	-	59,338	59,338	53,722
Global	-	118,054	118,054	141,126
<b>Illiquid &amp; credit strategies:</b>				
Illiquid & credit strategies	-	92,837	92,837	90,337
<b>Equities:</b>				
North America	147,049	55,606	202,655	134,530
Central & South America	-	3,358	3,358	-
Europe (ex UK)	36,964	58,617	95,581	33,338
United Kingdom	182,856	112,515	295,371	281,342
Japan	25,531	68,272	93,803	43,058
Pacific Basin ex Japan	10,873	20,973	31,846	26,148
Global Emerging Markets	42,251	-	42,251	15,224
Thematic	31,960	-	31,960	11,606
<b>Commodities</b>				
Precious Metals	-	46,139	46,139	51,046
<b>Alternative Investments</b>				
Global	-	11,933	11,933	11,331
<b>Property</b>				
Global	2,938	-	2,938	3,256
<b>Other</b>				
Other	-	37,573	37,573	37,629
<b>Cash</b>				
Capital Account Sterling	7,737	84,263	92,000	95,996
	<b>885,220</b>	<b>769,478</b>	<b>1,654,698</b>	<b>1,388,752</b>



**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**17. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	7,324	61,075
Other debtors	80,101	65,481
Orchestra tax relief	103,953	654,000
Prepayments & advances	265,714	363,519
<b>Total</b>	<b>457,093</b>	<b>1,144,075</b>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	176,336	251,884
Taxation & social security	48,322	123,854
Accruals	72,545	91,207
Grants received in advance	88,355	88,355
Other receipts in advance	412,864	353,624
Pension Contributions	25,003	31,434
Finance lease	8,454	14,049
	<b>831,881</b>	<b>954,408</b>

**19. Deferred income**

Deferred income comprises advance ticket sales related to performances that will take place from April – May 2021, customer credit balances and deferred trusts and foundations income.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance as at 1 April	353,624	317,777
Amount released to income and expenditure account	(353,624)	(317,777)
Amount deferred in year	412,864	353,624
<b>Balance as at 31 March</b>	<b>412,864</b>	<b>353,624</b>

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

	<b>Restricted</b>	<b>Unrestricted</b>		
	<b>Funds</b>	<b>Funds</b>	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	71,796	2,086,945	2,158,741	1,918,012
Current assets	43,464	3,320,888	3,364,352	2,203,481
Current liabilities	-	(843,062)	(843,062)	(973,804)
<b>Total</b>	<b>115,260</b>	<b>4,564,770</b>	<b>4,680,030</b>	<b>3,147,689</b>

**Bournemouth Symphony Orchestra**  
**Notes to the financial statements**  
**For the year ended 31 March 2021**

**21. Movement in funds**

	At 1 April 2020	Incoming Resources	Outgoing Resources	Investment (Losses)	Transfer Between Funds	At 31 March 2021
	£	£	£	£	£	£
<b>Restricted Funds</b>						
Constantino Silvestri Will Trust	7,448	104	(104)	-	-	7,448
Jeffrey Machin	64,348	-	-	-	-	64,348
Piano Fund	45,224	-	(1,760)	-	-	43,464
Digital Project	2,686	-	(2,686)	-	-	-
<b>Total restricted funds</b>	<b>119,706</b>	<b>104</b>	<b>(4,550)</b>	<b>-</b>	<b>-</b>	<b>115,260</b>
<b>Unrestricted funds</b>						
<b>Designated:</b>						
Digital Infrastructure	-	-	-	-	100,000	100,000
Lift	-	-	-	-	200,000	200,000
Truck	-	-	-	-	250,000	250,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>550,000</b>	<b>550,000</b>
<b>Unrestricted:</b>						
General unrestricted	2,329,173	1,536,787	-	-	(500,000)	3,315,961
General unrestricted BSOET	698,810	-	-	-	-	698,810
<b>Total</b>	<b>3,027,983</b>	<b>1,536,787</b>	<b>-</b>	<b>-</b>	<b>(500,000)</b>	<b>4,014,771</b>
<b>Total Unrestricted Funds</b>	<b>3,027,983</b>	<b>1,536,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,564,771</b>
<b>Total Funds</b>	<b>3,147,689</b>	<b>1,536,891</b>	<b>(4,550)</b>	<b>-</b>	<b>-</b>	<b>4,680,030</b>

**Bournemouth Symphony Orchestra**  
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**22. Movement in funds (continued)**

