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**Plummer Parsons**  
Chartered Accountants

Charity Registration No. 250921

Company Registration No. 00371316 (England and Wales)

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

WEDNESDAY



A13      \*A8JL94AH\*      #16  
04/12/2019  
COMPANIES HOUSE

Chartered Accountants  
& Statutory Auditor

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
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**Brighton & Hove Philharmonic Society Limited**  
**Trustees' Report (incorporating Directors' Report) – Year ended 31 March 2019**

**Reference and Administrative Details**

Charity Name:	Brighton & Hove Philharmonic Society Limited	
Also known as:	Brighton Philharmonic Orchestra (BPO) Friends of the Philharmonic	
Charity Registration Number:	250921	
Company Registration Number:	371316 (England)	
Principal and Registered Office:	41 George Street, Brighton, BN2 1RJ	
Trustees:	The Trustees of the Charity are Directors of the Company and Members of the Board of Management:	
	Daniel Bhattacharya	
	Stephen Chamberlain	(Resigned 25 June 2018)
	Ken Childerhouse	
	Nicolas Chisholm, MBE	(Chairman)
	Andrea Cifelli	
	Neil Huzinga	(Elected 2 December 2018)
	Norman Jacobs	
	Sue McHugh	(Treasurer)
	Christopher Thomson	
Officers:	Barry Wordsworth	(Conductor Laureate)
	Catherine Stead	(General Administrator/Company Secretary)
Honorary Officers:	John Lill, CBE	(President)
	John Carewe	(Vice-President)
	David House	(Vice-President)
	Jackie Lythell, OBE	(Vice-President)
	Ronald Power, MBE	(Vice-President)
	Karen Platt	(Vice-President)
Bankers:	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ	
Honorary Legal Advisors:	Thompson Allen LLP, 6 Marlborough Place, Brighton BN1 1UB	
Independent Examiner	Nicholas Brown, FCA, DChA, Plummer Parsons, 18 Hyde Gardens, Eastbourne East Sussex, BN21 4PT	

**Structure, Governance and Management**

**Governing document**

The Brighton & Hove Philharmonic Society Limited is a Company Limited by Guarantee, established under a Memorandum of Association and governed by its Articles of Association.

**Recruitment, appointment, induction and training of Trustees**

Trustees are elected at the Annual General Meeting. One third retires by rotation each year. No Trustee may serve more than nine consecutive years, after which two years must elapse before they may stand for re-election. It is the intention that all New Trustees attend an induction meeting with the Chair and Company Secretary at which they are provided with documents detailing the roles and responsibilities of Trustees, Officers and employees, background information on the charity and its activities, its policies, and recent minutes and reports. Training is made available to Trustees as required and the Company Secretary forwards relevant information to Trustees on developments affecting charities.

**Organisational structure**

The Board of Management, consisting of the Trustees and Officers, meets regularly to decide matters of policy and strategy. Day to day management is delegated to the General Administrator.

# **Brighton & Hove Philharmonic Society Limited**

## **Trustees' Report (incorporating Directors' Report) – Year ended 31 March 2019**

### **Risk management**

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 factors were considered: the Society's objectives and strategies, external factors (including legislation and regulations), the governance and management of the Society and operational factors.

### **Objectives, Activities, Achievements and Performance**

The Trustees have paid due regard to the Public Benefit guidance issued by the Charity Commission in deciding what activities the Society should undertake during the year.

### **Objects and aims**

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

### **Mission Statement**

The Board agreed a new mission statement in September which was circulated to Friends of the Phil for comments in the quarterly newsletter and brought to the notice of Friends at the AGM in December.

### **Our Vision**

Enriching the lives of people in Brighton & Hove, and beyond.

### **Our Mission**

The Brighton and Hove Philharmonic Society provides the opportunity for the widest possible audience in the South East to experience and enjoy high quality orchestral music by:

- delivering varied, innovative, engaging and accessible concert programmes, performed at the very highest level by the professional musicians of the Brighton Philharmonic Orchestra.
- putting our belief in the power of music into effect by reaching out to diverse audiences, including those who would not normally listen to orchestral music, and making educational activity a priority.

