

The CBSO Development Trust

REPORT AND UNAUDITED FINANCIAL STATEMENTS

for the year ended

5 April 2022

The CBSO Development Trust

TRUSTEES' REPORT

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 5 April 2022.

The financial statements comply with the Charities Act 2011, the Trust Deed and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019 (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects of the Trust state that the Trustees shall hold the capital and income of the Trust upon trust, to apply the income and all or part of the capital towards the financial support of the City of Birmingham Symphony Orchestra ("CBSO"), in the promotion and advancement of its charitable object and activities, as the Trustees may, in their absolute discretion, think fit.

The strategies employed to achieve the charity's aims and objectives are to:

- build an Endowment Fund to support the future sustainability of the CBSO;
- make financial grants to the CBSO to support their annual artistic plans;
- manage the funds held in accordance with agreed mandates and through the appointment of appropriately skilled investment managers.

ACHIEVEMENTS AND PERFORMANCE

Overall donations received in the year were £108,000 (2021: £33,000) comprising Endowment donations of £33,000 (2021: £33,000) and £75,000 (2021: £nil) of legacy income transferred from the CBSO and restricted donations of £nil (2021: £nil). The Trustees are grateful to all of the charity's various donors for their generous support during the year.

The charity incurred costs in relation to its investments, governance and administration.

The charity made no grants to the CBSO during the year.

FINANCIAL REVIEW

The total income for the year was £108,000 (2021: £33,000).

Grants totalling £nil (2021: £nil) were made to the CBSO and governance costs of £11,000 (2021: £9,000) and investment charges of £168,000 (2021: £134,000) were paid during the year.

The net surplus for the year after unrealised gains on investments was £312,000 (2021: £761,000).

RESERVES

Reserves Policy

The Trustees' policy is to:

- retain sufficient unrestricted funds to cover known commitments;
- manage its Endowment funds in line with the Declaration of Trust with Arts Council and the wishes of donors and to generate an annual income stream for the benefit of the CBSO;
- use its restricted reserves only in accordance with the specific wishes of the donors.

The reserves policy is reviewed annually by the Trustees.

The CBSO Development Trust

TRUSTEES' REPORT

Restricted funds:

These comprise three restricted funds as follows:

- CBSO Centre fund which represents donations received from supporters less costs paid for the building and upkeep of the CBSO Centre. No transactions occurred in the year and total reserves remain at £13,000 (2021: £13,000).
- CBSO Music Director Fund. A £nil (2021: £nil) grant was made from the fund to cover Music Director costs incurred by the CBSO in the 2021-22 financial year. At 5 April 2022 total reserves were £61,000 (2021: £61,000).
- CBSO Centenary Fund: At 5 April 2022 total reserves were £250,000 (2021: £250,000). This balance represents donations (of which £nil was received (2021:£nil) during the current year) to support the CBSO's centenary activities including the October 2022 tour to the U.S.A. postponed from October 2020 due to Covid-19 restrictions.

Expendable Endowment funds:

Endowment donations of £33,000 (2021: £33,000) were received during the year. The fund was increased by investment gains of £383,000 (2021: £871,000 gain) during the year. Investment costs of £168,000 (2021: £134,000) were charged to the fund and a grant of £nil (2021: £nil) was paid to the CBSO.

At 5 April 2022 these reserves were £3,600,000 (2021: £3,352,000).

Unrestricted funds:

This represents all funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

At 5 April 2022, these reserves were £230,000 (2021: £166,000).

INVESTMENT POLICY AND PERFORMANCE

The investments held by the charity were acquired in accordance with the powers available to the Trustees.

The charity's investment policy has not changed during the year and remains to 'produce the best financial return with a relatively low level of risk' with a secondary objective of guarding against inflation. The long-term investment objective is to achieve a return of UK CPI +4% per annum.

In order to achieve this long-term objective, the trustees have adopted a multi asset class approach with Partners Capital which includes investments in:

- The Master Portfolio – a £2m investment was made in September 2016. Over the long term it is expected that 85% of investment assets will be held in this multi asset portfolio.
- Private Equity Funds. – Following initial investments in March 2018 further investments have been made since that date with the aim of bringing this private equity holding close to the long-term target of 15% of investment assets held.

At 5 April 2022 the total market value of the investments held were as follows:

	2022		2021	
	£'000	%	£'000	%
The Master Portfolio	2,919	85.8	2,860	93.2
Private Equity Funds	482	14.2	208	6.8
Total	3,401	100	3,068	100

The CBSO Development Trust

TRUSTEES' REPORT

There were no investments into the Partners Capital Master Portfolio during the year. Capital calls/payments during the year into the Private Equity Funds totalled £118,000 (2021: £109,000).

