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BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

The Directors present their Report and Financial Statements for the year ended 31 March 2004.

Continued on page 2.

Notice of Annual General Meeting

Notice is hereby given that the 64th Annual General Meeting will be held in the Brighton Dome Founders' Room on Sunday 24 October 2004 at 5.00pm for the following purposes:

1. To receive the Report of the Directors and the audited Financial Statements for the year ended 31 March 2004.
2. To elect Officers for the year 2004-2005.
3. To elect Members of the Board of Management.
4. To appoint auditors for the year 2004-2005.

For and on behalf of the Board of Management
Ivan Rockey, Secretary

19 August 2004

Notes

1. Please bring your Membership card. Non-Friends are not admitted.
2. Friends entitled to attend and vote may appoint a proxy authorised in writing to attend and vote instead of him/her and a proxy need not also be a Friend. Proxy forms may be obtained from the Office of the Society. The authority appointing a proxy must be deposited at the Registered Offices of the Society not less than 48 hours before the time of the Meeting.
3. At the Annual General Meeting there will be three vacancies on the Board of Management. Maggie Deacon, Glynn Jones and David Tomalin retire by rotation. All three retiring Directors are standing for re-election and have indicated their willingness to serve if elected.

Judith Matthews retired from the Board in May 2004 for personal reasons. The Board records its appreciation to Judith, who had served as a Director for 2 years. Howard Attree was appointed as a Director to fill this vacancy in July 2004 and will therefore retire by rotation and be eligible for re-election in 2005.



BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

Activities in the year ended 31 March 2004

"This has been the BPO's best season ever with regular sell-out concerts."

(Mike Howard, The Argus, 31 March 2004)

The Brighton Philharmonic Orchestra formed the core of the Society's activities in 2003-04, giving ten concerts in the Brighton Dome Concert Hall and one in Stanmer Park.

The main season promoted by the Society comprised of eight Sunday matinees (one given by the English Chamber Orchestra) and two Saturday evening concerts. Artistically, the season was a great success, and reviews were unanimously positive, praising the orchestra's performance and repertoire.

Season ticket sales were 14% higher than in the previous year – a very positive figure at a time when most orchestras are seeing a decline in subscriptions. This increase goes part way to returning the number of season ticket holders to the levels seen before the Dome closed for refurbishment in 1999-2002.

One factor cast a shadow over the season: the refurbishment of the Brighton Dome's organ. Work on the instrument was delayed twice and the programmes for the season's opening and closing concerts had to be changed at short notice. This was a risk the Society had been aware of when programming the season and steps had been taken to minimise the financial effects of such delays. Whilst ticket sales for these concerts did suffer slightly (252 ticket-holders were issued refunds in the form of vouchers for future concerts), the revised programmes were extremely well received and attendance at both concerts was still above average.

The BPO's traditional New Year's Eve concert was promoted as a fundraising event on behalf of the John Carewe Brighton Orchestra Trust and its concert in Stanmer Park was an orchestral engagement for which the Society received a guaranteed fee.

Other activities in the year included:

- A series of free pre-concert talks in the Brighton Dome Founders Room which 'sold out' before the season started.
- A project for local primary schools, including 50 children giving a performance with members of the BPO in the Brighton Dome Pavilion Theatre and attending a BPO concert in the Brighton Dome Concert Hall. *This project was made possible by Legal & General, with additional funding from the Herbert Menges Memorial Fund.*
- A pre-season Friends' event at the University of Brighton's Sallis Benney Theatre.
- Coach trips for Friends to Chichester Festival Theatre, Glyndebourne Touring Opera and English National Opera. Unfortunately trips to Crawley Festival and English National Ballet were cancelled due to a lack of support.

The Society is deeply indebted to its sponsors, donors, Friends and all those who give their time voluntarily. Whilst it is unfair to single out individuals the Society would like to express its gratitude to John Knights, who has organised the Society's coach trips for more than a decade.

Future activities

As the Society approaches its 80th Anniversary the Board of Management has taken the opportunity to reflect on the nature of its role in the musical life of the city.

For many years the Society was Brighton & Hove's principal classical concert promoter. However, since the closure of the Brighton Dome in 1998 the musical environment in the city has changed significantly. The Brighton Dome now promotes its own series of concerts, the London Philharmonic Orchestra has taken up a residency at the venue, Brighton College, the Gardner Arts Centre and the Old Market have diversified their programmes of chamber music, and Brighton Early Music Festival has become a regular fixture.

