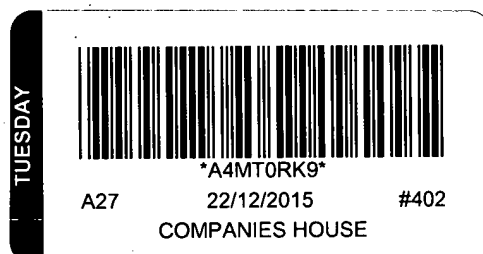




SPITALFIELDS FESTIVAL LIMITED
(Limited by Guarantee)

Company No: 3138347
Charity No: 1052043

TRUSTEES REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST AUGUST 2015



Spitalfields Festival Limited
(Limited by Guarantee)
Financial Statements
For the year ended 31st August 2015

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**Spitalfields Festival Limited
(Limited by Guarantee)
Report of the Trustees
For the year ended 31st August 2015**

Vision

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

Mission

Spitalfields Music creates live music experiences in Spitalfields and east London through performance, learning and participation. 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 and east London 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 east London

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.

The directors have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and are satisfied that the charity's activities are faithful to the charity's objectives and are for public benefit and that the directors keep this guidance in mind when exercising their powers and duties.

**Spitalfields Festival Limited
(Limited by Guarantee)
Regulatory Information**

BOARD

Maurice Biriotti* (Chair) (appointed 10 March 2015)
Oluremi Atoyebi
Helen Fraser, CBE (resigned 3 December 2014)
Sarah Gee (resigned 3 December 2014)
Lindsey Glen
Nick Hardie*
Michael Keating
Simon Martin*
Jasmine Mathews*
Sir Alan Moses
Nicky Oppenheimer
Katie Tearle MBE
Judith Weir CBE

* indicates membership of the Finance & Legal Committee

COMPANY SECRETARY

Abigail Pogson (resigned 30 April 2015)
Damaris McDonald (appointed 30 April 2015)

CHIEF EXECUTIVE

Abigail Pogson (resigned 30 April 2015)
Clare Lovett and Richard Scandrett (acting from 30 April-29 September 2015)
Eleanor Gussman (from 29 September 2015)

PRINCIPAL OFFICE

61 Brushfield Street, London, E1 6AA

REGISTERED OFFICE

Riverbank House, 2 Swan Lane, London, EC4R 3TT

AUDITORS

Price Bailey LLP, 7th Floor Dashwood House, 69 Old Broad Street, London EC2M 1QS

SOLICITORS

Field Fisher Waterhouse LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT

BANKERS

CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent, ME19 4JQ
Barclays Bank, 1 Churchill Place, London E14 5HP

COMPANY REGISTRATIONS

Charity number: 1052043
Registered in England & Wales: 3138347
VAT number: 524 7309 51

**Spitalfields Festival Limited
(Limited by Guarantee)
Report of the Trustees
For the year ended 31st August 2015**

Chair's Statement

The year to 31 August 2015 has been one of transition. In line with our strategic plans we have invested in our development capability so as to be able to expand our charitable activities in the future. We have done so at a time of continuing public sector funding constraints. As a consequence, Spitalfields Music incurred an operating deficit of £145,708 for the year compared with a deficit of £17,040 for the previous year. This performance was marginally offset by a revaluation surplus after management fees of £2, 883.

After nine years as Chief Executive, Abigail Pogson left Spitalfields Music in April 2015 to take up the post of Managing Director at The Sage, Gateshead. During her time as Chief Executive, Abigail was instrumental in a significant expansion of both the annual festivals and the Learning & Participation programme and the trustees would like to record their appreciation and gratitude for Abigail's vision, dedication and substantial contribution to Spitalfields Music. Eleanor Gussmann was appointed as Abigail's successor in August 2015 and joined in September 2015.

On 1 July 2015, following six years as Chairman, Sir Alan Moses stepped down. He was succeeded by Profesor Maurice Biriotti but has agreed to remain on the Board to assist during a transitional period.

During the period from 2009-2015 while Sir Alan and Abigail were both involved in the organisation, more than 56,000 people attended events at Spitalfields Music Festivals, and an equal number took part in Learning & Participation projects in Tower Hamlets and beyond. The organisation also won a number of awards during this time, including a commendation from the Royal Society for Public Health in 2011, two RPS Music awards in 2012, and another in 2014, and a Civil Society Charity Award in 2014.

The trustees acknowledge and are grateful to Sir Alan for his wise and dedicated leadership of the Board and the organisation during his tenure as Chair.

Finally, Helen Fraser and Sarah Gee both stepped down from the Board in December 2014 following terms of eight years and six years respectively. The trustees are grateful to Helen and Sarah for their service to the organisation.

The trustees are mindful of the financial result for the year and the resulting impact on Spitalfields Music's reserves, albeit this is consistent with their expectations. We intend to pursue the expansion of the charity's activities as planned but will closely monitor its financial progress with a view to achieving a break-even position within the 2016/17 financial year. The ability to pursue the intended strategy will depend on the generosity and support of a broad range of individuals, trusts and foundations, corporates and businesses, but we need to maintain and expand our donor base if we are to fulfil our current Learning & Participation programme and achieve our ambitious business plan.