### **Objectives and strategies**

Fundraising remains vital to the financial well-being of the Society and the activities of the Trustees brought in almost £53,780 during the financial year. The Society is most grateful to the John Carewe Brighton Orchestra Trust who again made another very generous grant to the orchestra (of £10K to support the 2018/19 programme, £4k towards the New Year's Eve concert, and a further £70K towards 2019/20), to the Garfield Weston Foundation, the Chalk Cliff Trust and The Elgar Society for their financial support of the orchestra this season, and to Sussex Masonic Charities and Friends of the Phil for their continued support of our Education programme.

It was decided to maintain the number of concerts in the orchestral season in the Dome at eight, including New Year's Eve, and to continue scheduling pre-rehearsals for seven Sunday afternoon concerts both to maintain the distinctive quality sound the orchestra has been developing and to continue to attract world-class conductors to work with the orchestra. Due to increased venue costs it was reluctantly decided not to continue with the Pre-Concert Interviews and instead Ian Brignall, Artistic Administrator, filmed short previews and interviews with guest soloists and conductors which were circulated in e-newsletters, via social media and on the website prior to each concert.

Raising the profile of the orchestra within Brighton & Hove and the surrounding towns through regular reviews, newsletters, social media and press advertising continues to be an important objective.

The orchestra intended to build on its burgeoning education and outreach programme to bring classical music to young children in Brighton and Hove, in partnership with Brighton & Hove Music & Arts. Donations for the education programme were once again received from Friends and Sussex Masonic Charities but it was decided not to hold the usual free school workshops and an Open Rehearsal for Children this season. Given the increase in those attending this annual event (from 80 in 2015 to just under 898 in 2018) the Board hoped to find the funding for a dedicated Children's Concert, based around the theme of folk tales and folk music (to tie in with the theme of the Children's Parade in the Brighton Festival in May 2019). Discussions have been held with local composer James Redwood and Brighton Dome to this end. Our plans as always are wholly dependent on funding, for which we will be applying to several organisations, working closely with Brighton Dome & Festival Ltd and Brighton & Hove Music & Arts.

## **Brighton & Hove Philharmonic Society Limited**

### **Trustees' Report (incorporating Directors' Report) – Year ended 31 March 2019**

#### **Activities**

The 2018-19 orchestral concert season consisted of eight concerts, including the New Year's Eve Viennese Gala concert, all performed by the Brighton Philharmonic Orchestra in the Brighton Dome Concert Hall.

The Society continues to undertake training and instigate policies and procedures relating to GDPR, which came into effect in May 2018, and has drafted a new policy relating to Noise at Work, as well as updating those on Equal Opportunities and Trustees Conflict of Interest.

The Society is extremely grateful to its volunteers, who act as programme sellers and Ambassadors at concerts in the Brighton Dome Concert, help with large mail-outs of newsletters and programmes from the office, and distribute publicity materials in their local areas.

#### **Review of activities**

An Information Day at the Jubilee Library, Brighton was held in September to promote the orchestra and its concert programme at Brighton Dome. A number of visitors to the Society's stand in the library entrance added their details to the Society's e-mailing list to be kept up to date with news and activities of the orchestra.

A reception for sponsors, patrons and supporters was held in the Mayor's Parlour in November. John Carewe, former Principal Conductor and Music Director, was guest of honour and the Mayor of Brighton & Hove, Councillor Dee Simson, thanked all present for their support. Another reception for sponsors, patrons, donors and members of the orchestra was held in Brighton Dome's Founders Room after the final concert of the season in March, (again attended by the Mayor of Brighton & Hove), to thank supporters.

Once again the Society gave prizes of season tickets for next season to two Springboard Festival winners, one of whom, Lucy Leete, was very excited to be able to sit in amongst the orchestra during the rehearsal on 2 December.

