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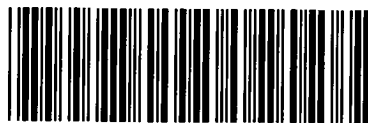
Plummer Parsons
Chartered Accountants

Charity Registration No. 250921

Company Registration No. 00371316 (England and Wales)

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

THURSDAY



A16 *A7K93UHF* #395
06/12/2018
COMPANIES HOUSE

Chartered Accountants
& Statutory Auditor

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

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Brighton & Hove Philharmonic Society Limited
Trustees' Report (including Directors' report) – Year ended 31 March 2018

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:	
	John Barkshire	(Trustee to December 2017)
	Daniel Bhattacharya	
	Stephen Chamberlain	(Trustee to June 2018)
	Ken Childerhouse	
	Nicolas Chisholm, MBE	(Chairman)
	Andrea Cifelli	(Elected December 2017)
	Neil Gershon	(Trustee to December 2017)
	Norman Jacobs	(Elected December 2017)
	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 (including Directors' report) – Year ended 31 March 2018

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.

Objectives and strategies

Fundraising remains vital to the financial well-being of the Society and the activities of the Trustees brought in almost £59,000 during the financial year.

It was decided to maintain the number of concerts in the orchestral season in the Dome at eight, including New Year's Eve, since audience numbers had held up well, and to continue scheduling pre-rehearsals for all 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.

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 also wanted 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's Music Hub, Sound City, which became part of Brighton Dome & Festival Ltd this year. Donations from Friends and supporters of the orchestra made it possible to take two musicians from the orchestra into primary schools in Brighton to give eight interactive workshops focussing on Saint-Saens' *Carnival of the Animals*. The orchestra performed this piece in their 25 March concert and invited children from all Brighton & Hove primary schools to attend the free Open Rehearsal for Children that morning.

Activities

The 2017-18 orchestral concert season consisted of eight Sunday afternoon concerts, including the New Year's Eve Viennese Gala concert, all performed by the Brighton Philharmonic Orchestra in the Brighton Dome Concert Hall. All but the concert on New Year's Eve was preceded by a pre-concert interview by local journalist Louise Dumas with the orchestra's guest artists.

The Society has undertaken an extensive data audit and review of procedures for compliance with data protection regulations, GDPR, which came into effect on 25 May 2018.

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

Information Days at the Jubilee Library, Brighton were held in September and January 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.

In October Chairman Nicolas Chisholm gave an illustrated talk to Friends of the Phil and their guests about the History of the BPO in Brighton Unitarian Church.

A reception for sponsors and personal donors with Barry Wordsworth, Conductor Laureate, as guest of honour, was held in the Mayor's Parlour in November, where the Mayor of Brighton & Hove, and Friend of the Phil, Councillor Mo Marsh, thanked them for their support. Another reception for sponsors, personal 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 and celebrate Barry Wordsworth's 70th birthday.

Brighton & Hove Philharmonic Society Limited

Trustees' Report (including Directors' report) – Year ended 31 March 2018

Once again the Society gave prizes of season tickets for next season to two Springboard Festival winners.

Members of local orchestras were invited to observe our rehearsals in Brighton Dome, members of the University of Sussex Symphony Orchestra were invited to the concert on 11 February, and children from the Brighton & Hove Furthering Talent project and their families had the choice of attending one of the two March concerts.

The Brighton Philharmonic Orchestra's main season of concerts opened with pianist Alexandra Dariescu performing Tchaikovsky's *Piano Concerto No.1* to rave reviews and closed with a celebration of Barry Wordsworth's 70th birthday in the company of virtuosic piano duo Worbey & Farrell. Barry Wordsworth took charge of five of the eight concerts, including the New Year's Eve Viennese Gala, joined by soprano Rebecca Bottone returning for a second year by popular demand. Other guest soloists included violinist Matthew Trusler, pianist Melvyn Tan and trumpeter Gareth Small (with guest conductor Stephen Bell) whilst clarinettist Michael Collins was soloist/conductor in January with Mozart's *Clarinet Concerto* & Beethoven's *Symphony No.1*, and Howard Shelley was pianist/director in February for Mendelssohn's *Piano Concerto No.1*, Schubert's *Unfinished Symphony* and Dvořák's *Symphony No.6*.

