

Spitalfields Music

**Spitalfields Festival Limited
Report and Financial Statements
For the year ended 31 August 2013**

Company No. 3138347

Registered Charity No. 1052043

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COMPANY INFORMATION

COUNCIL (DIRECTORS)	Sir Alan Moses (Chair) Andrew Blankfield (resigned 31 August 2013) Helen Fraser CBE Sarah Gee Nick Hardie Keith Haydon Michael Keating John McCuin (resigned 31 August 2013) Nicky Oppenheimer Judith Weir CBE
CHIEF EXECUTIVE & COMPANY SECRETARY	Abigail Pogson
PRINCIPAL OFFICE	61 Brushfield Street London, E1 6AA
REGISTERED OFFICE	35 Vine Street London EC3N 2AA
AUDITORS	SRG LLP 28 Ely Place London EC1N 6AA
SOLICITORS	Field Fisher Waterhouse LLP 35 Vine Street LONDON EC3N 2AA
BANKERS	CAF Bank Ltd 25 Kings Hill Avenue West Malling KENT ME19 4JQ
COMPANY REGISTRATION	3138347
CHARITY REGISTRATION	1052043
VAT REGISTRATION	524 7309 51

CHAIR'S STATEMENT

Welcome to our annual review for 2012/13. To those of you who are new to Spitalfields Music, I believe you will be surprised at the range and significance of our activities throughout the year, and those of you who are part of our music and education family will, I hope, be happy to learn how we have maintained and advanced every field of our work. All of this is thanks to our magnificent team, led by Abigail Pogson.

The year has been characterised by how much we have fulfilled our ambition to extend our boundaries – geographical, artistic and educational. Those of you who know us well may say that this is unsurprising – the charity has always been known for its innovation alongside its commitment to quality. This year we have piloted a new kind of activity with our local schools – *Takeover* – which hands over to 7 and 8 year olds and invites them, over the course of two terms, to create their own day-long festival. The results, both for the pupils and their learning and for the school community as a whole, were striking, and we plan in coming years to develop this model, ultimately reaching all schools in Tower Hamlets. We have also begun to work in Barking & Dagenham and Newham, touring to 12 venues with specially made music theatre for 0–3 year olds, reaching audiences which otherwise would not have access to the highest quality music in their own neighbourhood. Meanwhile Scanner and the Early Opera Company broke new ground with their programmes as Artistic Associates and together with the other artists in our festival programmes our Summer Festival reached our widest audience ever.

In the coming year, there is no doubt that we'll continue to explore and innovate. Of course nothing would be possible from Spitalfields Music without the very many of you who contribute to the charity's endeavours through volunteering, financial and in-kind support, partnership and advice. Neither our year-round programme nor our festivals would be possible without a huge collective effort. Thank you to all of you who are involved in this and to our small core team who co-ordinate the charity's work. And not least, thank you to the artists who contribute to our aim of putting the arts at the heart of borough life and offering it to as broad a group of people as possible.

As changes to the education system and our civic infrastructure more broadly continue to move at quite a pace, a robust and positive response from creative charities like Spitalfields Music has never been more important. As I write, Tower Hamlets Fairness Commission has just published a report and the overarching theme of its recommendations is that all sectors – national government, local authority, business and the third sector – all work together to realise new ways of improving opportunities in the lives of everyone within the borough. This approach is very close to Spitalfields Music's heart with everything we do delivered through partnership. Creative charities, such as Spitalfields Music, have a real role to play at times like this and our goal in coming years will be to work as closely as we can with other sectors to improve opportunities within East London.

We value your support, and we look forward to working with you in the coming year.

Sir Alan Moses
Chair of the Board

CHIEF EXECUTIVE'S INTRODUCTION

People often ask what Spitalfields Music does. Our name gives some clues, but requires a conversation. We see Spitalfields Music as a creative resource for the local community. We engage through the local civic infrastructure and combine an openness to local needs with an expertise in fielding some of the very best artists in the world to the benefit of the local area. That benefit might take many different forms – economic, by drawing tourists into the area for our festivals, social, by supporting learning and personal development in local people and cultural by celebrating the area's heritage and future and drawing different parts of the local community together. We're a creative charity and our programme involves four aspects:

- A programme of events, featuring world class artists and local people, as festivals, tours and year-round series
- Artist development, creating opportunities for artists to experiment and develop their work and offering structured training for particular circumstances
- Creative learning, enabling local people to develop skills and their creativity
- Community engagement, offering music as a way for different parts of our local community to connect

These aspects of our work weave together and often all four are at play through a single project.

Our work is only possible through collective endeavour and I'm very grateful to all of our financial backers who make our work possible. Our funding model is unusually broad and relies upon support from a very wide range of people and institutions. I'm thrilled that we are reporting another break-even year in financial terms. Our belief is that sound financial management supports creative innovation, quality and risk.

Looking back on 2012/13 it has been another exceptional year with the Early Opera Company and Scanner, as Associate Artists, providing a thread for our programme, supported by a huge range of other world class artists and a huge spectrum of involvement from local people. Here are a few tasters to whet your appetite, with more to follow through the report.

- We spread our wings to Barking & Dagenham and Newham, giving 24 touring performances to over 1300 0-3 year olds and their families
- The first festival produced exclusively by a group of 7 year olds took place – a pilot for a new model of creative learning which we plan to extend right across the borough of Tower Hamlets
- 100 festival events reached audiences across the spectrum of London's demographic from international tourists to local people
- 28 world premieres of new pieces of music
- Over 200 people who work in hospitals, children's centres, community support and libraries received training from us to use music in their programme of activity

Before inviting you to read on, I'd like to thank the fantastic team who run Spitalfields Music for their imagination, commitment and tenacity. As facilitators, brokers and doers, they sit at the heart of the Spitalfields Music family and enable a huge amount to be achieved by the charity.

I hope you enjoy reading our report.

Abigail Pogson
Chief Executive

PUBLIC BENEFIT STATEMENT

Spitalfields Festival Limited is a company limited by guarantee and a registered charity which operates under the name Spitalfields Music. It was founded in 1976 to promote, maintain, improve and advance the education of the public through musical activities. It has a particular objective of serving the London Borough of Tower Hamlets in which it is based. This objective is set out in its memorandum and articles of association of 1995 and forms the basis upon which the charity's vision, mission and aims are formulated (as noted on pages 7-8).

The directors have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission and are satisfied that the charity's activities are faithful to the charity's objectives and are to public benefit.

The charity's two annual festivals and year-round Learning and Participation Programme are planned to serve a broad cross-section of the Tower Hamlets and London community. The programme embraces a wide range of artists and the locations of events and projects are varied to serve different age groups and sections of the community.

The two festivals explore unusual music from the 16th century to the present day, bringing world class artists into venues throughout Tower Hamlets and setting these performances alongside chances for local people to participate and perform. The Learning and Participation Programme offers a range of opportunities in music from a first encounter to long-term and high level training.