Maurice Biriotti
Chair

Date: 14 December 2015

**Spitalfields Festival Limited
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Report of the Trustees
For the year ended 31st August 2015**

SPITALFIELDS MUSIC AT A GLANCE

Each year Spitalfields Music produces:

- A year round Learning & Participation programme
- A Summer Festival across 18 days in June
- A Winter Festival across 12 days in December

2014 – 2015: in numbers

3 Festivals
4 recordings/broadcasts
5 new commissions performed at our Festivals
5 Trainee Music Leaders mentored by our Learning & Participation team
7 Tower Hamlets Schools involved in our Neighbourhood Schools programme
10% of all tickets booked for Festivals were from E1, E2 & E3 postcode districts, all in Tower Hamlets
17 world or UK premieres at our Festivals
19 new artists contributed to our Festivals
19 venues in Tower Hamlets used for our Festivals
23 music leaders trained
34 brand new pieces of music created in conjunction with school children in Tower Hamlets
46 performances on the Musical Rumpus tours, 32 in east London, 12 in the UK and 2 in Europe
47 artists/music leaders worked on our Learning & Participation programme
47 women living or working in east London sang in Women Sing East
67 young people with and without learning disabilities reached through our SHINE programme
72 performances of our Learning & Participation work across the year
91 creative sessions delivered as part of our Neighbourhood Schools Programme
97 Festival events at our Summer & Winter Festivals
109 volunteers worked with us throughout the year
125 tickets given away to Tower Hamlets residents as part of our No Strings Attached initiative
137 Learning & Participation workshops
784 pupils performed as part of our Neighbourhood Schools Programme
1726 people booked tickets to our Festivals for the first time
1740 people booked for our Winter Festival 2014, an increase of 12% on the previous year
1746 babies and toddlers attended Musical Rumpus performances during the year
6557 people from east London took part in our Learning & Participation work in the year
10575 tickets sold for Festival events

**Spitalfields Festival Limited
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Report of the Trustees
For the year ended 31st August 2015**

OVERVIEW OF ACHIEVEMENTS 2014-2015

Our work

Our work is defined by artistic excellence, innovation in music and creative learning practice, and reach and diversity. Our festivals and projects bring world class composers and musicians to east London, working with both emerging and established artists to create new work and also to introduce work to new audiences aiming for the broadest cross-section of society.

We do this by regularly commissioning or premiering work and have delivered 5 commissions and 17 premieres in our programme this year. We work extensively in the local area with schools and community groups, offering free tickets for local residents who have not attended our events before, either for festival performances or to young audiences for our Musical Rumpus or Sound Explorers programmes. This encourages engagement from sections of the community who would otherwise not normally seek access to the arts.

Year-round Learning & Participation programme

Our Learning & Participation programme consists of three strands – Children & Young People, Community Engagement and Creative Leadership. All are designed in close consultation with the boroughs in which we work and a range of partner organisations, and seek to encourage local talent, reach those who otherwise may not have access to the arts, and offer ways for participants of all ages and backgrounds to develop personal skills and increase community cohesion.

In 2014-2015 we achieved the following:

- A brand new production in our Charity Award-winning Musical Rumpus series of multi-sensory operas for young children – *Catch a Sea Star* – toured to disadvantaged east London communities alongside national and international performances across the UK and Europe.
- Our Sound Explorers strand gave local pupils the chance to experience world-class musicians performing up close through in-school concerts and events during our Summer and Winter Festivals. The series brought the highest-quality music to over 800 pupils – presented in a way that was inspiring and engaging, and encouraged the pupils to explore the music further.
- Eighteen young people with severe learning difficulties performed their own music and songs to friends, family and the general public during our Easter-holiday *Shine* project, produced in association with Drake Music and Toynbee Hall.
- Five talented young workshop leaders engaged in our renowned year-long Trainee Music Leaders scheme, developing valuable skills in the delivery of high-quality creative music projects, including the *Takeover Spring Festival*.
- 107 pupils performed alongside musicians from the Royal Academy of Music in the RAM's Duke Hall at the culmination of our *Songs in Space* project. The project was designed to support the professional development of three exciting young composers, whilst giving pupils the chance to develop their music and singing skills, and increase their self-esteem and confidence through the thrill of performing on a professional stage.
- In partnership with Tower Hamlets Arts & Music Education Service (THAMES), our Summer and Winter Festival *Platform* concerts provided opportunities for young musicians from across the borough to perform on a professional stage to audiences of over 300 friends, family and regular festival audience members.

Takeover Spring Festival

In March we added a third Festival to our roster with one of our largest Neighbourhood Schools projects to date – *Takeover Spring Festival* – in which students aged 7-11 years from three primary schools in Tower Hamlets curated their very own festival, 'taking over' their school for the day and filling it with music and art.

- Fellow pupils, friends and family were taken on a journey through Egypt at 'The Rhythm of the Nile Festival' in Osmani Primary School, travelled back to ancient Norse times at 'The Amazing Magical Broken Hammer Festival' in Stewart Headlam Primary School and saw everything from mime artists to pedal-powered music at The Cherry Trees Festival.
- Showcasing the creativity of young minds through music, art installations and performance, we gained sector-wide recognition for this innovative model of pupil-led creative learning.
- *Takeover* embodies the belief that all young people have the right to access and participate in exceptional art in all its facets. It parallels our annual festival programming and artist development work, as well as being a dynamic and challenging conversation through music and arts. *Takeover* works beyond the curriculum to explore different kinds of learning, social groupings and interactions and ways of communicating.

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For the year ended 31st August 2015

Takeover Spring Festival continued

Evaluation of the project with teachers and music leaders shows that we have been able to:

- Develop participants' creative and musical skills, increase their self-esteem and confidence and build their communication and social skills;
- Make a vital contribution to the artistic life of east London, increase community cohesion within the borough and create a platform for cross-cultural and inter-generational collaboration;
- Increase parental engagement in their childrens' education through the *Takeover Spring Festival*, developing the confidence to bring music and creative experiences into their homes; and
- Build the confidence and ability of workshop leaders, teachers and partner staff through training and professional development programmes.

Winter Festival 2014

Early music highlights included two concerts featuring countertenor Iestyn Davies, the first in a candlelit Shoreditch Church with lutenist Elizabeth Kenny and the second in Christ Church Spitalfields, joining Festival regulars The English Concert to perform lyrical and timeless works by JS Bach and Buxtehude. Vocal ensemble The Sixteen also returned to Christ Church with a seasonal programme of music by Palestrina and 20th Century British composers including Holst, Warlock and Vaughan Williams. Celebrated French baroque ensemble Le Concert Spirituel made their Spitalfields Music Festival debut with a programme which explored the musical world of the early 18th century, including intimate works by Purcell and lively concertos by Corelli and JS Bach.