The gain on stating all of the charity's investments at market value at the year-end was £383,000 (2021: £871,000 gain).

Portfolio performance is benchmarked against both:

- a composite weighted benchmark made up of a multi asset class benchmark and a private equity benchmark to reflect the actual exposure of the portfolio and
- a simple 60/40 benchmark of global equities and bonds.

The return (net of all fees and expenses) of the CBSO Development Trust portfolio managed by Partners Capital during the 12 months ended 31 March 2022 was 7.1% (2021: 32.6%). After a strong 2021, the first quarter of 2022 saw equities posting the largest quarterly decline since the COVID-19 pandemic began, whilst interest rates rose sharply over the quarter as inflation remained high. The CBSO portfolio outperformed the 60/40 global equity and UK government bond index which returned +3.3% in the same period. Whilst the portfolio benefited from diversification, it underperformed its Composite Benchmark which rose +7.7%, due to overweight positioning to China and biotechnology. Since inception, the CBSO portfolio has returned an annualised return of +8.0% (net of all fees and expenses) ahead of both the Composite Benchmark return of +7.5% p.a. (net) and the 60/40 Equity/Bond index return of +6.8%.

Under the agreement with its investment manager the Trustees receive monthly updates and quarterly performance reports and participate in annual performance reviews.

FUTURE PLANS

The charity will continue to provide financial support to the CBSO.

The charity acts as the custodian of the funds held which include a 25-year Expendable Endowment Fund held under a Declaration of Trust with Arts Council England and created with the support of the Catalyst Endowment Scheme. The charity has agreed a formal drawdown process with the CBSO which requires that annual proposals be submitted for any funding requests from Endowment Funds. Applications will reflect the wishes of Endowment donors where appropriate, and will be made for the delivery of artistic, educational or operational projects in line with the Declaration of Trust. The drawdown approved by the Trustees for the financial year ending 5 April 2023 is £130,000 (2022: £130,000).

The charity will continue to work with its investment managers to maximise the return on all Funds by reference to the agreed investment mandate and risk profile.

The charity remains committed to supporting the long-term financial security of the CBSO by making grants and by maximising the return on its investment funds and cash holdings.

A decision has been made by the Trustees to accept a gift from the City of Birmingham Orchestra Endowment Fund (CBOEF) as part of the wind down process of the CBOEF.

RISK MANAGEMENT

The principal risk faced by the charity lies in the performance of its investments. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

An Investment Sub Committee meets at least twice a year to monitor the performance of the investment portfolio by reference to the benchmark set by and agreed with, the investment managers.

The CBSO Development Trust

TRUSTEES' REPORT

PUBLIC BENEFIT

In considering the strategies and policies of the charity, the Trustees have had due regard to the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

REFERENCE AND ADMINISTRATION DETAILS

Charity Registration Number 1042296

Registered Office CBSO Centre, Berkley Street, Birmingham, B1 2LF

Our Advisers:

Independent Examiner Anna Spencer-Gray
RSM UK Tax and Accounting Limited
103 Colmore Row, Birmingham B3 3AG

Bankers HSBC Bank plc
130 New Street, Birmingham, B2 4JU

Solicitors Shakespeare Martineau
No.1 Colmore Square, Birmingham, B4 6AA

Investment Managers: Partners Capital LLP
5 Young Street, London, W8 5EH

The Trustees serving during the year and since the year end are as follows:

Chris Loughran* (Chair)
Wally Francis (deceased 31 July 2022)
Charles Barwell OBE*
Gordon Campbell*
David Pett*
John Osborn

*Member of Investment Sub Committee

The CBSO Development Trust

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The CBSO Development Trust is an unincorporated trust established by Deed of Trust on 16 November 1994 and amended by a Resolution dated July 2013. The Trust is a registered charity and was established for the financial support of the CBSO.

Organisation

The Trustees hold meetings on a regular basis to conduct the operations of the charity and implement its investment and other policies. An Investment Sub Committee meets at least twice a year to review the performance of its investment managers.

The day to day affairs of the charity are administered by staff employed by the CBSO for which no charge is made.

Appointment of Trustees

The Trust Deed states that the power of appointment shall be vested in the Trustees acting independently and allows for up to 40% of Trustees to be nominated by the Board of Directors of the CBSO. All appointments shall be made for a term not exceeding three years and a Trustee on the expiring thereof, shall be eligible for re-appointment.