Members of the Brighton & Hove Arts Orchestra observed our rehearsal in Brighton Dome in March, while new international students of the University of Sussex were invited to the opening concert of the season, and Springboard volunteers/supporters and members of local choirs and amateur orchestras were invited to the concerts on 20 January and 10 February. In a new initiative free tickets were offered to NHS staff to the final four concerts of the season and 267 took up this offer (bringing with them 26 guests at £5).

The Brighton Philharmonic Orchestra's season opened with Brighton Festival Chorus performing music by Elgar and Handel with the orchestra playing a piece by Parry written as a commission for the Brighton Festival in 1914. Freddy Kempf directed the orchestra from the piano in November and Thomas Carroll directed the orchestra from the cello in January. Ben Gernon conducted Tamsin Waley Cohen (violin) in early December in a programme of Mozart and Beethoven, and Richard Balcombe took charge of the New Year's Eve Viennese Gala, with guest soprano Ilona Domnich. Conductor Stephen Bell was joined by soprano Camilla Roberts for an emotionally charged concert dedicated to the memory of BPO violinist Melanie Hornsby, who died of cancer in July 2018, featuring Richard Strauss's *Four Last Songs*. Her Number 2 Second Violin orchestral chair was also dedicated to her memory. The concert on 3 March gave the orchestra's principals the chance to shine in an enjoyable programme that whisked the audience around the globe on a musical travelogue, and the season closed with a magnificent performance of Rachmaninov's *Piano Concerto No.3* by Steven Osborne and Berlioz's *Symphonie Fantastique*.

The season's repertoire aimed to feature popular composers and well-known pieces to attract larger audiences as well as pieces by lesser known composers such as Glière. A number of the orchestra's concerts were dedicated to the memory of supporters of the BPO who kindly left generous bequests to the orchestra in their wills - Philip Wilford, Ted McFadyen and Don Newbold, CBE.

Despite the continuing challenging economic climate we sustained the level of concert attendances of previous seasons, attracting an average attendance of over 1,100 per concert, although the number of free tickets increased (see NHS initiative above). The number of young people attending concerts in recent seasons also remained fairly static. Ticket prices for the season increased slightly, with tickets remaining at a minimum of £6.25 for a concession, rising to £39.50 for a premium seat in the Circle.

BHPS continues to offer free attendance at rehearsals for Friends of the Philharmonic and free "Friend of a Friend" tickets to encourage Friends to introduce others to our concerts. 156 of these tickets were taken up during the season, although the number of Friends remained static at just under 500 and pre-sales of season tickets to Friends were down on the previous year. The quarterly newsletters to the Friends continue to provide much information and articles of interest, and are supplemented by electronic e-newsletters to those Friends whose email addresses the Society holds.

## **Brighton & Hove Philharmonic Society Limited**

### **Trustees' Report (incorporating Directors' Report) – Year ended 31 March 2019**

Two high quality part-season A5 programme booklets were again produced, priced at £4, and a small profit was achieved through their sale.

The orchestra's presence on social media grew to 559 Facebook likes and 1,781 Twitter followers during the year. Reciprocal marketing (both in print & on social media) was undertaken with BREMF, MOOT and Brighton Festival Chorus.

The Society's objectives for the season remain unchanged, namely presenting a high-quality, varied programme of Sunday afternoon concerts. Care is taken to ensure that concert dates are scheduled in conjunction with other visiting orchestras/performers to ensure there are no clashes with repertoire or dates. The Society's aim is also to avoid clashing with orchestral concerts given in other venues such as Worthing, which is not always possible.

#### **Financial Review**

##### **Operating and Financial Review**

Income for the year ended 31<sup>st</sup> March 2019 totalled £285,251 compared to £360,245 in 2017/18. Income from ticket sales was very slightly lower (-£4k) compared to 2017/18. Sponsorship and grants totalled £53,630 compared to £127,900 in 2017/2018. The level of legacies received was higher (£45,812 compared to £36,000 in 2017/18).

Expenditure for the year totalled £344,989 compared to £349,838 in 2017/18. Small savings were made on a number of budgets, and expenditure on the concert programme was maintained at a similar level to the previous year.