Over in the warren of underground spaces beneath Shoreditch Town Hall, BAFTA Award-winning writer Alan Gilbey launched his project *Tales from the Ditch*, taking the audience on an interactive theatrical journey through London's east End with a cast of local storytellers, historians and musicians. Claudia Molitor presented *Vast White Stillness* in Toynbee Studios, a part-installation, part-performance exploring memory and the half-remembered. *Phantom Voices* by The Clerks combined music and science in a late-night performance of musical 'hauntings' that spanned generations of composers. New works at the winter festival included pieces by Gérard Pesson and Sam Hayden with quartet Quatuor Diotima, and a special collaboration between Polish ensemble Kwartludium and 2013 Associate Artist Scanner.

Our Learning & Participation programme was also well represented with our Musical Rumpus interactive opera for babies and toddlers *Catch a Sea Star* opening the festival, two collaborations with Tower Hamlets Arts & Music Education Service in our *Platform* series, and a musical adventure in Brady Arts & Community Centre for 5-7 year olds: *Moon Man*, based on Tomi Ungerer's much-loved book, especially crafted for young ears. Elsewhere we delivered a spell-binding musical workshop in the winter gardens of Spitalfields City Farm, and we welcomed members of the public to Shoreditch Church to discover their voice in *Sing Out*, our half day celebration of singing.

Summer Festival 2015

We were delighted to welcome baroque music ensemble La Nuova Musica, award-winning composer Emily Hall, and saxophonist and former BBC Radio 3 New Generation Artist Shabaka Hutchings as our Associate Artists during our Summer Festival 2015. La Nuova Musica performed three different selections of baroque music including a rich and dramatic performance of Handel's *Israel in Egypt*. Emily Hall took over a floor at local arts hub Rich Mix for the weekend with performances of her new opera *Folie à Deux* alongside two days of intimate performances and talks with friends and collaborators including Mara Carlyle, Toby Litt, James McVinnie and Mira Calix. Taking inspiration from sounds collected around Spitalfields, Shabaka Hutchings created a new piece of music subverting the traditional idea of how we think about sounds.

TROUPE musicians were joined by audience members of all ages as they set off on an interactive family adventure in *If a Tree Falls in the Forest* featuring dance, poetry and music by Bach, Cage and Weill. For the youngest members of the family we presented a new production of Musical Rumpus - *A Fairy Queen in the Forest* – bringing the music of Henry Purcell to babies and toddlers through a world of fairies and fantastic animals, full of sounds and colours to explore.

The Carnival Band brought a colourful cast of characters to life with a collection of 17th Century English ballads, while Bridie Jackson & the Arbour blended traditional melodies from the North East of England with more contemporary sounds for essential summer evening listening. The Sacconi Quartet performed Beethoven and used responsive lighting design and handheld digital connectors linked to the heartbeats of the performers to create a multi-faceted experience of sound, light and touch. We also continued our popular Spitalfields Salon series with renowned singers Anna Devin, Elizabeth Watts and Ian Bostridge, who joined Harry Bicket of The English Concert for intimate evenings of chamber music in the enchanting private homes of Spitalfields. In the closing concert of our Summer Festival, City of London Sinfonia were joined by choir Polyphony and performed four sensational works by Haydn, Bach, Mozart and Handel, which was broadcast live on BBC Radio 3.

Spitalfields Festival Limited
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Report of the Trustees
For the year ended 31st August 2015

ACHIEVEMENTS AGAINST PRIORITIES FOR 2014-2015

This has been a challenging year of transition for Spitalfields Music. As noted above, our Chief Executive, Abigail Pogson, resigned to take up a new appointment as Managing Director at Sage Gateshead. The time between Abigail's departure and the gap before Eleanor Gussman's appointment has inevitably had an impact on fundraising and future planning. It is testament to the strength of the team and the commitment of everyone at the organisation that despite this, we made progress against our ambitious Business Plan over the course of the year.

The funding environment was particularly challenging which meant that we were unable to prioritise funding towards our plans to create an administrative hub for emerging artists. However, we have been able to forge constructive links and find potential partnerships for this work. Alongside this, we have been making progress in extending the reach of our work into neighbouring east London boroughs. Our Musical Rumpus tours went to libraries and community centres in Newham and in Barking & Dagenham in Autumn 2014 and Spring 2015. We have further work planned in these areas up until the 2016-17 year.

We have begun to research the possibilities of exploiting our Musical Rumpus and Sound Explorers models and will continue to consider their commercial development. There are a number of issues still to consider and we plan to continue to grow the programmes as part of our work with young audiences. Spitalfields Music has taken part in a number of spotlighting activities in which we shared our models of good practice. This year, members of the team have presented papers based on our work with young audiences and families at conferences such as Classical Next, Spark Festival and the RESEO (European Network for Opera and Dance Education) conference in Portugal. We have also presented work on new audiences and our programme at conferences held by the Association of British Orchestras, the Future Conservatoire, the European Network of Information Centres, and the Contemporary Opera & Music Theatre Showcase and Symposium held at the Royal Opera House.

In order to support our ambitious Business Plan, we invested in people to join our Development Team, and this recruitment has now enabled us to get more funding in place for the 2015-16 financial year while also improving our ability to forecast our income more accurately. We are also now more able to focus on corporate fundraising, although this will take some time to build momentum in a continued challenging economic environment.

With the help of trustee Nicky Oppenheimer and Odgers Berndtson, we appointed a new Chair, Professor Maurice Biriotti, who succeeded Sir Alan Moses as Chair of our Board of Trustees on 1 July 2015. Professor Biriotti's work covers literature, philosophy, anthropology and the dynamics of cultural change, and he has served as a board member at other music festival organisations. We believe he will bring a huge contribution of talent, energy and intellect to Spitalfields Music.