Alongside these developments, the BPO's artistic standards have continued to improve under the Musical Direction of Barry Wordsworth and it has become increasingly recognised as a significant player in the country's orchestral community. There is no clearer evidence of this than the orchestra's first radio broadcast, scheduled for October 2004.

In the light of these factors, the decision has been made to recognise the BPO more explicitly as being at the heart of the Society's activities.

In the Society's 80th Anniversary Season, the BPO will therefore be giving every concert

Commentary on the Financial Statements for the Year ended 31 March 2004

The net movement in funds for the year ended 31 March 2004 was an increase of £45,458, increasing the Society's total funds to £303,629.

Disregarding the improved performance of the Society's investments, an overall net income for the year of £29,108 was achieved.

Setting aside the income from legacies, the operating deficit sustained in 2003-04 of £42,121 was smaller than that of the previous year and within the Board's 2003-04 budget.

After a transfer of £71,758 from the Legacy Fund to the General Fund, the General Fund ended the year with a balance of £36,193. This is in line with the Board's revised policy of keeping sufficient reserves in the General Fund to cover the day to day running of the Society during the period April to September when there is no income from concerts.

The Herbert Menges Memorial Fund is a restricted fund within the Society's reserves whose purpose is 'the betterment of music'. An £800 withdrawal from the fund was made in the year ending 31 March 2004 towards the cost of providing free concert tickets to participants in the BPO's Primary Schools' Project.

Without the continued help of sponsors, and the touching generosity of those who remember the Society in their wills, the Brighton & Hove Philharmonic Society could not continue to provide a regular series of concerts, of the required standard, for many more years to come, despite healthy reserves of £303,629. This would then deprive the City of Brighton & Hove of its core orchestral provision.

The Legacy Fund

The Legacy Fund was established in 2000 with a major legacy from the late Dame Brigadier Jean Rivett-Drake DBE. The purpose of the Legacy Fund is to receive all future unrestricted legacies and the resulting investment income, providing the Society with core revenue through an annual release of these funds into the General Fund.

The Legacy Fund began the financial year with a balance of £238,488 and received legacies valued at a total of £71,229 from H B Gordon and Mrs Celia Alma Smith, along with a final distribution from the estate of Mrs June Mary Williams. The Board would like to express its gratitude for the extreme generosity shown by these long-standing Friends of the Society.

A transfer of £71,758 was made from the Legacy Fund to the General Fund, and in keeping with the Board's revised investment policy borrowing between the two funds at 31 March 2004 was nil.

There is no doubt that the income from legacies received over the last five years has ensured the survival of the Society.

All legacies, however large or small, are immensely valuable to the Society, not just for their income, but also for the implicit recognition that the Philharmonic truly belongs to its Friends.

Keep orchestral music alive in Brighton ... Remember the BPO in your will

Over the last decade, more than £500,000 has been left to the Brighton & Hove Philharmonic Society's Legacy Fund, in acts of extreme generosity by its Friends.

Without the Society's Legacy Fund, the Brighton Philharmonic Orchestra would not have survived the last 5 years.

If you would like to help ensure the continued survival of the city's most treasured musical asset, please consider leaving a legacy in your will.

Legal and Administrative Information

Name

Brighton & Hove Philharmonic Society Limited

Registered Office

50 Grand Parade, Brighton BN2 9QA

Governing document

Memorandum and Articles of Association.

These impose no specific restrictions on the way in which the Society can operate or in the way that the Trustees may invest the Society's funds.

Charity registration

Registered Charity No.250921

Company registration

Registered No.371316 (England & Wales).

The company is limited by guarantee and has no share capital.

Secretary

Ivan Rockey

Honorary Treasurer

Stuart Toff FCA (to 3 October 2003)

Howard Attree IPFA (from 3 October 2003)

Auditors

Baker Tilly, International House, Queens Road, Brighton BN1 3XE

Honorary Legal Adviser

Tony Foot, Healys Solicitors, 8 Old Steine, Brighton BN1 1EJ

Bankers

Barclays Bank plc, 139/142 North Street, Brighton BN1 1RU

Financial Adviser

Charles Stanley & Company Limited, 24A Wilbury Grove, Hove BN3 3JQ

Board of Management

The Board consists of voting and non-voting members. The nine voting members, who are directors of the company, are elected at the Annual General Meeting. One third retire by rotation each year. No member may serve more than nine consecutive years, after which two years must elapse before the member may stand for election again.