The resulting outturn for the year was a deficit of £59,738 compared to a surplus of £10,407 in 2017/18. Reserves as at 31<sup>st</sup> March 2019 stood at £46,855 which is below the target level of £150,000 (see below).

In view of the low level of reserves as at 31<sup>st</sup> March 2019 significant work continues in order to finalise the budget for 2019/20. We are very grateful for further funding from the John Carewe Brighton Orchestra Trust to support the 2019/20 programme.

##### **Reserves Policy**

The Society's long-term reserves are in place to reduce the impact of risks from external factors and because concert planning requires it to make advance commitment to expenditure before all necessary funding has been attracted or confirmed. Reserves are therefore necessary to ensure the Society can meet its obligations if intended funding sources fail to meet the required targets. In considering the appropriate level of reserves the Trustees took into account twenty key areas of financial risk. These equate to approximately 6 months reduced operating costs of £150,000.

In practice it has not proved possible to achieve this level of reserves in recent years. The Trustees are aware of the risks of operating with a lower level of reserves and take active steps to ensure the Society does not become committed to expenditure that it is not confident can be covered from secure income sources.

##### **Investments**

The Society's investment policy is to hold all reserves in low risk accounts designed for charities. All funds are therefore held in a Charities Aid Foundation CAFCash current account.

#### **Responsibilities in relation to the financial statements**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Brighton & Hove Philharmonic Society Limited**  
**Trustees' Report (incorporating Directors' Report) – Year ended 31 March 2019**

**Statement of disclosure of information to independent examiner**

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the independent examiner is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information and to establish that it has been communicated to the examiner.

Approved on behalf of the board

A handwritten signature in black ink, reading 'Nicolas Chisholm', followed by a long horizontal flourish.

Nicolas Chisholm, MBE (Chair)

**Trustee**

24 September 2019

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED  
BRIGHTON PHILHARMONIC ORCHESTRA  
INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**

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I report to the trustees on my examination of the financial statements of Brighton & Hove Philharmonic Society Limited (the charity) for the year ended 31 March 2019.

**Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Nicholas Brown FCA DChA-BFP

Chartered Accountant  
18 Hyde Gardens  
Eastbourne  
East Sussex  
BN21 4PT

Dated: 24 September 2019

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**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b><u>Income from:</u></b>					
Voluntary income	3	70,949	-	70,949	67,577
Charitable activities	4	182,766	28,280	211,046	291,166
Other trading activities	5	3,256	-	3,256	1,502
<b>Total income</b>		<b>256,971</b>	<b>28,280</b>	<b>285,251</b>	<b>360,245</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	14,603	-	14,603	6,687
Charitable activities	7	302,106	28,280	330,386	343,151
<b>Total resources expended</b>		<b>316,709</b>	<b>28,280</b>	<b>344,989</b>	<b>349,838</b>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(59,738)</b>	<b>-</b>	<b>(59,738)</b>	<b>10,407</b>
Fund balances at 1 April 2018		106,593	-	106,593	96,186
<b>Fund balances at 31 March 2019</b>		<b>46,855</b>	<b>-</b>	<b>46,855</b>	<b>106,593</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2019**

	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Debtors falling due after one year	12	2,000		2,000	
Debtors falling due within one year	12	673		41,091	
Cash at bank and in hand		117,948		71,430	
		<u>120,621</u>		<u>114,521</u>	
<b>Creditors: amounts falling due within one year</b>	<b>13</b>	<b>(73,766)</b>		<b>(7,928)</b>	
Net current assets			<u>46,855</u>		<u>106,593</u>
<b>Income funds</b>					
Unrestricted funds			<u>46,855</u>		<u>106,593</u>
			<u>46,855</u>		<u>106,593</u>


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 September 2019

  
Nicolas Chisholm MBE  
Trustee

Company Registration No. 00371316

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1 Accounting policies**

**Company information**

Brighton & Hove Philharmonic Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 41 George Street, Brighton, East Sussex, BN2 1RJ.