Particular attention is paid to ticket pricing and to schemes which enable first time attenders to come to events or participate in projects for free. In particular, the charity has successfully established a scheme called No Strings Attached which offers free tickets to first time attenders from the borough. This is funded through donations from other audience members. This is in addition to its commitment to 1/3 of tickets being available for free or £5 across the Festivals and 75% of the Learning and Participation Programme being available for free to participants with the remaining 25% of programmes offering bursaries.

The charity has a strong commitment to physical access with almost all venues being accessible. Many of its events are recorded and broadcast on BBC Radio 3 bringing them to an audience beyond London. Additionally, programmes have a digital element so that participants and audiences can download material from the charity's website.

1. STRUCTURE MANAGEMENT & GOVERNANCE

1.1 Governing Document

The company is limited by guarantee and was incorporated on 15 December 1995. It is registered with the Charity Commission for England and Wales and is governed by its Memorandum and Articles of Association.

1.2 Organisational Structure

The affairs of Spitalfields Music are managed by the directors, who are members of the Spitalfields Music Council - shown on page 1 - supported by a sub-committee, Finance & Legal. Outside of the governance structure, a Programme Advisory Group and a Development Group (involving both Council members and associate members) also meet four times a year and advise the staff and Council on programming and fundraising.

Day-to-day management is the responsibility of a permanent administrative team of 12 led by the Chief Executive. The Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters including finance, employment and programming.

The Council's terms of reference in the period were to take overall responsibility for the management, finances and future direction of the charity, with the following aims:

- Take legal responsibility for the control of the operations of Spitalfields Festival Limited and ensure that the charity functions within the legal and regulatory framework of its governing document
- Set strategy in accordance with the governing document, legal and regulatory guidelines and monitor outcomes of strategies set
- Discharge fiduciary duty and act to engender public confidence and trust in the charity
- Take appropriate advice in all matters where there is material risk to the charity or where there is potential to breach trustees' duties
- Provide stability for the organisation and its growth
- Delegate the responsibilities of the day-to-day running of the company and activity to the Chief Executive

The Finance & Legal Committee's terms of reference in the period were to:

- Oversee the preparation of annual budgets of income and expenditure, and submit these for approval by the Council
- Monitor actual income and expenditure during the year
- Report quarterly results to the Council, for their approval
- Oversee all aspects of external reporting, including
 - 1) Preparation, approval & filing of the Annual Report and Financial Statements
 - 2) Appointment & remuneration of external auditors
 - 3) Conduct of the annual audit
- Oversee the investment of all the charity's funds, both general and specific, and to approve the allocation of investment income
- Oversee the maintenance of an effective system of internal control over the charity's financial operations and assets
- Oversee all legal aspects of the charity, including the legal arrangements governing
 - 1) Artists

- 2) Sponsors
 - 3) Relationships with venues
 - 4) Contracts of employment/service contracts for all staff
 - 5) Health & Safety
- Advise the Chief Executive generally on the administration of the charity
 - Keep under review the terms and conditions of service of all the charity's staff, and to oversee the effective operation of the charity's Performance Review Scheme, pension arrangements and other employee schemes and benefits
 - Approve the budget for annual salary review
 - Review the charity's risk management strategy

1.3 Appointment and Induction of Directors

The Council has arrangements to support the appointment of members who have the skills, knowledge and networks to govern effectively. The headlines of these arrangements are

- The minimum number of directors is three, the maximum is 30
- The current directors have the power to appoint, at any time, any person to be a director. Any director appointed throughout the year will only hold office until the next annual general meeting
- At each annual general meeting one third of the directors will retire from office. Those retiring will be determined by the length of time in office since their last election. All retiring directors are eligible for re-election
- The Council meets formally four times each year
- The terms of reference for the Council and each committee are reviewed annually
- Directors who served throughout the period are shown on page 1

New directors undergo an induction to clarify their legal obligations under charity and company law, the content of the memorandum and articles, the current financial state of the organisation, the most recent business and strategic plans, and the delegation and decision-making process. They are invited to meet all the staff and are briefed by the senior management team on their roles within the charity.

Both internal and external training is offered to directors as necessary.

1.4 Risk Management

Spitalfields Music's Council has a Risk Register together with notes about the management of these risks. During the period it also used the Charity Commission's '*15 questions a charity should ask during a recession*' to measure its position in relation to the rapidly changing financial circumstances. Clear lines of delegation of authority from Council to the staff are in place as are reporting procedures. Annual budgets are approved by the Council and financial results reported during the course of the year. Where possible there is division of responsibility within the administrative team. Substantial Financial Control and Health & Safety policies are in place. Appropriate insurance cover is taken out.

1.5 Policies

Spitalfields Music operates with nine policies in different areas. All include a set of arrangements which are part of the charity's practice and details of monitoring. All members of staff are kept up to date with these policies and are asked to uphold these policies as part of their engagement as an employee of Spitalfields Music. These are

- Child Protection and Vulnerable Adults
- Working with ex-offenders

- Diversity
- Volunteers
- Equal Opportunities
- Health & Safety
- Large Scale Emergency & Disaster Recovery
- Environment
- Quality Assurance

Spitalfields Music also operates the following handbooks which include details of the charity's policy and arrangements in these areas

- Staff handbook
- Financial Procedures Manual
- Council Guidelines
- Volunteers handbook

2. OBJECTIVE AND ACTIVITIES

Objective, vision, mission and aims

Objective

Spitalfields Music's objective is to promote, maintain, improve and advance the education of the public through musical activities. Its activities are established to achieve this objective and to deliver public benefit.

Activities to achieve this objective

The charity seeks to fulfill this objective by offering educational and cultural activities within Tower Hamlets, particularly music. Current activities are:

1. A year-round Learning and Participation Programme offering music education for people in the age range from 2 days old to 90+ years. 75% of this activity is free and the remaining 25% has bursaries attached.
2. Two festivals of music events in June and December, including talks, debates and opportunities to participate. 33% of events are priced at £5 or free to attend. Free ticket schemes are offered to enable those who could not otherwise attend.

Public benefit

The directors have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission and are satisfied that the charity's activities are faithful to the charity's objective and are to public benefit.

Vision: Changing lives and aspirations through music in London's East End

Mission: Spitalfields Music creates live music experiences in Spitalfields through performances, learning and participation. Everything we do is inspired by the spirit of the area, its people and their global and local influences. Taking live music as our core, we explore music, performance, its artists and our communities.