Non-voting members consist of up to six co-opted members. No co-opted member shall serve for more than three consecutive years, after which two years must elapse before any such member shall be eligible for co-option.

Members of the Board of Management listed below held office from 1 April 2003 to 31 March 2004 unless stated otherwise:

Elected members

Howard Attree (from 12 July 2004), Maggie Deacon, Frances Hix, David House (from 26 October 2003), Glynn Jones, Jackie Lythell (Chair), Judith Matthews (to 19 May 2004), Chris McHugh, Sir John Mogg (from 7 July 2003), David Tomalin, Sir David Watson (to 26 October 2003).

Co-opted members

Peter Chivers, Jonathan Ericson (to 18 August 2004), Simon Keane (from 26 October 2003), Councillor Jeane Lepper (from 26 October 2003), Councillor Ann Norman, Dr Anthony Seldon (to 15 March 2004), Harry Steer (to 26 October 2003).

Organisation

The Board of Management meets six times a year to administer the Charity. A Chair is elected by Members of the Society at the Annual General Meeting. The Board of Management delegates the day-to-day operation of the Society to the Secretary.

The Society's objectives with reference to its governing document

The Society is established to promote and assist the study, practice, knowledge and appreciation of music, and generally advance the cause of music.

To achieve this, the Board has defined the Society's Mission, which is to bring pleasure to the local community through providing high quality, varied classical music programmes, professionally performed, at realistic prices to the audience,

within the Society's available resources. The principal forum for these activities is the Brighton Dome, where the Society presents an annual series of professional orchestral concerts by the Brighton Philharmonic Orchestra.

The Society co-operates with the John Carewe Brighton Orchestra Trust (registered charity no.298038) which raises money for the Society.

Statement of Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure for that period. In preparing those accounts, the directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and whether the

financial statements have been prepared in accordance with the Charities SORP.

- Prepare accounts on the ongoing concern basis unless it is inappropriate to presume the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reserves Policy

The need for reserves

Concert planning often requires the Society to make advance commitment to artists and other expenses before all necessary funding has been attracted or confirmed. Reserves are therefore necessary to ensure that the Society can meet its obligations even if the intended funding sources fail to meet the required targets.

Where reserves are held

Since the formation of the Legacy Fund, it is the Board's policy to keep only sufficient reserves in the General Fund that are necessary for the day-to-day running of the concert season, with an agreed shortfall made up by periodic transfers from the Legacy Fund, where the majority of funds are held.

Investment policy

With regard to risk, the investment policy has been revised to hold approximately half of the Legacy Fund in longer term investments that offer balanced capital growth and income, and all other funds in cash.

The Legacy Fund therefore has a regularly reviewed portfolio of shares, currently 12 share holdings. Remaining funds are held as cash in high interest COIF deposit accounts or a high interest CAFCash current account.

With regard to ethics, the investment policy is to retain shares that are received in the form of donations or legacies, except where holdings are in companies whose activities obviously conflict with those of the Society.

Professional advice is taken regularly on the balance of the Society's investments.

Risks Assessment

The Trustees confirm that the risks to which they believe the Society is exposed have been reviewed and that systems have been established to mitigate those risks. In order to identify relevant risks and appropriate controls the following matters were considered:

- The Society's objectives and strategies.
- External factors, including legislation and regulations.
- The governance and management of the Society.

The Directors' report is approved by the Board of Management and signed on its behalf by

Jackie Lythell, Chair

19 August 2004



BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

Statement of Financial Activities, including Income and Expenditure Account for the year ended 31 March 2004

		Unrestricted Funds		Restricted Funds	Total	Total
					2004	2003
	note	£	£	£	£	£
INCOME AND EXPENDITURE						
Incoming resources						
Concert income	2	199,401		70,479	269,880	265,720
Grants	4	7,000		8,000	15,000	13,750
Friends' subscriptions		16,813		-	16,813	12,151
Friends' donations		3,842		-	3,842	3,687
Legacies	5	71,229		-	71,229	77,860
Income tax repayments		20,935		-	20,935	15,605
Deposit interest		4,168		256	4,424	2,750
Dividend income		4,539		-	4,539	4,512
Sundry income		67		-	67	113
Total incoming resources		327,994		78,735	406,729	396,148
Resources expended						
Costs of generating funds:						
Marketing expenses	6	(3,349)		-	(3,349)	-
Charitable expenditure:						
Concerts	3	(280,562)				
Support costs	7	(79,764)	(360,326)	-	(360,326)	(349,203)
Other expenditure:						
Management & admin.	8	(13,946)		-	(13,946)	(14,184)
Total resources expended		(377,621)		-	(377,621)	(363,387)
Net incoming/(outgoing) resources before transfers		(49,627)		78,735	29,108	32,761
Transfers between funds	14	79,279		(79,279)	-	-
Net incoming resources for the year before investment revaluation and disposals – net income for the year		29,652		(544)	29,108	32,761
OTHER RECOGNISED GAINS AND LOSSES						
Investments:						
Unrealised gain/(loss)	13	16,280		-	16,280	(47,040)
Realised gain/(loss)		70		-	70	(77)
Net movement in funds		46,002		(544)	45,458	(14,356)
Balances brought forward to 1 April 2003		250,815		7,356	258,171	272,527
Balances carried forward at 31 March 2004		£296,817		£6,812	£303,629	£258,171