**1.1 Accounting convention**

The accounts have been prepared in accordance with the company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Income receivable for 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.

Cash donations are recognised on receipt. Other donations, including sponsorship and grants towards concerts, are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Membership subscriptions are recognised when the subscription falls due.

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1 Accounting policies**

**(Continued)**

Ticket sales for concerts are recognised at the point of sale. Engagement fees for concerts are recognised at the acceptance of the engagement, unless performance conditions require deferral of the amount.

Investment income is recognised when receivable.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**1.5 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 recognised when a liability is incurred.

Costs of generating funds are those costs incurred in attracting voluntary income and in trading activities for the purpose of fundraising.

Charitable activities include expenditure associated with performances and other musical activities for the public and Friends of the Society and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support cost, including governance, have been allocated on the basis of the estimated amount of staff time incurred in carrying out each charitable activity.

**1.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1 Accounting policies**

**(Continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.8 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.9 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
**BRIGHTON PHILHARMONIC ORCHESTRA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**3 Voluntary income**

	Unrestricted funds	Total
	2019	2018
	£	£
Donations and gifts	6,043	6,088
Legacies receivable	45,812	36,000
Gift Aid	7,679	13,279
Membership subscriptions	11,415	12,210
	<u>70,949</u>	<u>67,577</u>

**4 Charitable activities**

	Dome concert season	Other	Total 2019	Total 2018
	£	£	£	£
Ticket sales	154,237	-	154,237	158,804
Sponsorship, grants and donations	53,630	-	53,630	127,900
Programme sales and advertising	3,179	-	3,179	3,262
Education	-	-	-	1,200
	<u>211,046</u>	<u>-</u>	<u>211,046</u>	<u>291,166</u>
Analysis by fund				
Unrestricted funds	182,766	-	182,766	
Restricted funds	28,280	-	28,280	
	<u>211,046</u>	<u>-</u>	<u>211,046</u>	
<b>For the year ended 31 March 2018</b>				
Unrestricted funds	231,066	1,200		232,266
Restricted funds	58,900	-		58,900
	<u>289,966</u>	<u>1,200</u>		<u>291,166</u>

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
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**5 Other trading activities**

	Unrestricted funds	Total
	2019 £	2018 £
Miscellaneous income	3,256	1,502

**6 Raising funds**

	2019 £	2018 £
<u>Costs of fundraising trading</u>		
Support costs (see note 8)	1,081	417
<u>Costs of generating voluntary income</u>		
Support costs (see note 8)	13,522	6,270
	<u>14,603</u>	<u>6,687</u>
<b>For the year ended 31 March 2018</b>		
Costs of fundraising trading		417
Costs of generating voluntary income		6,270
		<u>6,687</u>

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**7 Charitable activities**

	Dome concert season	Other performances	Friends activities	Education and outreach	Total 2019	Total 2018
	£	£	£	£	£	£
Orchestra and artists	174,590	-	-	-	174,590	177,109
Hall hire	50,809	-	-	-	50,809	52,799
Instrument hire	3,367	-	-	-	3,367	6,456
Library	6,508	-	-	-	6,508	4,946
Concert manager	23,249	-	-	-	23,249	22,464
Commission	621	-	-	-	621	733
Programmes	3,086	-	-	-	3,086	3,896
Performing Rights Society fees	5,111	-	-	-	5,111	4,482
Marketing and communications	16,743	-	-	-	16,743	17,462
Other direct expenses	4,801	-	-	-	4,801	3,570
	<u>288,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,885</u>	<u>293,917</u>
Share of support costs (see note 8)	32,454	-	1,623	-	34,077	37,600
Share of governance costs (see note 8)	7,424	-	-	-	7,424	11,634
	<u>328,763</u>	<u>-</u>	<u>1,623</u>	<u>-</u>	<u>330,386</u>	<u>343,151</u>
<b>Analysis by fund</b>						
Unrestricted funds	300,483	-	1,623	-	302,106	
Restricted funds	28,280	-	-	-	28,280	
	<u>328,763</u>	<u>-</u>	<u>1,623</u>	<u>-</u>	<u>330,386</u>	
<b>For the year ended 31 March 2018</b>						
Unrestricted funds	274,505	1,251	6,015	2,480		284,251
Restricted funds	58,900	-	-	-		58,900
	<u>333,405</u>	<u>1,251</u>	<u>6,015</u>	<u>2,480</u>		<u>343,151</u>