Aims

- To produce music festivals for locally based people and visitors to the area, programming in a way which takes artistic risk and offers something new to audiences and participants
- To make year-round learning and participation projects with the people of Tower Hamlets which encourage aspiration, build confidence and skills
- To nurture and find talent, to commission new work and to collaborate with artists
- To be a catalyst and collaborator in music in Spitalfields and Tower Hamlets and to engage in the life of the borough

3. OVERVIEW OF PERFORMANCE AND ACHIEVEMENTS IN 2012/13

We serve around 30,000 people a year through 'live' contact. Our programme comprises almost 100 performances in venues and outdoor spaces in and around Tower Hamlets, nearly 200 workshops and events in schools, the Royal London Hospital, libraries, community centres and out on the streets, and a professional development programme for approximately 200 local staff, young musicians and professional workshop leaders.

3.1 At a glance

Spitalfields Music is

- A creative charity based in Tower Hamlets
- A year round Learning and Participation Programme
- A Summer Festival across 15 days in June
- A Winter Festival across 12 days in December

People and audiences

- 29,517 people involved in our programme
- 206 artists, teachers, workshop leaders, library and children's centre workers trained
- 24% increase to our Winter festival audience from previous year
- 52% first time attendees to our festivals

Programme

- 97 festival events
- 146 year-round workshops
- 48 education performances
- 28 premieres and commissions

Finance

- £8 raised for every £1 of core statutory funding
- £79,554 value of partnership and in-kind help for the charity
- We fundraised 58% of our income
- Statutory funding accounted for just 24% of income
- We earned 17% of our income through ticket sales

- Our investments accounted for 1% of our income

Our programme

Our focus is on serving audiences and participants – both local and visitors to the area – with world-class music and chances to participate. We couple this with a commitment to encouraging artists to innovate and to try out new things which respond to our unique location.

Our programme is characterised by

- **Artistic excellence**
We bring world-class composers and musicians to Spitalfields and offer the highest quality training in creative leadership. We couple this with a determination to reach new audiences through programming, pricing and location.
- **Learning and Participation at our heart**
50% of our programme through the year and within our festivals focuses on projects for local people aged from 2 days old through to 90+ years.
- **Commissioning the best artists, both new and established**
We have a strong tradition of premiering new classical music (promoting around 30 premieres each year) and commissioning annually from our New Music Commission Fund.
- **Innovation for music and creative learning practice**
We commission regularly, invite Associate Artists to make work which is new to them for our festivals and support the professional development of musicians working in education and community settings.
- **Working in partnership with the London Borough of Tower Hamlets and influencing for change**
We tailor our year-round Learning and Participation Programme to local needs and support the borough to develop its services (e.g. Tower Hamlets Arts and Music Education Service, the Primary Care Trust, the elders' centres, the youth service).
- **Being of and for the area**
Local people are engaged in our programming through the year, and our festival artists make programmes specifically for Spitalfields in all of its diversity.
- **Reach**
Our work reaches a broad section of society – for example our Buy One Donate One scheme encourages those who can afford it to donate the value of a ticket, which are then offered for free to a local resident who has not previously attended.
For the second year running, City of London Sinfonia and Spitalfields Music collaborated on a series to develop new audiences for classical music by presenting informal 'warehouse-style' concerts in a non-traditional venue, Village Underground.
This year we have also extended our successful *Musical Rumpus* tour from Tower Hamlets to Newham and Barking & Dagenham, building upon our success in reaching audiences diverse in age, ethnicity and economic background.

3.2 Review of activity

Learning & Participation programme (September 2012 – July 2013)

Workshops 146

Performances 48

Participants 1370

Audience members 5054

Leaders & teachers 181

New workshop leaders trained and mentored 28

Our year-round Learning & Participation programme branched out beyond Tower Hamlets, to involve a broader range of participants from the neighbouring communities of Newham and Barking & Dagenham, our youngest participants being newborn and the oldest in their mid-90s. We worked closely through the year with many partners, including Tower Hamlets Arts and Music Education Service.

- In School

Our Neighbourhood Schools programme reached 2,000 children in ten local schools. The series of creative music projects consisted of listening, composing and performance projects designed to give participants the chance to work with professional artists, develop their creativity and confidence in music, build team work and social skills and increase self-esteem and focus.

The Special Educational Needs programme took place at Phoenix and Cherry Trees School, catering for children and young people with communication, learning and behavioural difficulties. Using music as a base for our activities, the projects developed pupils' music appreciation and life skills, built confidence and encouraged creativity. Pupils from Special Educational Needs (SEN) and mainstream education settings interacted during projects this year, and a higher level of parental engagement than we have seen in previous years was observed.

- In the Community

Spitalfields Music's residency at the Royal London Hospital brought music performances and workshops to different wards, helping to create a friendly and relaxed environment, and sense of community amongst the children, parents and staff.

During the December holidays we ran a creative music and community engagement project called Winter Wonderland with ten disabled and ten non-disabled teenagers through Toynbee Hall's INSPIRE programme. The participants developed composition, event production and concert management skills, working towards a final showcase of their work at the end of the project.

In spring 2013 we worked with 27 children aged 0–5 years at the Jagonari Support Centre, using singing and percussion to support their creative and cognitive development. We also ran vocal workshops to support women who had suffered abuse or been involved in the criminal justice system.

In its 10th year, our female community choir of 120 local residents, Women Sing East, developed their singing skills during workshops and performed as part of the festivals, including a stunning performance of Vivaldi's *Gloria* alongside the Early Opera Company during our Winter Festival.

- A Musical Rumpus on tour

As part of our Winter Festival, and back by popular demand, our Musical Rumpus performance for early years continued the exploration of a magical world of fairies and creatures, in a colourful and multi-sensory forest through Purcell's *The Fairy Queen*. The Summer Festival saw the performance of *Movers & Shakers*, set in a world of rolling, running Monteverdian melodies.

With the support from Arts Council England, the production tour was launched in November 2012, in local community centres and libraries in the London boroughs of Newham and Barking & Dagenham. This flagship early years production provided high quality arts activity in local settings to 600 adults.

and children aged 0-3 years, and reached audiences which don't generally attend arts events. The tour continued in July 2013 with *Mudlark Dances* reaching 740 adults and children.

- Training

Over the past ten years, Spitalfields Music has developed a national reputation for providing high quality training to musicians who wish to work in community and education settings. Over the past year there have been five key strands to our leadership development programme.

Three young musicians from black, Asian or minority ethnic backgrounds kick-started their career in music leading by taking part in our Trainee Music Leaders scheme, undergoing 10 months of training. The trainees shadowed and supported our regular professional workshop leaders across a range of projects and received year-round mentoring from established educationalists, which equipped them with the skills needed to design, deliver and evaluate their own music projects. We estimate that they will reach over 5,000 participants in the next five years.

We provided three free training days throughout the year to 22 young musicians. Led by experienced workshop leaders they received training on project planning, leadership and workshop delivery, and supported the delivery of our projects.

We provided continuing professional development to the core group of 20 workshop leaders who deliver our work, offering opportunities for additional training and broadening experiences.