All disclosures relate only to continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

Balance sheet at 31 March 2004

		£	2004 £	£	2003 £
	note				
FIXED ASSETS					
Tangible Assets	10	1,775		2,975	
Investments	13	134,151	135,926	117,819	120,794
CURRENT ASSETS					
Debtors	11	44,608		20,462	
Cash		147,688		131,652	
Total current assets		192,296		152,114	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	12	(24,593)		(14,737)	
NET CURRENT ASSETS			167,703		137,377
TOTAL NET ASSETS	15		303,629		£258,171
FUNDS	14				
Unrestricted Funds					
General Fund		36,193		12,327	
Legacy Fund		260,624		238,488	
			296,817		250,815
Restricted Funds			6,812		7,356
			£303,629		£258,171

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Board of Management and signed on its behalf by

Jackie Lythell, Chair

19 August 2004

Jackie Lythell

Notes to the Financial Statements

1 Accounting Policies

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention, as modified to include fixed asset investments at open market value.

1.2 Companies Act 1985

The financial statements have been prepared in accordance with the Companies Act 1985 and the statement of recommended accounting practice 'Accounting and Reporting by Charities' issued by the Charity Commissioners in October 2000 (the 'SORP').

1.3 Incoming Resources

Income is recognised in the period in which the charity is legally entitled to receipt and the amount can be measured with reasonable certainty. Income receivable for particular restricted purposes is included in incoming resources of restricted funds. Income is only deferred when the charity has to fulfil certain conditions before becoming entitled to it or where the donor specifies that the income is to be expended in a future period.

1.4 Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated to expense headings on a direct cost basis.

1.5 Tangible Assets

Tangible fixed assets are stated at cost. Depreciation is provided to write off the cost, less estimated residual values of all tangible fixed assets, evenly over their expected useful lives as follows:

Orchestral equipment:	10 years
Office equipment:	3 years

1.6 Investments

Investment assets are revalued to market value at the balance sheet date with revaluation surpluses or deficits being credited or charged as unrealised gains or losses to the relevant fund.

Gains or losses on disposal of investment assets are calculated as arising from the latest balance sheet valuation and are charged or credited to the Statement of Financial Activities as realised gains or losses.

1.7 Fund Accounting

Funds held by a charity are either:

- unrestricted funds, which can be used in accordance with the charitable objects, or
- restricted funds, which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.8 Life Membership

In previous years payments for Life Membership were treated as a receipt in advance, the policy being to reduce this amount by the equivalent annual subscription each year.

Since these subscriptions confer no additional benefit beyond standard Membership, and because of the unavailability of historical information, the policy has been revised to credit Life Memberships in full to the Statement of Financial activities in the year in which they are received.

The balance on the account at the 31 March 2004 of £5,026 has therefore been transferred into the Statement of Financial Activities under Friends Subscriptions.