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 Arutunian's *Trumpet Concerto*. The orchestra's season finale in March was dedicated to the memory of long-standing sponsor and supporter of the orchestra Mr D V Newbold, CBE, who sadly died earlier that month before the concert he had sponsored.

Despite the continuing difficult economic climate we sustained the level of concert attendances of previous seasons, attracting an average attendance of over 1,100 per concert. The noticeable increase in the number of young people attending concerts in recent seasons was also built upon. Ticket prices for the season increased slightly, with tickets remaining at a minimum of £6 for a concession, rising to £38 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. 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.

Two high quality part-season programme booklets were again produced, reduced in size to A5 in line with audience feedback, priced at £4. A pleasing increase in advertising income was achieved through these publications.

As part of the strategy to bring classical music to young people, the orchestra held its annual Open Rehearsal for Children on 25 March. 898 children and their parents/teachers attended this event, more than double the previous year's attendance of 430. This was the culmination of the orchestra's education programme which this year ran eight interactive workshops in Brighton & Hove schools reaching some 520 children. Two of these workshops were provided to groups of students from the Brighton & Hove Furthering Talent project. (Furthering Talent was initiated by Awards for Young Musicians to help financially support young people with musical talent learning an instrument who could not otherwise afford to). The Society is most grateful to the Chalk Cliff Trust, Sussex Masonic Charities and those Friends and supporters who contributed financially to the education programme this year and to those who acted as stewards at the Open Rehearsal. Over the last four years the orchestra has reached over 1,500 children aged 6-11 in 26 primary schools with these free music workshops. The popularity and success of the workshops and open rehearsal brought more young people and their parents to the orchestral concerts throughout the season.

The orchestra's presence on social media grew to 450 Facebook likes and 1,500 Twitter followers during the year. Reciprocal marketing (both in print & on social media) was undertaken with BREMF and Brighton Festival Chorus.

Towards the end of the season Ian Brignall's job title was changed from Concert Manager to Artistic Administrator to more accurately reflect the amount of work he undertakes on behalf of the orchestra contracting guest artists, and to assist him in his negotiations with their agents.

The Society's objectives for the main 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 has not always been possible in the past.

Financial Review

Operating and Financial Review

Income for the year ended 31st March 2018 totalled £360,245 compared to £323,071 in 2016/17. Income from ticket sales was very slightly lower (-£1937) compared to 2016/17. The level of legacies received was much lower (£36,000

Brighton & Hove Philharmonic Society Limited
Trustees' Report (including Directors' report) – Year ended 31 March 2018

compared to £71,232 in 2016/17). Overall income was maintained at similar levels to 2016/17 as a result of a £65,000 grant from the John Carewe Brighton Orchestral Trust.

Expenditure for the year totalled £349,838 compared to £358,578 in 2016/17. Savings were made on a number of support costs (including programmes and marketing) which enabled a higher level of expenditure on the Dome concert season.

The resulting outturn for the year was a surplus of £10,407 compared to a loss of £35,507 in 2016/17. Reserves as at 31st March 2018 stood at £106,593, which is below the target level of £150,000 (see below).

The budget for 2018/19 comprises income (excluding any legacies) of £271,800 and expenditure of £335,961, resulting in a loss for the year of £64,161. Based on this budget we are therefore forecasting £42,000 of reserves at 31st March 2019.

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.

Auditor/Independent Examiner

Following the new audit thresholds established in 2008 the Society was entitled to an independent examination instead of a full audit. After a full tender process in 2009 the contract for examination was awarded to Andrew Griffiths, FCA of Plummer Parsons. He was succeeded in September 2012 by Nicholas Brown, FCA, also at Plummer Parsons.

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



Nicolas Chisholm, MBE (Chair)

Trustee

2 December 2018

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

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 2018.

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.