**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
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**FOR THE YEAR ENDED 31 MARCH 2019**

**8 Support costs**

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Staff costs	32,419	3,602	36,021	33,657	Staff time
Office and maintenance	10,661	1,184	11,845	12,507	Staff time
Insurance	1,030	114	1,144	962	Staff time
Telephone and postage	1,765	196	1,961	2,940	Staff time
Print and computer costs	1,904	212	2,116	3,259	Staff time
Bank charges	229	26	255	286	Staff time
Legal and professional	-	-	-	261	Staff time
Miscellaneous	672	74	746	633	Staff time
Independent examination	-	720	720	720	Governance
Accountancy	-	1,296	1,296	696	Governance
	<u>48,680</u>	<u>7,424</u>	<u>56,104</u>	<u>55,921</u>	
<u>Analysed between</u>					
Fundraising	1,081	-	1,081	417	
Generating voluntary income	13,522	-	13,522	6,270	
Charitable activities	34,077	7,424	41,501	49,234	
	<u>48,680</u>	<u>7,424</u>	<u>56,104</u>	<u>55,921</u>	

All support costs have been allocated on the basis of the value of the estimated amount of staff time incurred in carrying out each activity.

Payments were made to the accountants in the year of £720 (2018: £720) for independent examination fees and £1,296 (2018: £696) for other services.

**9 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year aggregate donations of £1,105 (2018: £2,187) were received from the trustees.

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**10 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Administration	2	2
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	33,257	30,920
Social security costs	2,264	2,337
Other pension costs	500	400
	<u>          </u>	<u>          </u>
	36,021	33,657
	<u>          </u>	<u>          </u>

Amounts paid to key management personnel during the year were £20,000 (2018: £20,000).

The number of full time equivalent employees in the year was 1 (2018: 1).

There were no employees whose annual remuneration was £60,000 or more.

**11 Financial instruments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	2,673	43,091
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	73,766	7,928
	<u>          </u>	<u>          </u>

**12 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	-	4,574
Other debtors	673	36,517
	<u>          </u>	<u>          </u>
	673	41,091
	<u>          </u>	<u>          </u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**12 Debtors (Continued)**

	2019 £	2018 £
<b>Amounts falling due after more than one year:</b>		
Other debtors	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
<b>Total debtors</b>	<u>2,673</u>	<u>43,091</u>

On 22 February 2019, the charity was notified that it was due to receive a substantial 1/3 share of the estate of D V Newbold Deceased. Owing to complications in valuing the estate, it is not possible to quantify the amount receivable by the charity and so no provision has been made in these accounts for that legacy income.

Debtors due after more than one year relates to the rental deposit recoverable on the charity's leased offices.

**13 Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	2,626	7,778
Accruals and deferred income	71,140	150
	<u>73,766</u>	<u>7,928</u>

Accruals at the year end includes a grant from the John Carewe Brighton Orchestra Trust of £70,000 which has been received in advance and has been deferred for use in the 2019/20 concert season.

**14 Retirement benefit schemes**

**Defined contribution schemes**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £500 (2018 - £400).

**BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**15 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	9,450	9,450
Between two and five years	-	9,450
	<u>9,450</u>	<u>18,900</u>

Rental payments of £9,450 (2018: £9,450) are included in expenditure during the year.

**16 Related parties**

There were no disclosable related party transactions during the year. (2018: The former trustee, John Barkshire, was also a trustee of The Barkshire Charitable Trust. Sponsorship income of £1,000 was received from the Trust during that year.)