Through our longstanding partnership with the Royal Academy of Music we provided practical experience and training opportunities for Academy musicians, to work alongside our workshop leaders on our Neighbourhood Schools programme.

We offered and delivered specialist training sessions in building confidence and skills in music to local staff we worked with in schools, libraries, community centres and community centres.

Winter Festival (7 - 18 December 2012)

Events 28

New music premieres and commissions 10

Live audience 8922

Premieres and commissions Thomas Daniel Schlee *Aus meines Herzens Grunde*, Ēriks Ešenvalds *In dich hab' ich gehoffet, Herr*, Benet Casablanca *Frisch auf, mein' Seel', verzage nicht*, Pawel Zemek Novák *Ach Gott, erhor' mein Seufzen*, Juste Janulyte *Warum betrubst du dich, mein Herz?*, Jonas Jurkūnas *An Wasserflüssen Babylon*, Alice Beckwith *One and a half*, Freya Waley-Cohen *Haunted Heaven*, Grigorios Giamougiannis *Toccata for harpsichord*, Angell Lin *Cocoon*

Exploring venues further afield, the festival programme reached unique venues Hoxton Hall and the Tower of London as well as returning to old favourites such as Shoreditch Church and the private Georgian drawing rooms of Spitalfields. Life-long East Ender Alan Gilbey tailor-made a winter's journey that followed in the footsteps of Arthur Morrison exploring the inner streets of Shoreditch, whilst an altogether cosier evening was had at Michelin-starred restaurant Galvin La Chapelle where diners were entranced by the vocal charms of choral group Gallicantus. The Gabrieli Consort and Players, The English Concert and the London Handel Players were welcomed back alongside new collaborations with Opera Erratica who produced a spectacular holographic opera in association with festival favourites EXAUDI, and Opera North who brought puppetry to the festival in the form of David Lang's *The Little Match Girl Passion*.

During the daytime young ears were invited to delve into the sound world of folk and baroque traditions with the London Handel Players and folk star Alasdair Fraser, and Rich Mix played host to a magical world of babies and fairies with an entrancing arrangement of Purcell's *The Fairy Queen* for Musical Rumpus. The festival culminated in a spectacular rendition of Vivaldi's *Gloria*, the result of an exciting collaboration between Early Opera Company and our own community choir Women Sing East.

Summer Festival 2013 (7 – 22 June 2013)

Events 69

New music premieres 18

Live audiences 16,756

Associate Artists

Early Opera Company (Director Christian Curnyn)

Scanner

Premieres and commissions Open Souls *new works*, Elastic Theatre *JULIUS*, The Haxan Cloak *Variation on Lachrimae*, Chris Cairns *Computer Junk Orchestra*, Scanner *Lachrimae*, Manu Delago *Constructing Remix*, Charlie Piper *Mnemonic*; Gregor Riddell *New work for Xylosynth & Cello*, A Phoenix for Carla, Edward Jesson *Replica*, Emily Hall and Toby Litt *Rest*, David Matthews *Four Portraits*, David Matthews *The Shorter Ring*, Cheryl Frances Hoad *Katharsis*, Elspeth Brooke *At the World's Edge*, Sam Glazer and Zoe Palmer *Musical Rumpus - Mudlark Dances*, Elizabeth Walling audio visual installation, Carter Callison *Spheres of Reverberation*,

Associate Artist Early Opera Company embraced the eclectic nature of the Summer Festival by creating a series that included Bach's *Coffee Cantata* performed in an art gallery in collaboration with Whitechapel Coffee Company, alongside a spectacular collaboration with East London Dance which explored the marriage of contemporary dance with repertoire by Monteverdi. In addition, Associate Artist Scanner created a series influenced by the music of Dowland and introduced up-and-coming contemporary artists The Haxan Cloak and Gazelle Twin, who created a bespoke underground musical tour, to the festival.

The festival played host to international artists La Morra, Arte dei Suonatori, Morgan Szymanski, David Cohen and Manu Delago as well as showcasing new theatre work by UK artists such as Edward Jessen with *REPLICA* and London Sinfonietta with *At the World's Edge*. Musical Rumpus created a world of magical interaction for 0-3 year olds exploring the music of Monteverdi, and the Ideas Store played host to *Mr Enormo Biggins' Great Fun Park*, a family concert with hugely popular children's author Michael Rosen and City of London Sinfonia.

Throughout the festival, the lunchtime series focused on folk artists and the market played host to a unique one-on-one performance venue called Folk in a Box, and at Boxpark award-winning Elastic Theatre presented an installation of *Julius*, the premiere of an innovative multi-screen film set to a new score by Ivan Hussey.

3.3. Performance against strategic aims

Our strategic aims in 2012/13 were to

- Develop our Learning & Participation programme, particularly through touring our early years activity to neighbouring boroughs, and share the results of this with the wider arts sector
 - We gave 30 performances in Tower Hamlets, Barking & Dagenham and Newham of two specially commissioned pieces for family audiences, reaching audiences who are least likely to attend arts events. This new model has been presented back to the arts sector through national and

international conferences and from 14/15 onwards we are planning continued development of this work in East London, throughout England and internationally

- Continue to programme festivals which have a unique blend of places, artists and local participation
 - We occupy a unique place within the music festival world and have become known as 'London's quirky music festival' Our Summer Festival 2013 attracted a new and more diverse audience than ever before
- Capitalise on our audience development initiatives by growing the CLoSer concert series and our programme of digital activity
 - Supporting the development of audiences through our Summer and Winter Festivals, we also ran a year-round programme aiming to reach audiences who are less likely to attend arts events, through online activity, CLoSer, our partnership with City of London Sinfonia and our East London touring
- Follow through on detailed plans for a shared home with other charities
 - This project was developed to planning submission but was rejected by the local council in October 2013 We are considering alternative options with the proposed developer of the site to address the planning authority's concerns
- Maintain a focused fundraising programme and manage our finances effectively whilst maintaining our artistic integrity and ambition
 - We achieved a small surplus for the year through a combination of fundraising effort and tight control of expenditure An increase in the value of investments also made a positive contribution to our balance sheet

3.5 Audiences and Participants

Our audiences are a unique mix of first time attendees, loyal regulars and participants Our aim is to offer the best experience to everyone who participates in or attends an event

Participants

- 98% from East London postcodes
- The ages of our participants range from two weeks to 97 years old
- 57% adults
- 43% young people
- We trained 28 music leaders who within two years will each reach a further 1,000 participants

Festival audiences

- 24% increase to our Winter festival audience from previous year
- 52% first time attendees for our festivals
- 23% from East London postcodes
- 51% from other London postcodes
- 26% from national and international postcodes

This year we continued to run and develop initiatives to help make our work even more accessible for people of all backgrounds