This year also saw a widening of our digital reach as we released a greater number of trailers and videos to share our work, including video clips of our Associate Artists and short films about our *Takeover Spring Festival*. These were showcased on our website, through our *Takeover Spring Festival* Blog, and projected in venues during our Summer Festival. We also released another series of *What Next* podcasts about the role of the arts in cities and local communities. The speakers came from a range of backgrounds, from the arts to social enterprise, to business leadership and futurism. They each selected a topic they are passionate about, addressing and provoking challenges for the future of the music and wider creative industries of today. These talks remain on our website for our audiences and wider stakeholders to listen to and refer back to as a resource. Spitalfields Music also took part in a Google Hang-Out in February 2015 which involved a web debate on how arts festivals help cities express themselves as part of the #bbcgetcreative campaign.

Our work with audiences and artists has been successful in the year. We increased our work with young audiences through *Moon Man* for five to seven year olds in the Winter Festival and *If a Tree Falls in the Forest* with TROUPE for seven to eleven year olds during Summer Festival. We also ran our *No Strings Attached* incentive, in which people from Tower Hamlets could receive a free ticket to selected events as long as they had not attended one of our Festivals in the past. The money to subsidise this was raised partially from our existing audience, many of whom made a donation towards a *No Strings Attached* ticket. We gave away over 100 tickets through the scheme this year and are investigating strategies for turning these audience members into repeat bookers for future festivals. We worked with a number of Associate Artists in the year, including Shabaka Hutchings, Emily Hall and La Nuova Musica (LNM). Spitalfields Music has worked with LNM several times over the past few years, and this year's Summer Festival marked a culmination of this relationship. Afterwards, David Bates, the Artistic Director of LNM sent this message:

"A heartfelt thanks for giving LNM and me the awesome platform of Associate Artist this year. I am very conscious that your support over the past five years has helped LNM and me grow artistically and practically, raising our profile amongst classical music audiences and industry peeps alike."

**Spitalfields Festival Limited
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Report of the Trustees
For the year ended 31st August 2015**

ACHIEVEMENTS AGAINST PRIORITIES FOR 2014-2015 continued

Emily Hall's piece with Mahogany Opera *Folie à Deux* was programmed in our Winter Festival as a work in progress to give the artists the opportunity to test their work in front of an audience and to give our audience an insight into the creative process of developing a new opera. The completed *Folie à Deux* was shown in our Summer Festival, complete with electro-magnetic harp, an instrument created especially for this piece.

During the year, Spitalfields Music joined the newly created London Festival Network which has enabled us not only to share experience and ideas, but also brought us closer together with other festival producers. We are currently working on a large-scale project with two partner organisations that will take place next year following our Summer Festival 2016.

FUTURE PLANS

- Explore the potential for increasing our earned income
- Undertake a Theory of Change exercise to help shape future strategy and inform impact measurement
- Commission a new work by composer James Redwood, to bring together long standing primary school partners and Trainee Music Leader alumni during our Summer Festival 2016 celebrating Spitalfields Music's 40 years in Tower Hamlets
- Work in partnership with Julian West to pilot a creative project involving older people in care settings, focusing on including people living with dementia.
- Broaden the reach of our successful Trainee Music Leaders (TML) programme by offering high quality but affordable training to all TML applicants through Skills Lab workshops
- Review the property requirements of the organisation and identify possibilities for the next few years

**Spitalfields Festival Limited
(Limited by Guarantee)
Report of the Trustees
For the year ended 31st August 2015**

SUPPORTERS

Spitalfields Music relies on support from a wide range of organisations

Public Funders

Arts Council England
City of London
London Borough of Barking & Dagenham

London Borough of Tower Hamlets
Tower Hamlets Arts & Music Education Service

Companies

Allen & Overy
Clifford Chance
M&G Investments

Macfarlanes LLP
News UK
Simmons & Simmons LLP

Trusts & Foundations

29th May 1961 Charity
Ambache Charitable Trust
Angus Allnatt Charitable Foundation
Britten-Pears Foundation
Chapman Charitable Trust
Derek Shuttleworth Educational Trust
Diaphonique
Fenton Arts Trust
Fidelio Charitable Trust
Garfield Weston Foundation
Garrick Charitable Trust
Golsoncott Foundation
Harold Hyam Wingate Foundation
J Paul Getty Jnr Charitable Trust
John and Susan Bowers Fund
Loveday Charitable Trust
The Mercers' Company

The Merchant Taylors' Company
Michael Tippett Musical Foundation
Paul Hamlyn Foundation
Polish Cultural Institute
PRS for Music Foundation
Rothschild Charities Committee
RVW Trust
Spirit of 2012 Trust
Thistle Trust
Wessex Youth Trust
Worshipful Company of Barbers
Worshipful Company of Basketmakers
Worshipful Company of Chartered Surveyors
Worshipful Company of Parish Clerks
Worshipful Company of Wax Chandlers
Worshipful Company of Weavers

Help in Kind

We also receive support from companies and individuals who enable us to maintain our level of activity. To all of our supporters, we are very grateful for this vital help and involvement in our work.