The total number of Trustees shall at no time exceed thirty or be less than three.

Trustee Induction and Training

New Trustees undergo an induction to brief them on their legal obligation under charity law, the content of the Deed of Trust, the decision-making process, and the budget and financial performance of the charity. Trustees are encouraged to attend appropriate external training events which will facilitate the undertaking of their duties.

Trustee Liability Insurance

The charity holds Trustee Liability insurance on behalf of its Trustees and Officers at a cost of £2,918 (2021: £1,459).

TRUSTEES' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The charity Trustees are responsible for preparing a Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the charity including the income and expenditure of the charity for that period. In preparing the 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 the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The CBSO Development Trust

TRUSTEES' REPORT

The Trustees are responsible for keeping accounting records which are such as to disclose, with reasonable accuracy, the financial position of the charity at any time, and to enable them as Trustees to ensure that the financial statements comply with the Charity Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees are also responsible for safeguarding the charity's assets, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 1 February 2023.

By order of the Trustees

C T Loughran

Chris Loughran

The CBSO Development Trust

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CBSO DEVELOPMENT TRUST

I report to the trustees on my examination of the accounts of The CBSO Development Trust ('the charity') for the year ended 5 April 2022, which are set out on pages 8 to 16.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Anna Spencer-Gray

Anna Spencer-Gray
The Institute of Chartered Accountants in England and Wales
On behalf of:
RSM UK Tax and Accounting Limited
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

Dated: 3 February 2023

The CBSO Development Trust
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended at 5 April 2022

		Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
	<i>Notes</i>					
INCOME FROM:						
Donations and Legacies	2	75	-	33	108	33
TOTAL INCOME		75	-	33	108	33
EXPENDITURE ON:						
Charitable Activities	3	11	-	-	11	9
Raising Funds: Investment charges	4	-	-	168	168	134
TOTAL EXPENDITURE		11	-	168	179	143
NET SURPLUS/(EXPENDITURE) FOR THE YEAR BEFORE GAIN ON INVESTMENTS		64	-	(135)	(71)	(110)
GAIN ON INVESTMENTS		-	-	383	383	871
NET MOVEMENT IN FUNDS		64	-	248	312	761
RECONCILIATION OF FUNDS						
Fund balances brought forward		166	324	3,352	3,842	3,081
FUND BALANCES CARRIED FORWARD		230	324	3,600	4,154	3,842

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

The CBSO Development Trust

BALANCE SHEET

As at 5 April 2022

	<i>Notes</i>	2022 £'000	2021 £'000
FIXED ASSETS			
Investments	6	3,401	3,068
CURRENT ASSETS			
Debtors		82	7
Cash at bank and in hand		686	771
TOTAL CURRENT ASSETS	7	768	778
CREDITORS: Amounts falling due within one year	8	(15)	(4)
NET CURRENT ASSETS		753	774
TOTAL NET ASSETS		4,154	3,842
THE FUNDS OF THE CHARITY			
Expendable Endowment Funds	9	3,600	3,352
Restricted Funds	10	324	324
Unrestricted Funds	11	230	166
TOTAL CHARITY FUNDS		4,154	3,842

The financial statements on pages 8 to 16 were approved by the Trustees and authorised for issue on 1 February 2023 and are signed on their behalf by:

C T Loughran

Chris Loughran

Trustee

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

The CBSO Development Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

1. ACCOUNTING POLICIES

General information

The CBSO Development Trust is a charitable trust established in England. It is governed by its Trust Deed.

The address of the charity's registered office is CBSO Centre, Berkley Street, Birmingham, B1 2LF.

Basis of Accounting

The financial statements comply with the Charities Act 2011, the Trust Deed and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019 (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations, but which has since been withdrawn.

CBSO Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below:

Going concern

The Trustees have considered the impact of the pandemic on investment values and have concluded that, given the market recovery and its ongoing robust investment management arrangements, the going concern basis remains appropriate for the preparation of these financial statements as the charity can continue in operational existence for a period of at least 12 months after the date of signing these financial statements.

The Trustees are committed to continuing to build an endowment fund to provide long term financial security for the CBSO. Whilst the level of grants it can make to the CBSO is based on the availability of investment funds the trustees consider that these will be adequate to meet its future objectives.

A £1m Catalyst Endowment Scheme was awarded to the CBSO from Arts Council England in 2012. This Expendable Endowment, established through the CBSO Development Trust, restricts draw down to a maximum of 5% per annum over a minimum of 25 years and requires matched funding.