	At 1 April 2019	Incoming Resources	Outgoing Resources	Investment (Losses)	Transfer Between Funds	At 31 March 2020
	£	£	£	£	£	£
<b>Restricted Funds</b>						
Constantino Silvestri Will Trust	7,448	168	(168)	-	-	7,448
Leverhulme Trust	-	-	(1,500)	-	-	-
Jeffrey Machin	64,348	-	(20,000)	-	-	64,348
Piano Fund	45,224	-	(4,083)	-	-	45,224
Digital Project	2,686	-	(3,133)	-	-	2,686
<b>Total restricted funds</b>	<b>148,422</b>	<b>168</b>	<b>(28,884)</b>	<b>-</b>	<b>-</b>	<b>119,706</b>
<b>Unrestricted funds</b>						
<b>Designated:</b>						
CRM Database	23,959	-	(23,959)	-	-	-
<b>Total</b>	<b>23,959</b>	<b>-</b>	<b>(23,959)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unrestricted:</b>						
General unrestricted	2,074,997	7,158,360	(6,955,102)	(29,082)	80,000	2,329,173
General unrestricted BSOET	778,810	-	-	-	(80,000)	698,810
<b>Total</b>	<b>2,853,807</b>	<b>7,158,360</b>	<b>(6,955,102)</b>	<b>(29,082)</b>	<b>-</b>	<b>3,027,983</b>
<b>Total Unrestricted Funds</b>	<b>2,877,766</b>	<b>7,158,360</b>	<b>(6,979,061)</b>	<b>(29,082)</b>	<b>-</b>	<b>3,027,983</b>
<b>Total Funds</b>	<b>3,026,188</b>	<b>7,158,528</b>	<b>(7,007,944)</b>	<b>(29,082)</b>	<b>-</b>	<b>3,147,689</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. This finished in 2020.
- 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. Due to the pandemic a memorial concert was not performed in 2021.
- 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.

**Designated funds**

These are funds towards the investment of the new:

- Digital Infrastructure would be an investment in the way in which we deliver digital content
- Access Lift - this would be a contribution to the capital investment for a lift to provide access to the BSO premises
- Truck - investment in a new vehicle that complies with all environmental requirements and is fit for purpose for the orchestra

**Bournemouth Symphony Orchestra**  
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**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". No transfer to support the BSO was made in 2021 due to our reduced level of activity.

**23. Operating lease commitments**

The minimum operating lease payments are as follows:

	2021 £	2020 £
Within one year	19,235	21,108
Between one and five years	17,855	37,089
	<u>37,089</u>	<u>58,197</u>

**24. Transactions with related parties**

There were no related party transactions during the year. In the prior year both parties contributed costs to 5 events held at the residence of one of the Trustees, Nicholas Ashley-Cooper, free of hire charges which resulted in a deficit of £2,674. This has been agreed to be carried forward to 21/22.

**25. 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 £259,162 (2020: £249,974). There were £25,003 of contributions outstanding at the year-end (2020: £31,434).

**26. 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.

**27. Post balance sheet events**

Other than what is referred to in accounting policy 1 there are no further post balance sheet events.

**Bournemouth Symphony Orchestra**  
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**Statement of Financial Activities as at 31 March 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Income &amp; endowments from:</b>				
Donations and legacies	2	899,233	-	899,233
Grants	3	2,922,473	-	2,922,473
<b>Income from charitable activities:</b>				
Orchestral concerts and related work	4	2,294,979	168	2,295,147
Participate	4	201,447	-	201,447
<b>Income from other trading activities</b>	5	148,968	-	148,968
<b>Investment income</b>	6	24,372	-	24,372
<b>Total income</b>		<b>6,491,472</b>	<b>168</b>	<b>6,491,640</b>
<b>Expenditure on:</b>				
<b>Costs of raising funds:</b>				
Commercial trading operations	7	504,965	-	504,965
<b>Expenditure on charitable activities:</b>				
Orchestral concerts and related work	8	6,014,440	28,884	6,043,324
Participate	8	453,778	-	453,778
<b>Other expenditure:</b>				
<b>Total expenditure</b>		<b>6,973,183</b>	<b>28,884</b>	<b>7,002,067</b>
<b>Net (expenditure)/income before tax</b>		(481,710)	(28,716)	(510,426)
<b>Tax receivable</b>		661,010	-	661,010
<b>Net income after tax before investment gains/ (losses)</b>		179,299	(28,716)	150,583
Net (losses) on investments		(29,082)	-	(29,082)
<b>Net income for the year</b>		<b>150,217</b>	<b>(28,716)</b>	<b>121,502</b>
<b>Net movement in funds</b>		<b>150,217</b>	<b>(28,716)</b>	<b>121,502</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		2,877,766	148,422	3,026,188
<b>Total funds carried forward</b>		<b>3,027,983</b>	<b>119,706</b>	<b>3,147,689</b>