Performance and rehearsal:

Brady Arts & Community Centre
Rich Mix
St Leonard's Church, Shoreditch
Spitalfields City Farm
Barbican Centre
Village Underground
The Chapel Royal of St Peter ad Vincula, Tower of London
Geffrye Museum
Christ Church Spitalfields
The Bishopsgate Institute
Bedales Spitalfields
Leon Spitalfields
Canteen Spitalfields
Dr Lisa Conlan
Rupert Hunt
Toby Litt
Will Palin
Diccon Wright
Olwen Evans
Tower Hamlets Arts & Music Education Service
Drake Music

Meeting and Reception spaces:

The English Restaurant
Spitalfields E1
SHM Group
Fiona Atkins
John & Sandy Critchley
Marianna Kennedy
Canary Wharf Group
Pearson UK
Reed Smith
Richard Syred & Brian Parsons
Royal Institute of British Architects
Dr Johnson's House Trust
Julia & Jamie Komer
Robert & Tricia Colvill
Sally Roe
Joanna & Tom Broadhurst
Joanna Bird
Royal Society of Medicine
Toynbee Hall

Legal and professional services:

Macfarlanes LLP
Odgers Berndtson
Mazars LLP
Field Fisher Waterhouse LLP

Recording and marketing support:

Impress Print Services Ltd
London Borough of Tower Hamlets
Charlie de Wet
The Water Poet
Wax Chandlers Hall
Tom Armitage
Resonance 104.4 FM

Volunteers

In addition, the charity relies on the help of volunteers during the Festivals and at other events throughout the year. More than 100 people volunteered this year, with many of them returning after volunteering in previous years. They make excellent ambassadors to our audiences, providing support as festival stewards and assistants. We have partnerships with Streetwise Opera, Team London and Queen Mary University of London. This year, 109 volunteers spent 1675 hours working with us.

**Spitalfields Festival Limited
(Limited by Guarantee)
Report of the Trustees
For the year ended 31st August 2015**

STRUCTURE, GOVERNANCE & MANAGEMENT

Spitalfields Festival is a company 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.

The affairs of the organisation are managed by the directors who are members of the Spitalfields Music Council supported by a sub-committee for Finance & Legal matters. The Company Information set out on page 2 contains details of current membership. Outside of the governance structure, a Programme Advisory Group and a Development Group (involving both Council members and associate members) 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 14, 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 has arrangements to support the appointment of members who have the skills, knowledge and networks to govern effectively.

- There shall be at least three directors at all times, 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

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.

RISK MANAGEMENT

The Council acknowledges its responsibility to assess and manage the risks that the organisation faces. However, such systems can only provide reasonable and not absolute assurance against errors, fraud, operations failures and the impact of external events. The major risks have been identified and processes have been put in place to mitigate them. There is a full risk register in place that is reviewed annually by the Council.

The major risks that have been identified are the inability to reach income targets, issues with premises and the sudden or unexpected loss of key staff. To help mitigate these risks, we have invested in our fundraising team to diversify funding sources, specifically investigating the corporate sector. We have set up an informal property advisory group to help the organisation plan both a long and mid-term strategy for our accommodation. During the year, a number of key members of staff resigned, including the Chief Executive, the Director of Finance & Administration and the Office Manager. Throughout the interim period, a transition risk register was devised and monitored by members of the Finance & Legal Committee with assistance from members of the Senior Management Team. The organisation continues to go through a period of change, but this is being managed effectively by individual members of the Council by working even more closely with Senior Management Team during the transition period.

**Spitalfields Festival Limited
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Report of the Trustees
For the year ended 31st August 2015**

FINANCIAL REVIEW

The year to 31 August 2015 was intended to be a year of investment in which the organisation increased resources in the development and finance functions. This resulted in an increase in staffing costs which is expected to provide a benefit over the longer term in strengthened strategic planning and increased income.

The trustees report an operating deficit for the year of £145,708 (2013-14 operating deficit: £17,040). Following the revaluation of the investment portfolio which, following charges for management fees, gave a net increase of £2,833 (2013-14: £50,953), the final result for the year ended 31 August 2015 is a deficit of £141,557 (2013-14 surplus: £33,913).

Income

Income fell in year by £75,796 to £964,378 (2013-14: £1,040,174). The income sources for the charity remain diverse with income (not including donations in kind) breaking down as 24% from donations, 29% from trusts & foundations and 26% from funding from public sources, with the remaining 21% of income earned through activities. Ticket and fee income in the year held steady on prior year values, despite a drop in the number of events.

The climate for income generation has been challenging, with all income sources lower than in 2013-14, when fundraising was enhanced by the events marking the 25th anniversary of the Learning & Participation programme. Statutory funding fell to £224,359 (2013-14: £260,824) as a result of a 50% reduction in funding from the London Borough of Tower Hamlets and less direct project funding in relation to special projects such as *Crowd Out* which took place in 2013-14. Individual donations were £184,299 (2013-14: £195,135) and corporate income fell to £22,000 (2013-14: £45,880) due to the completion of support from a number of corporate donors. Income from trusts and foundations was largely unchanged at £245,230 (2013-14: £247,815). The departure of our Chief Executive, the time it took to find a replacement and the greater demands placed upon the Director of Learning & Participation and the Director of Development & Communications while acting as joint Chief Executive have also had an effect on fundraising in 2014-15.

Expenditure

Expenditure rose by £52,872 in the year to £1,110,086 (2013-14: £1,057,214). The majority of expenditure went directly towards our charitable activities, namely the delivery of the Learning & Participation programme throughout the year and the Winter and Summer festivals. The cost of generating funds has increased in the year to £129,911 (2012-13: £56,254) principally due to the increased number of staff involved in the activity meaning that both the cost of the staff and the proportion of support expenses allocated to this area of work have increased.

Reserves policy

Unrestricted and Undesignated Reserves at the end of August 2015 were at £478,199 (31 August 2014: £592,965). The trustees' policy is to hold unrestricted reserves equivalent to approximately six months running costs against actual commitments made by the charity. This amount fluctuates depending on the programme scheduled for the year, and at current activity levels falls within a range from £500,000 to £600,000. The trustees are committed to rebuilding the reserves to the target level by generating operating surpluses in future years.

Currently there is also a designated fund derived from the sale of a flat which was purchased with grant funding from Arts Council England through the National Lottery Fund. This fund is to be expended on property costs incurred by the charity. Rent of £27,000 in year was allocated to the fund, and at 31 August 2015 the fund stood at £33,092 (31 August 2014: £60,092).