Bases and definition of income and expenditure

Income

- Income from legacies is included in income when the charity is legally entitled to the income, the amount can be quantified with reasonable accuracy and receipt is probable.
- Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.
- Endowment donations received are included when monies are received either directly or via the City of Birmingham Symphony Orchestra and allocated to the Endowment Fund.
- Other donations are recognised when monies are received.

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

The CBSO Development Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

1. ACCOUNTING POLICIES (Continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Raising Funds comprises quarterly fees and other costs incurred in respect of the management of Endowment and other funds.
- Charitable activities include all related costs including governance costs and any grants paid to City of Birmingham Symphony Orchestra. Governance costs represent those costs incurred in the governance of the charity and its assets and include legal and professional charges.

Functional Currency

The financial statements are presented in sterling which is also the functional currency of the charity.

Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. There are three restricted funds which represent;

- Donations received and expenditure incurred for the building and upkeep of the CBSO Centre.
- A single donation received to support the cost of the City of Birmingham Symphony Orchestra's Music Director.
- A single donation received to support the CBSO's centenary celebrations including the delayed tour to the USA in October 2022.

Endowment funds represent donations and grants held as a 25-year expendable Endowment under a Declaration of Trust with Arts Council England. The purpose of the Endowment is to support an annual innovation fund for the City of Birmingham Symphony Orchestra to deliver artistic, educational and operational projects.

Unrestricted funds are those which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not invest directly in options or other complex financial instruments but does have exposure to derivatives and complex financial instruments that are used within the Partners Capital investment products to hedge against currency risk and help achieve the desired level of total risk.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

The CBSO Development Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

1. ACCOUNTING POLICIES (Continued)

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measure at their settlement value. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, in full, to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction

Investments

Investments are equity investments over which the charity has no significant influence, joint control or control and are initially measured at transaction price. Transaction price includes transaction costs, except where trade investments are measured at fair value through profit or loss when transaction costs are expensed to profit or loss as incurred.

Investments are measured at fair value through profit or loss, or cost less impairment if fair value cannot be measured reliably.

	Total 2022 £'000	Total 2021 £'000
Financial assets measured at fair value through profit or loss	3,068	3,401

Taxation

The activities of the charity are not subject to taxation and therefore no provision for taxation is required.

Critical accounting estimates and areas of judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors; including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting estimates and assumptions to report.

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

2 DONATIONS AND LEGACIES

	Total 2022 £'000	Total 2021 £'000
Unrestricted donations	75	-
Endowment donations	33	33
	108	33

Endowment donations include £33,000 (2021: £33,000) from individuals and a £75,000 (2021: £nil) unrestricted donation via the City of Birmingham Symphony Orchestra.

3 CHARITABLE ACTIVITIES

	Total 2022 £'000	Total 2021 £'000
Governance Costs:		
Independent Examiner Fees	4	2
Legal & Professional	4	5
Trustee Insurance	3	2
	11	9

Total charitable activities expenditure of £11,000 (2021: £9,000) includes Unrestricted funds of £11,000 (2021: £9,000).

4 INVESTMENT CHARGES

	Total 2022 £'000	Total 2021 £'000
Investment charges	168	134

The investment charges in both years are attributed to Endowment funds.

5 STAFF COSTS AND TRUSTEE REMUNERATION

The charity has no employees.

The Trustees as a board are the key management personnel and they all give their time and expertise freely without any form of remuneration or other benefits in cash or kind (2021: £nil). No Trustee received any reimbursement of expenses during the year (2021: £nil).

A Trustee indemnity insurance premium of £2,918 (2021: £1,459) was paid during the year.

These unaudited financial statements have been subjected to an independent examination. See report on page 7.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

6 INVESTMENTS

	2022 £'000	2021 £'000
<i>At Market value</i>		
Balance at 6 April	3,068	2,222
Net purchases	118	109
Investment gains	383	871
Investment charges	(168)	(134)
	<hr/>	<hr/>
Balance at 5 April	3,401	3,068
	<hr/>	<hr/>
Historical cost of investments	2,165	2,165
	<hr/>	<hr/>

All investments are carried at their fair values, based on the underlying fund Net Asset Values which in turn use the closing quoted market price.

Investments comprise monies held in the Partners Capital Master Portfolio and Private Equity Funds; Condor XI, XII, XIII and XIV. There were no investments into the Partners Capital Master Portfolio during the year. Capital calls/payments during the year into the Private Equity Fund Condor funds totalled £118,000 (2021: £109,000).