- Our Buy One, Donate One scheme which offers free tickets to Tower Hamlets residents who have never been to one of our events before, saw an increase in the average amount of donations The take up of free tickets through the associated No Strings Attached ticket scheme doubled
- We maintained discounts for multiple events bookers, offering reductions of 15%
- We also included a number of concessions for Jobseekers, under 26s and students
- We continued to offer £5 tickets to nearly all our concerts, with many further events, including lunchtime performances in the market, free of charge

- The specifically school-orientated concerts within our festivals have continued to enable neighbourhood school children to experience and participate in creating innovative music for free
- We offered audiences more chances to further explore concert music with 17 insight events across our festival programmes

3.6. Volunteers

We worked with 63 dedicated volunteers, with ages ranging between 23–75 years and from different ethnicities, throughout the year, supporting us mostly as festival stewards and assistants, but also in the office with administrative, data entry and research activity

The professionalism of our steward group has been recognised and has been in demand for other local events. A group of our volunteers supported high profile local events in Christ Church including the launch of the East End Trades Guild in November 2012 and The Huguenots of Spitalfields Festival in April 2013

3.7. Fundraising

Our income spreads across a broad range of sources, testimony to the range of partnerships which we have and the breadth of our programme. This year 58% of our income was raised from companies, trusts and individuals (2011-12 45%), 24% coming from public funders (2011-12 34%), 17% from ticket sales (2011-12 19%) and 1% from investments (2011-12 2%)

During the year we continued to feel the impact of the economic challenges on some of our corporate and, to a certain extent, trust supporters. Throughout the year income from individual donors has been steadily increasing and we have been grateful to a number of trusts which have maintained or added their support. Our three statutory funders Arts Council England, London Borough of Tower Hamlets and City of London maintained their grants to us despite strains on their own budgets

4. FUTURE PLANS

Our goals for 2013/14 are to

- Develop our programme's reach and scale – building our activity further in other East London boroughs, extending our new creative learning programme (Takeover) in Tower Hamlets schools, training more adults to be confident in using music when working with young people and community groups (in the hospital, libraries, schools and community centres), extending our commitment to cross-arts projects within our Summer Festival
- Consolidate our progress with new audiences and build frequency and loyalty in existing audiences
- Maintain a focused fundraising programme and manage our finances effectively whilst maintaining our artistic integrity and ambition
- Create a new business plan for 2014/15 - 2016/17 and begin the process of identifying a new Chair for our board to take up post from September 2015

5. OUR SUPPORTERS

Partners

Andaz Hotel, Aspirations at Tower Hamlets College, Barbican Guildhall, Barking & Dagenham Libraries, Barts and the London NHS Trust, Bishopsgate Institute, Boxpark, Brady Arts and Community Centre, Canon Barnett School, Charnel House, Cherry Trees School, Christ Church Spitalfields, City of London Sinfonia, Community Music, Community Links, Crisis, Dennis Severs' House, East London Dance, English Heritage, Galvin La Chapelle, Genesis Sixteen, Glyndebourne, Hanbury Hall, Hoxton Arches, Hoxton Hall, Idea Store Network, Kobi Nazrul School, Leila's Shop, London Philharmonic Orchestra, London Sinfonietta, The Map Squad, Old Spitalfields Market, Osmani School, Phoenix School, Rambert Ballet and Orchestra, Royal Academy of Music, Royal Opera House, Rich Mix, St Anne's School, Shoreditch Church (St Leonard's), Shoreditch Citizens, Shoreditch Town Hall, Sound Connections Early Years Practitioners Forum, Spitalfields City Farm, Spitalfields Community Group, Spitalfields E1, Streetwise Opera, Swanlea School, Village Underground, VoiceLab/Southbank Centre, The Beckett Estate, The English Restaurant, The Water Poet, Tower Hamlets Arts and Education Service, Trinity College of Music, Toynbee Hall, Whitechapel Coffee Company, Wigmore Hall, Orchestra of the Age of Enlightenment, Opera North, Vital Arts, YCAT

Artists and leaders

Barnaby Adams, Isabelle Adams, Tony Adigun, Ignacio Agrimbau, Allen & Overy Singers, Arte dei Suonatori, Christoph Pepe Auer, John Barber, Charlotte Barbour-Condini, Emily Barker, Mary Bevan, Bishopsgate Singers – Gitika Partington, Birmingham Contemporary Music Group, David Black, Andre Bosman, Meridian Brass, Elspeth Brooke, Joby Burgess, Crisis Skylight Band, Colm Carey, Jim Cartwright, Andrew Carwood, Laura Cannell, Sam Chaplin, Duncan Chapman, Payee Chen, Choir of Clare College Cambridge, Harry Christophers, City of London Sinfonia, David Cohen, Consortium5, Laurence Cummings, Christian Curnyn, Early Opera Company, Elastic Theatre, Dom Coyote, Mark David, Manu Delago, Patrick Donohue, East London Dance, Opera Erratica, EXAUDI, Ellie Fagg, Matthew Fairclough, I Fagiolini, Marcus Farnsworth, Alasdair Fraser, Folk in a Box musicians, Gabrieli Consort and Players, Gallicantus, Martin Gester, Ranjana Ghatak, Alan Gilbey, Sam Glazer, Seonaid Goody, Natalie Haas, Emily Hall, Kathy Hinde, Robert Hollingworth, Paul Hoskins, William Howard, Ruby Hughes, Anna Huntley, Audrey Hyland, Idea Store Network staff, Anna Jones, Louise Jordan, Juice, Laka D & Women sing East trio Issy Postill, Alison Raynor & Dave Wickens, Edward Jessen, Nicola LeFanu, Martynas Levickis, Toby Litt, London Gypsy Orchestra, London Handel Players, Emilie Renard, Matthew Robins, Graham Ross, London Sinfonietta, Mark Simpson, Nicky Spence, Lady Maisery, Catherine Martin, Jessie Maryon-Davies, Paul McCreesh, Anna Meredith, La Morra, Dominic Murcott, Laura Moody, Phil Mullen, Roshī Nasehi, Neighbourhood Schools students at Canon Barnett School, Hague School, Kobi Nazrul School, Osmani School, St Anne's School, Tom Norris, Michael Oliva, Opera North, Orchestra of the Age of Enlightenment & REMIX musicians, Zoe Palmer, Russ Pearson, Phoenix school musicians and Clare Hanney, Ayozie Pollendine, John Potter, Rambert Orchestra, rarescale, Chris Redmond, James Redwood, Carla Rees, Gregor Riddell, Royal Academy of Music Brass Ensemble, Royal Academy of Music students, Michael Rosen, Clare Salaman, Scanner, Jacek Ludwig Scarso, Jason Singh, Dominic Stichbury, Morgan Szymanski, THAMES musicians from Saturday Music Centre, Theatre of the Ayre, The English Concert, The Cardinall's Musick, The Haxan Cloak, The Sixteen, The Society of Royal Cumberland Youths, Voice Trio, Ukelele Orchestra of Great Britain, Bimbi Urquhart, Zefira Valova, Jackie Walduck, Elizabeth Walling, Katie Walton, John Webb, Julian West, James Weeks, Tom West, William Whitehead, John Woolrich, Worri Dolls, Patrick Eakin Young, Nadja Zwiener