Investment policy

The charity has the power to invest monies not immediately required for the furtherance of its objects.

The current policy dictates that there must be sufficient cash held for the charity to meet its regular operating commitments. Investments are restricted to instruments easily traded on recognised exchanges. Investments may be made direct or through intermediaries including fund managers. In the case of fund managers, they must be registered with and authorised by a recognised Stock Exchange or equivalent financial authority such as the UK FCA.

The trustees' aim is to achieve over medium term (2-3 years) an investment return of LIBOR plus 3.5%. The risk framework is to ensure the protection of the value of the charity's investment assets, targeting annualised volatility on a longer term basis of no more than 5% compared with target performance on the overall portfolio.

While the charity's investment policy has been set by the trustees, responsibility for ongoing investment issues has been delegated to the Finance and Legal sub-committee.

The Restricted Funds are included in the investment portfolio, further details of which can be found in the notes to the accounts.

Spitalfields Festival Limited
(Limited by Guarantee)
Report of the Trustees
For the year ended 31st August 2015

STRUCTURE, GOVERNANCE & MANAGEMENT continued

Statement of Trustees' Responsibilities

The trustees (who are also directors of Spitalfields Festival Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Price Bailey LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 they are deemed re-appointed auditors for the ensuing year.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Signed on behalf of the trustees


Maurice Biripiti, Chair

Date:

14/12/15

**Independent Auditor's Report to the Members of
Spitalfields Festival Limited
(Limited by Guarantee)**

We have audited the financial statements of Spitalfields Festival Ltd for the year ended 31 August 2015 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 solely 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015, 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 (applicable to smaller entities) and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

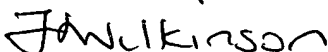
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 directors' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Helena Wilkinson FCA
Senior Statutory Auditor
For and on behalf of

Price Bailey LLP, Chartered Accountants and Statutory Auditor
7th Floor, Dashwood House, 69 Old Broad Street, London EC2M 1QS

Date:

16 Dec 2015

Spitalfields Festival Limited
(Limited by Guarantee)
Statement of Financial Activities
For the year ended 31st August 2015

	Note	Unrestricted Funds	Designated Fund	Restricted Funds	Endowment Funds	Total 2015	Total 2014
			Property		New Music Commission Fund		
		£	£	£	£	£	£
Income and Expenditure							
Incoming Resources							
<i>Incoming resources from generated funds</i>							
Grants	2	283,579	-	186,010	-	469,589	537,850
Donations	3	206,024	-	-	275	206,299	241,015
Donations in kind	3	95,840	-	-	-	95,840	73,036
Investment income	10	442	-	-	-	442	733
<i>Incoming resources from charitable activity</i>							
Box office and fees	4	183,264	-	-	-	183,264	161,898
Sponsors		8,000	-	-	-	8,000	25,500
Other income		944	-	-	-	944	142
Total Incoming Resources		778,093	-	186,010	275	964,378	1,040,174
Resources Expended							
<i>Costs of generating funds</i>							
Cost of generating voluntary income	5	124,241	5,670	-	-	129,911	56,254
Investment management costs		669	-	418	231	1,318	-
<i>Cost of charitable activities</i>							
Learning & Participation Programme	6	199,390	10,800	186,814	-	397,004	448,637
Festivals		557,973	10,260	-	-	568,233	540,209
Governance	7	13,350	270	-	-	13,620	12,114
Total Resources Expended		895,623	27,000	187,232	231	1,110,086	1,057,214
Net Outgoing Resources Before Transfers		(117,530)	(27,000)	(1,222)	44	(145,708)	(17,040)
Gross transfers between funds	14	(21)	-	21	-	-	-
Net outgoing resources before other gains and losses, being net expenditure for the year		(117,551)	(27,000)	(1,201)	44	(145,708)	(17,040)
Other recognised gains and losses:							
Gain on revaluation of investments	10	2,785	-	711	655	4,151	50,953
Net Movement of Funds in the Year		(114,766)	(27,000)	(490)	699	(141,557)	33,913
Reconciliation of Funds							
Total funds brought forward		592,965	60,092	137,969	151,946	942,972	909,059
Total funds carried forward	14	478,199	33,092	137,479	152,645	801,415	942,972

The accompanying notes form an integral part of these financial statements.


The statement of financial activities has been prepared on the basis that all operations are continuing operations.

Spitalfields Festival Limited
(Limited by Guarantee)
Balance Sheet at 31st August 2015

	Note	2015 £	2014 £
Fixed Assets			
Tangible Assets	9	94	300
Investments	10	889,248	986,416
		<u>889,342</u>	<u>986,716</u>
Current Assets			
Debtors	11	19,640	104,594
Cash at bank and in hand		119,796	156,683
		<u>139,436</u>	<u>261,277</u>
Creditors: Amounts falling due within one year	12	<u>(227,363)</u>	<u>(305,021)</u>
Net Current (Liabilities)/Assets		<u>(87,927)</u>	<u>(43,744)</u>
Net Assets		<u>801,415</u>	<u>942,972</u>
 Reserves	14		
Unrestricted funds		511,291	653,057
Restricted funds		137,479	137,969
Endowment		<u>152,645</u>	<u>151,946</u>
		<u>801,415</u>	<u>942,972</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006.
The notes on pages 16 to 21 form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 14 December 2015


Maurice Biricotti
Chair

Company number: 3138347

The accompanying notes form an integral part of these financial statements.

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015

1 Principal Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2005, the Companies Act 2006 and applicable accounting standards.

Going concern

The charity's financial model maintains a diverse range of income sources, with no one source accounting for more than 30% of total income. The fundraising plan is geared to support this. In accordance with our investment policy the investments are structured to facilitate liquidity to support cashflow if required and unrestricted funds not immediately required are invested. The financial statements are drawn up on a going concern basis.