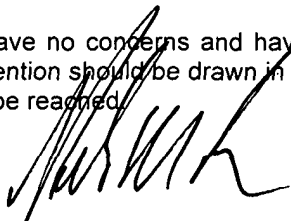
Independent examiner's statement

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

Chartered Accountant
18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Dated: 2 December 2018

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Voluntary income	3	67,577	-	67,577	100,755
Charitable activities	4	232,266	58,900	291,166	220,134
Other trading activities	5	1,502	-	1,502	1,913
Investments	6	-	-	-	269
Total income		301,345	58,900	360,245	323,071
<u>Expenditure on:</u>					
Raising funds	7	6,687	-	6,687	12,774
Charitable activities	8	284,251	58,900	343,151	345,804
Total resources expended		290,938	58,900	349,838	358,578
Net income/(expenditure) for the year/ Net movement in funds		10,407	-	10,407	(35,507)
Fund balances at 1 April 2017		96,186	-	96,186	131,693
Fund balances at 31 March 2018		106,593	-	106,593	96,186

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

BALANCE SHEET

AS AT 31 MARCH 2018

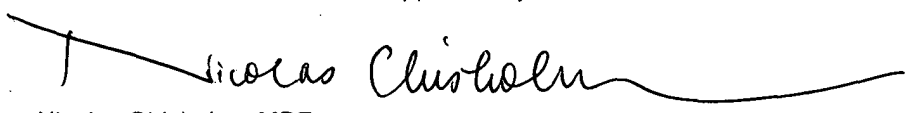
	Notes	2018 £	£	2017 £	£
Current assets					
Debtors falling due after one year	13	2,000		2,000	
Debtors falling due within one year	13	41,091		4,016	
Cash at bank and in hand		71,430		95,596	
		<u>114,521</u>		<u>101,612</u>	
Creditors: amounts falling due within one year	14	<u>(7,928)</u>		<u>(5,426)</u>	
Net current assets			106,593		96,186
Income funds					
Unrestricted funds			106,593		96,186
			<u>106,593</u>		<u>96,186</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 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

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.

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 2 December 2018


Nicolas Chisholm MBE
Trustee

Company Registration No. 00371316

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash absorbed by operations	17		(24,166)		(21,061)
Investing activities					
Interest received		-		269	
Net cash (used in)/generated from investing activities			-		269
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(24,166)		(20,792)
Cash and cash equivalents at beginning of year			95,596		116,388
Cash and cash equivalents at end of year			71,430		95,596

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 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.

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.

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 to income 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Voluntary income

	2018	2017
	£	£
Donations and gifts	6,088	4,244
Legacies receivable	36,000	71,232
Gift Aid	13,279	14,097
Membership subscriptions	12,210	11,182
	<u>67,577</u>	<u>100,755</u>

4 Charitable activities

	Dome concert season	Other performances	Other	Total 2018	Total 2017
	£	£	£	£	£
Ticket sales	158,804	-	-	158,804	160,741
Sponsorship, grants and donations	127,900	-	-	127,900	54,420
Programme sales and advertising	3,262	-	-	3,262	3,638
Education	-	-	1,200	1,200	1,335
	<u>289,966</u>	<u>-</u>	<u>1,200</u>	<u>291,166</u>	<u>220,134</u>
Analysis by fund					
Unrestricted funds	231,066	-	1,200	232,266	
Restricted funds	58,900	-	-	58,900	
	<u>289,966</u>	<u>-</u>	<u>1,200</u>	<u>291,166</u>	
For the year ended 31 March 2017					
Unrestricted funds	161,584	2,795	1,335		165,714
Restricted funds	53,700	720	-		54,420
	<u>215,284</u>	<u>3,515</u>	<u>1,335</u>		<u>220,134</u>

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Other trading activities

	2018	2017
	£	£
Miscellaneous income	1,502	1,913

6 Investments

	2018	2017
	£	£
Interest receivable	-	269

7 Raising funds

	2018	2017
	£	£
<u>Costs of fundraising trading</u>		
Support costs (see note 9)	417	642
<u>Costs of generating voluntary income</u>		
Support costs (see note 9)	6,270	12,132
	6,687	12,774
For the year ended 31 March 2017		
Costs of fundraising trading		642
Costs of generating voluntary income		12,132
		12,774