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Help in kind

A full list of help in kind supporters is included in the Notes to Financial Statements 3 below

To all of our supporters, we are very grateful for this vital help and involvement in our work

6. FINANCIAL REPORT

6.1. Financial review

The results for the year ended 31 August 2013 are shown on page 23 - 24

6.2 Overview

Income

This year our turnover of £800,972 exceeded original budget by 11%, and was achieved against the backdrop of a challenging fundraising environment coupled with ongoing issues of economic recovery

Overall our grant income increased marginally, largely due to a significant increase in grants received from trust and foundations. This helped to cushion the anticipated drop in statutory grants, which as a percentage of total income was the lowest received in over 5 years. Total donations also increased marginally, helped by an increase in corporate donations

Our earned income from box office sales and fees fell by 13% due to a smaller number of ticketed events

The fall in our investment income reflected a switch in our Schroders fund from distribution to accumulation units, hereby increasing our reserves

We continued to maintain a wide range of income streams as part of our finance objectives for the year, with no income group accounting for more than 30% of total income

Expenditure

Expenditure comprised primarily the cost (including staff costs) of delivering projects, to support the charity's key objective to bring about public benefit through educational programmes and musical events

Our three core areas (Summer Festival in June, our Winter Festival in December, and our year-round Learning & Participation programme) represented the greatest part of our expenditure, at 91% this year (2011-12 92%)

Out-turn

The Directors report a modest surplus for the year of £2,817. This breakeven result was achieved through effective financial management across the whole organisation and continuing support from our various financial and in-kind supporters. With an increase in the valuation of our investment portfolio of £62,046 at the end of the year, the total net movement in funds for the year is £64,863

6.3 Fixed Assets

There was no addition to fixed assets in the year

6.4 Funds

- New Music Commission Fund

The New Music Commission Fund was set up by Judith Weir to safeguard the future of newly commissioned music for the Festival, and the fund stood at a value of £144,092 at 31 August 2013 (2011-12 - £134,476) Our target is £200,000 The endowment is held in reserve and invested in accordance with our Investment Policy

- Christopher Vaughan Legacy Fund

The funds are invested in accordance with the Investment Policy and are used to support musical education for children in the London Borough of Tower Hamlets and performances by younger musicians At 31 August 2013 this reserve stood at £129,739 (2011-12 - £118,667)

6.5 Unrestricted Reserves

The directors agreed to hold as unrestricted reserves for the three years ending 31 August 2015 the equivalent to six months future running costs (c£500,000) This amount is a prudent reserve to hold against actual commitments and is a reasonable sum for a charity of this scale to hold At 31 August 2013 unrestricted reserves amounted to £560,228 (2011-12 - £510,700) It is anticipated that a portion of these reserves (£45,000) will be used in 2013-14 to help support strategic goals for programme activity

6.6 Investments

At the end of the year the charity's reserves was held in two funds managed by Schroders and BNY Mellon, in an evenly balanced ratio The Schroders Charity Multi-Asset Fund portfolio continues to meet the requirements of our investment policy achieving a 10% net increase in value during the year, and accounting for 75% of the increase in value of our total investment portfolio Following the wind up of the Cazenove/Fauchier Absolute Return Trust fund in which we were invested, we opted to redeem our investment The redeemed funds were pooled together with a draw down from the Schroders fund, cash reserves, and reinvested in August 2013 into the Newton Real Return Fund (managed by BNY Mellon)

At 31 August 2013, 16% of the investment portfolio is an endowment (New Music Commission Fund), 17% is restricted for educational use, 8% is restricted for property use and 59% is unrestricted funds

The portfolio of investments is reviewed quarterly by the Finance and Legal Committee

6.7. Relationships with related parties

There were no related party transactions

6.8. Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company's financial activities during the period and of its financial position at the end of the period In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for maintaining 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 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.

In accordance with company law, as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

SRG LLP have signified their willingness to continue in office

Approved by the Council on 5th December 2013

and signed on its behalf by



Sir Alan Moses, Chair
61 Brushfield Street
LONDON E1 6AA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPITALFIELDS FESTIVAL LIMITED

We have audited the financial statements of Spitalfields Festival Limited for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members these matters we are required to state to them in the 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 to 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 19 and 20, the directors (who are also the trustees of the charitable company) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

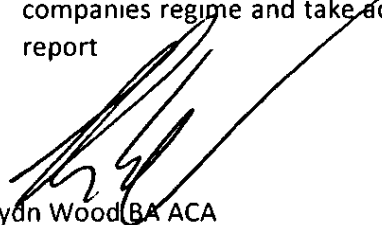
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

SPITALFIELDS FESTIVAL LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report



Haydn Wood BA ACA
Senior Statutory Auditor
For and on behalf of
SRG LLP,
Chartered Accountants and Statutory Auditor
28 Ely Place,
London
EC1N 6AA

Date 23 January 2014

SPITALFIELDS FESTIVAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2013

		Unrestricted	Restricted	Restricted	Restricted	Endowment	Total Funds	Total Funds
							2012-13	2011-12
			Projects	Christopher Vaughan Legacy	Property Fund	New Music Commission Fund		
INCOMING RESOURCES	Note	£	£	£	£	£	£	£
Voluntary								
Grants	2	437,330	-	-	-	-	437,330	424,659
Donations	3	188,791	-	-	-	898	189,689	180,699
Investment income and interest	11	5,086	-	842	-	776	6,704	20,407
Charitable activities								
Box office and fees	4	136,249	-	-	-	-	136,249	156,920
Sponsors		31,000	-	-	-	-	31,000	29,000
Project grants (Foundations & Trusts)		-	-	-	-	-	-	17,000
Other income		-	-	-	-	-	-	650
TOTAL INCOMING RESOURCES		798,456	-	842		1,674	800,972	829,335
RESOURCES EXPENDED								
Generating funds	5	57,097	1,362	-	-	-	58,459	53,341
Charitable activities	6							
L&P Programme		270,631	3,296	-	-	-	273,926	252,756
Festivals		453,390	-		-	1,250	454,640	492,121

BALANCE SHEET at 31 August 2013

	Notes	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	10		868		1,993
Investments	11		935,462		760,313
			<u>936,330</u>		<u>762,306</u>
CURRENT ASSETS					
Debtors	12	34,575		95,479	
Cash at bank and in hand		171,382		344,520	
		<u>205,957</u>		<u>439,999</u>	
CREDITORS amounts falling due within one year	13	(233,228)		(358,109)	
NET CURRENT (LIABILITIES)/ASSETS					
			<u>(27,271)</u>		<u>81,890</u>
NET ASSETS	14		<u>909,059</u>		<u>844,196</u>
FUNDS					
Unrestricted funds			560,228		510,700
Restricted funds					
- Projects Fund			-		5,353
- Christopher Vaughan Legacy Fund			129,739		118,667
- Property Fund			75,000		75,000
- New Music Commission Fund			144,092		134,476
TOTAL CHARITY FUNDS			<u>909,059</u>		<u>844,196</u>

Approved by the Council on 5th December 2013
and signed on its behalf by.