Incoming resources

Incoming resources are accounted for as unrestricted, unless restrictions exist under the terms on which they are received or solicited.

Incoming resources received in the year but relating to future projects are deferred.

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.

Ticket and programme sales are recognised in the year to which they relate.

Capital grants are recognised when received.

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.

Liabilities are recognised upon receipt of goods and services supplied and as soon as the obligation to make a transfer of value to a third party relating to the year's activity arises.

An element of support costs is allocated to charitable activities and governance on the basis of time spent.

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.

Tangible Fixed Assets and Depreciation

All assets acquired for continuing use by the charity costing more than £500 are capitalised at cost.

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 (now fully depreciated).

Asset Category	Annual rate
Piano	5.0%
Office Equipment	37.5%
Lottery Equipment	37.5%

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 proportionally across the funds that are invested.

Funds structure

The charity 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 in the notes to the accounts.

Pensions

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

Gifts in kind

Gifts in kind are recognised by reference to the value that the charity would have been expected to pay to receive the item or service, if acquired at a fair market price.

Operating Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015 (Continued)

	2015	2014
	Total	Total
	£	£
2 Grants - Statutory		
Arts Council England (core)	34,499	47,036
Arts Council England (Touring & Other funds)	98,010	97,283
Big Lottery Fund	-	4,310
City of London (core)	45,000	45,000
London Borough of Barking & Dagenham	2,750	2,000
London Borough of Tower Hamlets (core)	12,500	25,000
London Borough of Tower Hamlets (other)	15,000	17,500
National Apprentice Scheme	-	3,000
QMUL - Creative Works Voucher	(1,400)	4,700
YouthMusic	18,000	14,995
	<u>224,359</u>	<u>260,824</u>
Trusts and Foundations	<u>245,230</u>	<u>247,815</u>
Total Grants	<u>469,589</u>	<u>508,639</u>
Grants - Restricted Statutory		
	£	£
London Borough of Tower Hamlets	-	29,211
Cultural Apprenticeship scheme	-	-
Total Grant Income	<u>469,589</u>	<u>537,850</u>

	Unrestricted	Restricted	2015	2014
	£	£	Total	Total
			£	£
3 Donations				
Corporate Donations	22,000	-	22,000	45,880
Donations from individuals	184,024	275	184,299	195,135
Donations in kind	95,840	-	95,840	73,036
	<u>301,864</u>	<u>275</u>	<u>302,139</u>	<u>314,051</u>

Donations in kind for the year came to an estimated £95,840 (2013-2014: £73,036). Details of the organisations and individuals who helped us by providing free or discounted services is available in the report of the trustees.

	2015	2014
	£	£
4 Box Office and Fees - Unrestricted		
Ticket Sales	133,476	127,104
Box office external hires	2,769	551
Programme & leaflet advertising	860	475
Programme sales	5,021	3,533
Other Festival related income	6,748	-
Participant fees	34,390	30,235
	<u>183,264</u>	<u>161,898</u>

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015 (Continued)

5 Cost of generating funds

	Unrestricted £	Restricted £	2014-2015 Total £	Unrestricted £	Restricted £	2013-2014 Total £
Staff Costs	95,097	-	95,097	44,961	2,084	46,775
Other Costs	34,814	-	34,814	9,479	-	9,479
	<u>129,911</u>	<u>-</u>	<u>129,911</u>	<u>54,440</u>	<u>2,084</u>	<u>56,254</u>

6 Operating Activities

	£	£	£	£	£	£
Festivals	568,233	-	568,233	536,474	3,735	540,209
New Music Commission Fund	-	-	-	-	-	-
Learning & Participation	210,190	-	210,190	425,710	22,928	448,637
Early Year Music Fund	-	185,864	185,864	-	-	-
Christopher Vaughan Legacy projects	-	950	950	-	-	-
	<u>778,423</u>	<u>186,814</u>	<u>965,237</u>	<u>962,184</u>	<u>26,663</u>	<u>988,846</u>

Support costs are allocated to governance costs where appropriate, and pro-rated to operating activities and cost of generating funds based on staff activity.

	Unrestricted £	Restricted Project £	Restricted CV Legacy £	Endowment NMCF £	2014-2015 Total £
7 Governance Costs					
Staff costs	3,470	-	-	-	3,470
Office costs	5,725	-	-	-	5,725
Audit	4,425	-	-	-	4,425
	<u>13,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,620</u>

	Unrestricted £	Restricted Project £	Restricted CV Legacy £	Endowment NMCF £	2013-2014 Total £
Governance Costs					
Staff costs	5,682	-	500	500	6,682
Office costs	1,398	68	-	-	1,465
Audit	3,570	397	-	-	3,967
	<u>10,650</u>	<u>465</u>	<u>500</u>	<u>500</u>	<u>12,114</u>

Office costs include depreciation of £206 (2013-2014: £568).

8 Staff Costs

	2014-2015 £	2013-2014 £
Wages and salaries	355,001	410,028
National Insurance contributions	31,069	36,024
Employer's pension contributions	2,297	4,465
Other	16,004	529
	<u>404,371</u>	<u>451,046</u>

The average number of staff employed during the year was 15 (2013-2014: 16, including two apprentices). 12 staff are employed in charitable activities and 3 in generating funds and administration (2013-2014: 14 in charitable activities; 2 in generating funds and administration).

Other staff costs in the year includes a payment for recruitment costs for the Chief Executive hired in August 2015.