All of the gains in both years are attributable to Endowment funds.

The main form of financial risk faced by the charity is that of volatility in financial and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities within particular sectors or sub sectors and other financial markets.

The charity manages these investment risks by retaining an expert manager and operating an investment policy that provides for a high degree of diversification. An Investment Sub Committee monitors the performance of the investment manager, holding annual meetings and receiving quarterly performance reports which are circulated to all Trustees.

7 CURRENT ASSETS

	2022 £'000	2021 £'000
Debtors	82	7
Cash at bank	686	771
	<hr/>	<hr/>
	768	778
	<hr/>	<hr/>

Debtors were as follows: Unrestricted funds £75,000 (2021: £nil), Restricted funds £nil (2021: £nil) and Endowment funds £7,000 (2021: £7,000).

Cash at bank balances were as follows: Unrestricted funds £169,000 (2021: £169,000), Restricted funds £324,000 (2021: £324,000) and Endowment funds £193,000 (2021: £278,000).

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

8	CREDITORS: Amounts falling due within one year	2022 £'000	2021 £'000
	Accruals	15	4

Creditors were as follows: Unrestricted funds £15,000 (2021: £4,000), Restricted funds £nil (2021: £nil) and Endowment funds £nil (2021: £nil).

9	EXPENDABLE ENDOWMENT FUNDS	2022 £'000	2021 £'000
	Balance brought forward	3,352	2,582
	Net incoming resources	248	770
	Balance carried forward	3,600	3,352

Endowment funds largely represents donations and grants held as a 25 year expendable Endowment under a Declaration of Trust with Arts Council England. The purpose of this Endowment fund is to support an annual innovation fund for the City of Birmingham Symphony Orchestra to deliver artistic, educational and operational projects. The charity has continued to receive endowment donations since the completion of the Arts Council Endowment Scheme in July 2015 and these funds will be used, in line with the donors' wishes, to support the artistic and educational needs of the City of Birmingham Symphony Orchestra.

Annual grants are made from Endowment funds based on applications from the City of Birmingham Symphony Orchestra and in line with the terms of the Declaration of Trust/donors wishes. Grants totalling £nil (2021: £nil) were made to the CBSO during the year for artistic and educational activities.

10	RESTRICTED FUNDS	6 April 2021 £'000	Donations received £'000	Grants made £'000	5 April 2022 £'000
	CBSO Centre fund	13	-	-	13
	CBSO Music Director fund	61	-	-	61
	CBSO Centenary fund	250	-	-	250
		324	-	-	324

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

10 RESTRICTED FUNDS (Contd.)

	6 April 2020 £'000	Donations received £'000	Grants made £'000	5 April 2021 £'000
CBSO Centre fund	13	-	-	13
CBSO Music Director fund	61	-	-	61
CBSO centenary fund	250	-	-	250
	324	-	-	324

Name of Restricted Fund	Description, Nature and Purpose of the Fund
CBSO Centre fund	The CBSO Centre fund represents donations received less expenditure made for the building and upkeep of the CBSO Centre. No grants were made during the year.
CBSO Music Director fund	The CBSO Music Director fund represents a £250,000 pledge to support the CBSO's Music Director over a 5 year period starting in September 2016. No grant was made in the year due to limited activity during the Pandemic.
CBSO Centenary fund	The CBSO Centenary fund represents a pledge paid in two £125,000 installments to support the orchestra's centenary activities including the replanned tour to the USA in October 2022. No grants were made during the year.

11 UNRESTRICTED FUNDS

	2022 £'000	2021 £'000
Balance brought forward	166	175
Net incoming/(outgoing) resources	64	(9)
Balance carried forward	230	166

The Unrestricted funds are available to be spent for the general objectives of the charity.

12 RELATED PARTY TRANSACTIONS

There have been no related party transactions during the year (2021: nil) that require disclosure.

The CBSO Development Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 5 April 2022

13 POST BALANCE SHEET EVENT

The Trustees have agreed to accept a gift from the City of Birmingham Orchestra Endowment Fund (CBOEF) by way of a Deed of Gift as part of the process to dissolve the CBOEF. All investment assets and cash forming part of the assets of the fund will be transferred except for a retained amount of £275,000 which will be paid to another charity and cover any remaining liabilities of CBOEF. Any residual balance will be paid over to the Development Trust. The value of the Assets to be transferred is approximately £2.6 million. This transaction is due to complete during the first quarter of 2023.