ALAN MOSES, Chair

Governance costs	7	9,495	700	400	-	600	11,195	12,913
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL RESOURCES EXPENDED		790,613	5,358	400	-	1,850	798,155	811,131
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net inc/(exp) resources		7,904	(5,353)	442	-	(176)	2,817	18,204
Profit/(Loss) on revaluation of investments	11	41,624	-	10,630	-	9,792	62,046	12,108
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET MOVEMENT IN FUNDS		49,528	(5,353)	11,072	-	9,616	64,863	30,312
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balances brought forward at 1 September		510,700	5,353	118,667	75,000	134,476	844,196	813,884
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balances carried forward at 31 August		560,228	-	129,739	75,000	144,092	909,059	844,196
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The statement of financial activities includes all gains and losses in the year. All resources expended derive from continuing activities.

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following policies -

a) Basis of preparation

The accounts are prepared under the historical cost convention modified for the revaluation of investments and the piano. The accounts are prepared in accordance with applicable accounting standards and in compliance with the Accounting and Reporting by Charities Statement of Recommended Practice (revised March 2005) and the Companies Act 2006.

b) Incoming resources

- Incoming resources are accounted for as unrestricted, unless restrictions exist under the terms on which they are received or solicited
- Legacies are accounted for on an accruals basis where the amount receivable can be estimated with reasonable certainty
- Sponsorship, donations and grants received, as well as fundraising and publicity costs, in respect of the festivals for a particular year will be recognised in the accounting period relating to that year's festivals
- The Festival receives help in kind from many organisations and the directors confirm that these amounts are not quantifiable and thus are not reflected in these financial statements (see Note 3)
- Ticket and programme sales are recognised in the year to which they relate
- Capital grants are recognised when received

c) Resources expended

Costs of generating funds include costs incurred directly such as advertising and promotion and an appropriate proportion of indirect costs such as staff costs. The allocation between unrestricted and restricted funds is based on staff time.

Costs of charitable activities include all project costs along with an appropriate proportion of indirect costs such as staff costs.

Management and administration costs include direct costs incurred in the governance of the company (such as audit, legal, constitutional and statutory), together with office costs and an appropriate proportion of indirect costs such as staff costs. The allocation between unrestricted and restricted funds is based on staff time.

d) Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

e) Tangible fixed assets

Depreciation on the piano, office equipment and office premises is calculated to write off the cost less estimated residual value of fixed assets on a straight line basis over their estimated useful lives. Items under £500 are written off in the year of purchase. Depreciation on Lottery equipment is calculated on a reducing balance basis.

Asset category	Annual rate
Piano	5%
Office equipment	37.5%
Lottery equipment	37.5%
Office premises	4%

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

1. ACCOUNTING POLICIES (continued)

f) Investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains or losses arising on revaluation throughout the year. Any net gain or loss in the year is split proportionately across the funds that are invested.

g) Funds Structure

The company has a number of restricted income and endowment funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose. All other funds are unrestricted income funds. Further details are disclosed on page 19.

h) Pensions

Employees may opt to join the group money purchase stakeholder pension scheme operated by Standard Life which meets new workplace pension compliance requirements. The company will make contributions equivalent to 3% of the employee's gross salary on condition that the employee makes the same contribution. The company has put systems in place to be ready for automatic enrolment by our staging date in 2017.

2. GRANTS

UNRESTRICTED

STATUTORY

	2012-13	2011-12
	£	£
Arts Council England	48,035	143,699
Arts Council England (GFA & Touring)	34,635	1,000
City of London	45,000	40,000
City of London (LAA)	-	12,000
European Commission	4,000	-
London Borough of Tower Hamlets - Service Level Agreement	25,000	25,000
London Borough of Tower Hamlets – Other	25,000	12,000
Youth Music	11,960	-
	<u>193,630</u>	<u>233,699</u>

TRUSTS AND FOUNDATION

	<u>243,700</u>	<u>145,960</u>
TOTAL UNRESTRICTED GRANTS	<u>437,330</u>	<u>379,659</u>

The core grant element included is £48k – Arts Council England, £45k – City of London, £25k – London Borough of Tower Hamlets (2011-12 £109k)

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

RESTRICTED STATUTORY	2012-13 £	2011-12 £
Transformers	-	30,000
Youth Music	-	15,000
	<u>-</u>	<u>45,000</u>
TOTAL GRANT INCOME	<u>437,330</u>	<u>424,659</u>

3. DONATIONS

UNRESTRICTED	2012-13 £	2011-12 £
Corporate donations	39,500	18,500
Individuals	149,291	161,304
	<u>188,791</u>	<u>179,804</u>
RESTRICTED – NEW MUSIC COMMISSION FUND		
Total donations	<u>898</u>	<u>895</u>
TOTAL INCOME FROM DONORS	<u>189,689</u>	<u>180,699</u>

Spitalfields Music is very grateful to the many organisations and individuals who have provided help in kind, which is estimated to be worth £79,554 (2011-12 £63,658) Allen & Overy, Ballymore Properties, Barbican Centre, Bishopsgate Institute, Brady Arts & Community Centre, Charlie De Wet, Chris & Sarah Dyson, Christchurch Spitalfields, City of London, CM, Dennis Severs' House, East London Dance, East London NHS Foundation Trust, English Heritage, Eyediology, Field Fisher Waterhouse LLP, Fiona Atkins, Galvin La Chapelle, Hoxton Hall, Imagist, Impress Print Services, IT4 Arts, John & Sandy Critchley, Kemsley, London Borough of Tower Hamlets, Macfarlanes LLP, Marianna Kennedy, Mazars LLP, John Nicholson, Odgers Berndtson, Peter Tompkins, Planet Organic, Reed Smith, Rich Mix, Royal Opera House, Sandys Row Synagogue, Shipleys LLP, Shoreditch Church, Southbank Centre, Spitalfields E1, Spitalfields City Farm, THAMES, The English Restaurant, The Royal Society of Cumberland, Tower of London (Chapel Royal of St Peter ad Vincula), The Water Poet, Village Underground, Vital Arts, Wellington Markets, Whitechapel Coffee Company, Yamaha Music Europe GmbH (UK)