	Total		Concerts		Single events		Engagements		Trips & Visits	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
	£	£	£	£	£	£	£	£	£	£
2 Concert Income										
Ticket sales	181,116	181,353	177,293	175,863	972	239	-	-	2,851	5,251
Sponsorship*	66,979	72,637	64,779	72,637	2,200	-	-	-	-	-
Programme sales & adverts	8,316	8,808	8,316	8,808	-	-	-	-	-	-
Orchestral engagements	11,050	-	-	-	-	-	11,050	-	-	-
Sundry concert income	-	391	-	284	-	107	-	-	-	-
Draw	2,419	2,531	-	-	2,419	2,531	-	-	-	-
	269,880	265,720	250,388	257,592	5,591	2,877	11,050	-	2,851	5,251
	15,000	13,750	15,000	13,750	-	-	-	-	-	-
Grants* – note 4										
	£284,880	£279,470	£265,388	£271,342	£5,591	£2,877	£11,050	-	£2,851	£5,251
(* Includes restricted income)										
3 Concert Expenses										
Orchestra & Artists	171,827	166,298	160,092	166,198	2,180	100	9,555	-	-	-
Hall hire	37,789	27,820	37,194	27,770	595	50	-	-	-	-
Instrument hire	6,188	4,946	6,188	4,946	-	-	-	-	-	-
Music hire	5,697	4,396	5,543	4,396	-	-	154	-	-	-
Music Director's fee	1,750	1,750	1,750	1,750	-	-	-	-	-	-
Commission	2,889	2,738	2,889	2,738	-	-	-	-	-	-
Programmes	8,373	8,874	8,373	8,874	-	-	-	-	-	-
PRS fee	3,952	4,496	3,952	4,496	-	-	-	-	-	-
Other expenses	17,617	27,471	14,637	22,798	142	-	180	-	2,658	4,673
Marketing	23,904	21,842	23,904	21,842	-	-	-	-	-	-
Draw	576	400	-	-	576	400	-	-	-	-
	£280,562	£271,031	£264,522	£265,808	£3,493	£550	£9,889	-	£2,658	4,673
Direct charitable expenditure from general fund										
Balance on concerts	£4,318	£8,439	£866	£5,534	£2,098	£2,327	£1,161	-	£193	£578

	2004 £	2003 £
4 Grants		
Brighton & Hove City Council	8,000	8,000
Holst Foundation	-	500
John Carewe Brighton Orchestra Trust	7,000	-*
PRS Foundation	-	3,000
RVW Trust	-	2,000
Sussex Arts Marketing	-	250
	<u>£15,000</u>	<u>£13,750</u>

(* in 2003, a grant from the John Carewe Brighton Orchestra Trust of £12,000 was classified as sponsorship)

5 Legacies

Mrs M Compton	-	19,260
H B Gordon	1,000	-
Miss P L Reading	-	500
Mrs C A Smith	70,000	-
Mrs J M Williams	229	58,100
	<u>£71,229</u>	<u>£77,860</u>

6 Costs of generating funds

Friends' marketing expenses	2,149	-
Corporate marketing expenses	1,200	-
	<u>£3,349</u>	<u>-</u>

7 Support Costs

Staff costs – note 9	57,270	57,115
Recruitment & training	1,679	-
Office accommodation & maintenance	9,647	6,016
Telephone & postage	3,690	4,094
Print, stationery & computer expenses	4,440	7,178
Depreciation: office equipment	1,080	1,175
Miscellaneous expenses	1,958	2,594
	<u>£79,764</u>	<u>£78,172</u>

8 Management & Administration Expenses

Staff costs – note 9	6,363	6,346
Recruitment & training	187	-
Office accommodation & maintenance	1,072	668
Telephone & postage	603	464
Print, stationery & computer expenses	1,128	1,555
Bank charges	911	937
Legal & professional fees	665	525
Insurances	1,205	1,096
Audit	1,300	1,250
Depreciation: office equipment	120	131
Miscellaneous expenses	392	1,212
	<u>£13,946</u>	<u>£14,184</u>

	2004 £	2003 £
9 Staff Costs		
Gross salaries	57,988	58,227
Employers national insurance	5,645	5,234
	<u>£63,633</u>	<u>£63,461</u>
 Average number of employees over the year	 3	 3
Full time equivalent	2.6	2.6

No employee received more than £50,000 per annum.

No Director received remuneration during the year. Expenses of £18 were refunded (2003: no refunds)

10 Tangible Fixed Assets

	2004 £	Office/orchestral equipment 2003 £
Cost		
1 st April 2003	6,491	18,279
Additions	-	2,494
Disposals	-	(14,282)
	<u>£6,491</u>	<u>£6,491</u>
 Depreciation		
1 st April 2003	3,516	16,493
Provision	1,200	1,305
Disposals	-	(14,282)
	<u>£4,716</u>	<u>£3,516</u>
 Net Book Value		
31 st March 2004	<u>£1,775</u>	<u>£2,975</u>

11 Debtors

Trade	2,696	200
Other	41,912	20,262
	<u>£44,608</u>	<u>£20,462</u>

12 Creditors

Accruals	14,337	2,824
Other creditors	-	5,382
VAT payable	10,256	6,531
	<u>£24,593</u>	<u>£14,737</u>