Employees whose total emoluments fell higher than £60,000 in the year was nil. (2013-2014: nil)

No trustee received any remuneration in the current or comparative period. Travel expenses of total £62 were reimbursed to two trustees in the financial year (2013-2014: nil)

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015 (Continued)

9 Tangible Fixed Assets

	Piano £	Office Equipment £	Lottery Equipment £	Total £
Cost/Valuation				
At 1 September 2014	4,095	58,889	84,679	147,663
Additions	-	-	-	-
Disposals	-	(5,346)	-	(5,346)
At 31 August 2015	4,095	53,543	84,679	142,317
Depreciation				
At 1 September 2014	3,796	58,888	84,679	147,363
Provided in the year	205	1	-	206
Eliminated on disposals	-	(5,346)	-	(5,346)
At 31 August 2015	4,001	53,543	84,679	142,223
Net Book Value				
At 31 August 2015	94	-	-	94
At 1 September 2014	299	1	-	300

All assets relate to the charitable activities. The piano was valued by the trustees on 31 December 2000, having been donated to the charity in 1995.

Disposals relate to equipment on the register below the value of £500, our current capitalisation threshold.

10 Fixed Assets: Investments

	2014-2015 £	2013-2014 £
At 1st September 2014	986,415	935,462
Additions	-	-
Disposals	(100,000)	-
Net investment gain	2,833	50,953
Total Investments at 31st August 2015	889,248	986,415
Historical Cost	817,853	913,013

The trustees consider individual investment holdings in excess of 5% of either portfolio to be material. At 31 August 2015, no individual investment holdings in the Newton portfolio were material. There were six holdings with the Cazenove Charities Multi-Asset Fund:

Majedie UK Equity Fund: 7.4%
 Old Mutual UK Alpha Fund: 7.3%
 Aberdeen UK Foundation Growth Fund: 6.3%
 Trojan Income Fund: 5.6%
 Artemis UK Special Situations Fund: 5.3%
 Schroder Charity Equity Fund: 5.3%

The investments are listed on a recognised stock exchange in accordance with the charity's investment policy.

Investment income in the year was as follows

	2014-2015 £	2013-2014 £
Interest on investments	-	201
Bank interest	442	532
	442	733

Investments held during the year were not income bearing.

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015 (Continued)

11 Debtors: Amounts falling due within one year	2014-2015	2013-2014
	£	£
Trade debtors	9,286	16,423
Prepayments	3,768	20,079
Accrued income	6,586	68,092
	<u>19,640</u>	<u>104,594</u>

12 Creditors: Amounts falling due within one year	2014-2015	2013-2014
	£	£
Other creditors	38,570	48,398
Income tax & social security	10,866	10,395
Accruals	11,379	21,878
Income in advance	166,548	224,350
	<u>227,363</u>	<u>305,021</u>

Income in advance analysis

Balance brought forward 1 September 2014	224,350	189,169
Amounts released in the year	<u>(224,350)</u>	<u>(189,169)</u>
Amounts deferred at year end	166,548	224,350
Balance carried forward	<u>166,548</u>	<u>224,350</u>

Income in advance consists of grants received for ongoing projects that flow from year to year, but for which funds are received in advance due to differing financial years between the charity and the project funders.

13 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets less liabilities £	Total £
Restricted funds:				
Christopher Vaughan Legacy fund	-	156,134	(18,655)	137,479
Endowment:				
New Music Commission Fund	-	143,816	8,829	152,645
Unrestricted funds:				
General fund	95	611,876	(100,680)	511,291
	<u>95</u>	<u>911,826</u>	<u>(110,506)</u>	<u>801,415</u>

Christopher Vaughan Legacy Fund

This is a restricted fund to support musical education for children in the London Borough of Tower Hamlets and performances by younger musicians. The funds are invested in accordance with the Investment Policy and the trustees aim to draw on this fund for new areas of activity which are being developed or areas which are considered to be important but cannot attract external funding.

New Music Commission Fund

This fund was set up by Judith Weir as she stepped down as Artistic Director of Spitalfields Music. The aim is to build an endowment fund of £200,000 from which interest can be regularly drawn to commission new music. Funds are invested in accordance with the Investment Policy.

Early Years Music Fund

This fund is based around the income and project costs for the Musical Rumpus and Sound Explorers series. Grants are made by funders and project costs including staffing and a proportional contribution towards wider support costs are included in expenses.

Property Designated Fund

This fund is derived from the sale of a previously owned property which was purchased with grant funding from Arts Council England through the National Lottery Fund. Funds are invested in accordance with the Investment Policy and the trustees draw on this fund for costs associated with property. Rental expenditure for the year of £27,000 was charged against this fund (2013-2014: £14,908).

Spitalfields Festival Limited
(Limited by Guarantee)
Notes to the Financial Statements
For the year ended 31st August 2015 (Continued)

14 Reserves	Brought Forward £	Incoming Resources £	Resources Expended £	Transfer from Unrestricted Fund £	Carried Forward £
Restricted Funds					
Early Years Music Fund	-	186,010	(186,031)	21	-
Christopher Vaughan Legacy	137,969	711	(1,201)		137,479
New Music Commission Fund	151,946	930	(231)		152,645
Total Restricted Funds	289,915	187,651	(187,463)	21	290,124
Unrestricted Funds					
General Fund	592,965	780,878	(895,623)	(21)	478,199
Property Fund	60,092		(27,000)		33,092
Total Unrestricted Funds	653,057	780,878	(922,623)	(21)	511,291
Total Funds	942,972	968,529	(1,110,086)	-	801,415

15 Obligations under operating leases

As at 31 August 2015 the company had annual commitments under non-cancellable operating leases:

	Land and Buildings	
Operating leases which expire:	2014-2015	2013-2014
Between two to five years	27,000	27,000

16 Pension commitments

The charitable company operates a defined contribution pension scheme. Pension costs for the period of £3,895 (2014-2015: £4,465) have been charged to the statement of financial activities. At the period end the charitable company owed £984 (31 August 2014: £584) to the scheme, which is included in other creditors in note 12.

17 Control and Share Capital

During the year, the charity was under the control of the Trustees. Spitalfields Festival is a company limited by guarantee. In the event that the charitable company is wound up, the liability of members is limited to £1 each.