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

2012-13		2011-12	
Expenditure group	Amount £	Expenditure group	Amount £
<i>Advertising & promotion</i>	2,534	<i>Advertising & promotion</i>	1,629
<i>Fundraising</i>	3,500	<i>Fundraising</i>	3,415
<i>Staff costs</i>	420	<i>Staff costs</i>	9,690
<i>Office costs</i>	25,640	<i>Office costs</i>	16,274
<i>Festival related costs</i>	29,040	<i>Festival related costs</i>	20,315
<i>L&P related costs</i>	15,720	<i>L&P related costs</i>	8,860
<i>Finance & legal costs</i>	2,700	<i>Finance & legal costs</i>	3,475
Total	£79,554	Total	£63,658

4. BOX OFFICE & FEES

UNRESTRICTED	2012-13	2011-12
	£	£
Ticket sales	110,756	123,991
Box office external hires	950	-
Programme & leaflet advertising	1,750	10,000
Programme sales	4,105	5,237
Participant fees	18,688	17,692
TOTAL INCOME	136,249	156,920

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

RESOURCES EXPENDED

	Unrestricted £	2012-13 Restricted £	Total £	2011-12 Unrestricted £	2011-12 Restricted £	Total £
5. Cost of Generating Funds						
Staff Costs	50,774	1,036	51,810	44,228	903	45,131
Office Costs	6,319	326	6,645	8,046	164	8,210
	<u>57,093</u>	<u>1,362</u>	<u>58,455</u>	<u>52,274</u>	<u>1,067</u>	<u>53,341</u>

6. Operating Activities

Staff costs	321,850	-	321,850	266,183	21,714	287,897
Advertising & Promotion	81,004	-	81,004	99,112	-	99,112
Artists' fees	113,012	-	113,012	137,027	-	137,027
Project costs	163,488	33	163,521	148,321	12,452	160,773
Office costs	44,636	3,260	47,896	43,787	5,473	49,260
New Music Commission Fund (endowment)	-	1,250	1,250	-	6,600	6,600
Christopher Vaughan Legacy	-	-	-	-	4,208	4,208
	<u>723,990</u>	<u>4,543</u>	<u>728,533</u>	<u>694,430</u>	<u>50,447</u>	<u>744,877</u>

7. Governance Costs

	2012-13 Unrestricted £	2012-13 Restricted £	Christopher Vaughan Legacy £	New Music Commission Fund £	Property Fund £	Total £
Staff costs	1,165	130	400	600	-	2,295
Office costs	6,050	318	-	-	-	6,368
Audit	2,254	250	-	-	-	2,504
	<u>9,469</u>	<u>698</u>	<u>400</u>	<u>600</u>	<u>0</u>	<u>11,167</u>

Governance Costs

	2011-12 Unrestricted £	2011-12 Restricted £	Christopher Vaughan Legacy £	New Music Commission Fund £	Property Fund £	Total £
Staff costs	7,311	812	400	600	-	9,123
Office costs	827	92	-	-	-	919
Audit	2,584	287	-	-	-	2,871
	<u>10,722</u>	<u>1,191</u>	<u>400</u>	<u>600</u>	<u>0</u>	<u>12,913</u>

Office costs include depreciation of £1,125 (2011-12 £1,312)

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

8. STAFF COSTS	2012-13	2011-12
	£	£
Wages and salaries	337,959	308,472
National Insurance contributions	32,777	29,230
Employer's Pension contributions	3,702	3,469
Other	808	980
	<u>375,246</u>	<u>342,151</u>

The average number of staff employed during the year was 12 (2011-12 12)

Number of employees whose total emoluments fall higher than £60,000 0 (2011-12 0)

No director received any remuneration in the period

9. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year which required disclosure

**10. TANGIBLE FIXED ASSETS
(all for charity use)**

	Piano	Office equipment	Lottery. equipment	Total
	£	£	£	£
Cost/Valuation				
At 1 September 2012	4,095	58,889	84,679	147,663
Addition	-	-	-	-
At 31 August 2013	<u>4,095</u>	<u>58,889</u>	<u>84,679</u>	<u>147,663</u>
Depreciation				
At 1 September 2012	3,386	57,605	84,679	145,670
Charge for the year	<u>205</u>	<u>920</u>	<u>-</u>	<u>1,125</u>
At 31 August 2013	<u>3,591</u>	<u>58,525</u>	<u>84,679</u>	<u>146,795</u>
Net Book Value				
At 31 August 2013	<u>504</u>	<u>364</u>	<u>-</u>	<u>868</u>
At 1 September 2012	<u>709</u>	<u>1,284</u>	<u>-</u>	<u>1,993</u>
Depreciation rate	5%	37.5%	37.5%	

The piano was valued by the directors on 31 December 2000, having been donated to the Festival in 1995

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2013 (continued)

11. FIXED ASSET INVESTMENTS

Investments – (including investment cash)	2012-13	2011-12
	£	£
At 1 September	760,313	748,205
Additions	501,113	-
Disposals	(388,010)	
Net investment gain	62,046	12,108
	<u>935,462</u>	<u>760,313</u>
TOTAL INVESTMENTS AT 31 AUGUST		
	<u>913,103</u>	<u>800,000</u>
Historical cost		

The trustees consider individual investment holdings in excess of 5% of the Schroders portfolio to be material there were four holdings at 31 August 2013

Holding	Percentage of portfolio
Schroder Charity Equity Fund	7.7%
AXA Framlington UK Select Opps Fund	6.6%
Artemis UK Special Sits Fund	6.4%
Majedie UK Equity Fund	5.2%

The investments are listed on a recognised stock exchange

There were no individual investment holdings in the Newton portfolio that were in excess of 5% at 31 August 2013

Investment income in the year was as follows	2012-13	2011-12
	£	£
Dividends	-	-
Interest on investments	4,915	19,030
	<u>4,915</u>	<u>19,030</u>
Bank interest	1,789	1,377
	<u>6,704</u>	<u>20,407</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012-13	2011-12
	£	£
Prepayments	9,760	10,547
Season ticket loan	-	2,099
Accrued income	20,090	14,912
Other debtors	4,725	67,921
	<u>34,575</u>	<u>95,479</u>

SPITALFIELDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013 (continued)

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012-13	2011-12
	£	£
Income in advance	189,169	301,356
Accruals	15,333	32,409
Other creditors	28,726	24,344
	<u>233,228</u>	<u>358,109</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets less liabilities £	Total £
Restricted funds				
Christopher Vaughan Legacy Fund	-	160,245	(30,506)	129,739
Property Fund	-	75,000	-	75,000
New Music Commission Fund (endowment)	-	147,616	(3,524)	144,092
Unrestricted funds	868	522,601	6,759	560,228
	<u>868</u>	<u>935,462</u>	<u>(27,271)</u>	<u>909,059</u>

Details of the funds are shown in the Directors' Report on page 19

15. Transfers

There were no fund transfers during the year