13 Investments

	Schroders Charity Equity Fund	Listed Investments	Total 2004
	£	£	£
Market value at 31 March 2003	30,485	87,334	117,819
Additions	-	9,091	9,091
Net unrealised gain	8,643	7,637	16,280
Sale of investments:			
Disposal proceeds		(9,109)	
Realised gain		70	
	-	(9,039)	(9,039)
Market value at 31 March 2004	£39,128	£95,023	£134,151
Historical cost:			
At 31 March 2004	£29,975	£108,544	£138,519
At 31 March 2003	£29,975	£108,474	£138,449
Listed investments			
		Value	%
1,023 Lloyds TSB Group Plc Ord 25p		£4,230	4
1,651 Marks & Spencer Plc Ord 25p		£4,598	5
476 Land Securities Group Plc Ord 10p		£5,188	5
517 Glaxosmithkline Ord 25p		£5,522	6
778 Great Universal Stores Plc Ord 25p		£5,827	6
1,490 iShares iFTSE100		£6,627	7
1,150 Diageo Plc Ord 28 101/108p		£8,154	9
5,240 Foreign & Colonial Investment Trust		£9,013	9
405 Astrazeneca plc Ord 25p		£10,218	11
2,000 Unilever Plc Ord 1.4p		£10,770	11
900 Rio Tinto Plc Ord 10p		£12,078	13
3,600 Shell Transport and Trading Co Plc Ord 25p		£12,798	14
		£95,023	100%

14 Funds

The Legacy Fund

The Legacy Fund was launched in January 2000 with a bequest from the late Dame Jean Rivett-Drake. In accordance with the Directors' current policy, the Legacy Fund receives any future unrestricted legacies and investment income arising from them.

The Directors release a proportion of the Legacy Fund to the General Fund annually, and a transfer of £71,758 was made in the year ending 31 March 2004 (2003: £55,000).

The Herbert Menges Memorial Fund

The Herbert Menges Memorial Fund is a restricted fund that was set up in memory of Herbert Menges (1902-72), founder Music Director and Principal Conductor of the Brighton Philharmonic Orchestra, for 'the betterment of music'.

In the year ending 31 March 2004 a grant of £800 was made from the Fund towards the cost of providing free concert tickets to participants in the BPO's Primary Schools Project on 28 March 2004 (2003: no withdrawal).

Sponsorship & Grants

The Society depends upon concert sponsorship from a wide range of companies, trusts, foundations and private donors. Personal and corporate contributions and grants towards specific activities are classified as restricted income.

	Unrestricted Funds			Restricted Funds			Total Funds
	General Fund £	Legacy Fund £	Total £	H Menges Mem Fund £	Sponsorship & Grants £	Total £	
14 Funds (continued)							
At 1 April 2003	12,327	238,488	250,815	7,356	-	7,356	258,171
Incoming resources	250,450	77,544	327,994	256	78,479	78,735	406,729
Resources expended	(377,621)	-	(377,621)	-	-	-	(377,621)
Transfers between funds	(114,844) 151,037	316,032 (71,758)	201,188 79,279	7,612 (800)	78,479 (78,479)	86,091 (79,279)	287,279 -
Investment gains/(losses)	36,193 -	244,274 16,350	280,467 16,350	6,812 -	- -	6,812 -	287,279 16,350
Balance at 31 March 2004	£36,193	£260,624	£296,817	£6,812	-	£6,812	£303,629
15 Analysis of Net Assets between Funds							
Fixed Assets							
Tangible Investments	1,775 -	- 134,151	1,775 134,151	- -	- -	- -	1,775 134,151
Current Assets							
Debtors	20,608	24,000	44,608	-	-	-	44,608
Cash at bank	37,603	102,473	140,076	7,612	-	7,612	147,688
Creditors	(24,593)	-	(24,593)	-	-	-	(24,593)
Outstanding transfers between funds	800	-	800	(800)	-	(800)	-
	£36,193	£260,624	£296,817	£6,812	-	£6,812	£303,629

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
BRIGHTON & HOVE PHILHARMONIC SOCIETY CHARITY LIMITED

We have audited the financial statements on pages 6 to 13.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of Brighton & Hove Philharmonic Society Charity Limited for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BAKER TILLY
Registered Auditor
Chartered Accountants
International House
Queens Road
Brighton
East Sussex BN1 3XE

20 August 2004