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Charitable activities

	Dome concert season	Other performances	Friends activities	Education and outreach	Total 2018	Total 2017
	£	£	£	£	£	£
Orchestra and artists	175,909	-	-	1,200	177,109	182,303
Hall hire	52,799	-	-	-	52,799	50,887
Instrument hire	6,456	-	-	-	6,456	3,077
Library	4,946	-	-	-	4,946	6,650
Concert manager	22,464	-	-	-	22,464	22,422
Commission	733	-	-	-	733	1,667
Programmes	3,896	-	-	-	3,896	8,367
Performing Rights Society fees	4,482	-	-	-	4,482	5,211
Marketing and communications	17,462	-	-	-	17,462	18,373
Other direct expenses	3,570	-	-	-	3,570	3,674
Equipment hire	-	-	-	-	-	605
	<u>292,717</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>293,917</u>	<u>303,236</u>
Share of support costs (see note 9)	29,054	1,251	6,015	1,280	37,600	36,833
Share of governance costs (see note 9)	11,634	-	-	-	11,634	5,735
	<u>333,405</u>	<u>1,251</u>	<u>6,015</u>	<u>2,480</u>	<u>343,151</u>	<u>345,804</u>
Analysis by fund						
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>	
For the year ended 31 March 2017						
Unrestricted funds	279,841	9,138	2,405	-		291,384
Restricted funds	54,420	-	-	-		54,420
	<u>334,261</u>	<u>9,138</u>	<u>2,405</u>	<u>-</u>		<u>345,804</u>

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Staff costs	25,524	8,133	33,657	33,424	Staff time
Office and maintenance	11,256	1,251	12,507	12,158	Staff time
Insurance	866	96	962	944	Staff time
Telephone and postage	2,646	294	2,940	3,116	Staff time
Print and computer costs	2,934	325	3,259	3,069	Staff time
Bank charges	257	29	286	296	Staff time
Legal and professional	235	26	261	313	Staff time
Miscellaneous	571	62	633	708	Staff time
Independent examination	-	720	720	639	Governance
Accountancy	-	696	696	675	Governance
	<u>44,287</u>	<u>11,634</u>	<u>55,921</u>	<u>55,342</u>	
<u>Analysed between</u>					
Fundraising	417	-	417	642	
Generating voluntary income	6,270	-	6,270	12,132	
Charitable activities	37,600	11,634	49,234	42,568	
	<u>44,287</u>	<u>11,634</u>	<u>55,921</u>	<u>55,342</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 (2017: £639) for independent examination fees and £696 (2017: £675) for other services.

10 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 £2,187 (2017: £162) were received from the trustees.

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Administration	2	2
Employment costs	2018	2017
	£	£
Wages and salaries	33,257	33,124
Other pension costs	400	300
	33,657	33,424

Amounts paid to key management personnel during the year were £20,000 (2017: £20,000).

The number of full time equivalent employees in the year was 1 (2016: 1).

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

12 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	43,091	6,016
Carrying amount of financial liabilities		
Measured at amortised cost	7,928	5,426

13 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	4,574	2,592
Other debtors	36,517	1,424
	41,091	4,016

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Debtors (Continued)

	2018 £	2017 £
Amounts falling due after more than one year:		
Other debtors	2,000	2,000
	<u> </u>	<u> </u>
Total debtors	43,091	6,016
	<u> </u>	<u> </u>

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

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	7,778	3,276
Accruals and deferred income	150	2,150
	<u> </u>	<u> </u>
	7,928	5,426
	<u> </u>	<u> </u>

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:

	2018 £	2017 £
Within one year	9,450	9,450
Between two and five years	9,450	18,900
	<u> </u>	<u> </u>
	18,900	28,350
	<u> </u>	<u> </u>

Rental payments of £9,450 (2017: £9,113) are included in expenditure during the year.

16 Related parties

The former trustee, John Barkshire, is also a trustee of The Barkshire Charitable Trust. Sponsorship income of £1,000 was received from the Trust during the year.

BRIGHTON & HOVE PHILHARMONIC SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17 Cash generated from operations	2018 £	2017 £
Surplus/(deficit) for the year	10,407	(35,507)
Adjustments for:		
Investment income recognised in statement of financial activities	-	(269)
Movements in working capital:		
(Increase)/decrease in debtors	(37,075)	16,644
Increase/(decrease) in creditors	2,502	(1,929)
Cash absorbed by operations	(24,166)	(21,061)
