

COMPANY REGISTRATION NUMBER: 04109942
CHARITY REGISTRATION NUMBER: 1085485

The Academy of Ancient Music
Company Limited by Guarantee
Unaudited Financial Statements
For the year ended
31 August 2022

The Academy of Ancient Music

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2022

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The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report)

Year ended 31 August 2022

The Trustees, who are also the Directors for the purposes of company law, present their Report and the unaudited Financial Statements of the charity for the year ended 31 August 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name The Academy of Ancient Music

Charity registration number 1085485

Company registration number 04109942

Trustees

The Trustees who served the charity during the year and those who are currently serving are as follows:

Elise Badoy	3**	
Jane Barker CBE	1*	Appointed 13 January 2022
Paul Baumann CBE (Chair)		
Hugh Burkitt (Deputy Chair – until 28 July 2022)		Resigned 28 July 2022
Alan Clark		
Elizabeth de Friend	3	
Graham Nicholson (Deputy Chair – from 28 July 2022)	1, 2*	
Helen Sprott	1	
Madeleine Tattersall	2	
Kim Waldock		
Daryl Fielding		Appointed 13 July 2022

1 = member of Audit and Risk Committee as at 31 August 2022

2 = member of Nominations Committee as at 31 August 2022

3 = member of Development Board as at 31 August 2022

* indicates Chair of committee as at 31 August 2022

** indicates Chair of Development Board as at 31 August 2022

Principal and registered office	Cherry Trees Centre St Matthew's Street Cambridge CB1 2LT
Honorary President	Christopher Purvis CBE
Chief Executive	John McMunn
Music Director	Laurence Cummings
Founder	Christopher Hogwood CBE
Secretary	John McMunn

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

REFERENCE AND ADMINISTRATIVE DETAILS (*continued*)

Independent Examiner	Shane Tharby FCA For and on behalf of Streets Chartered Accountants 3 Wellbrook Court Girton Cambridge CB3 0NA
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VISION & MISSION, CHARITY OBJECTIVES AND PUBLIC BENEFIT STATEMENT

Vision

The Academy of Ancient Music aspires to be at the forefront of the global historically-informed performance movement, recognised universally for the quality of our performances and the impact of our scholarship and educational work.

Mission

The Academy of Ancient Music exists to delight and inspire audiences the world over with historically-informed performances of baroque and classical music of the highest quality. We believe that great art is for everyone, regardless of background or means, and we are committed to sharing our work as widely as possible through live performance, recordings and digital media.

Underpinning this mission are three core beliefs:

- Music has a unique ability to unite people through shared experience and common purpose. We believe that our commitment to audiences extends beyond the concert hall, and endeavour to create a sense of community around our work through extra-musical enrichment and engagement, all delivered to the same high standard as our performances.
- We believe in the inherent value of historically-informed performance, not because it is 'authentic' or 'correct', but because of its power to move audiences with performances of striking vitality and immediacy. We value our position as a leader in the field and are committed to furthering the historically-informed performance movement through scholarship, discovery, education and training, safeguarding the future of our art for generations to come.
- We acknowledge the need to address historical inequities in the arts and are committed to reflecting the diverse communities in which we work, both onstage and in our audiences. We will continue to strive to make our work as accessible and inclusive as possible while not abandoning our belief in the timeless relevance of our repertoire.

Charity objectives

The objectives of the charity are to advance the education of the public in the art of baroque and early classical music and the allied arts. There have been no changes to the charity's objectives since the last annual report.

The Academy of Ancient Music

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Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

VISION & MISSION, CHARITY OBJECTIVES AND PUBLIC BENEFIT STATEMENT (*continued*)

Public Benefit Statement

The Trustees regularly review the charity's activities to ensure the highest benefit to the public. The Trustees confirm that they have considered the Charity Commission's general guidance on public benefit in setting the charity's aims and objectives and in planning particular activities.

The charity exists to enrich people's lives with historically informed baroque and classical music performed and recorded to the highest standard, and by nurturing young audiences, artists and aspiring managers.

The orchestra's management are tasked with ensuring the charity's activities are accessible to all members of the public. Examples of steps taken to ensure broad public accessibility include:

- Encouraging attendance at concert performances by school children, students and young people through discounted tickets;
- Freely accessible video content (via the AAM website and elsewhere online);
- Regular broadcasts of concerts on national radio stations both in the UK and abroad, making our music widely accessible through radio and online;
- Free pre-concert talks which are open to all;
- Free concert programmes, available online, containing detailed notes on the music being performed and short biographies of the principal performers;
- Masterclasses, and orchestral workshops in which music students and AAM professionals play side-by-side.

YEAR IN REVIEW

Despite very real challenges, including ongoing COVID disruption, war in Ukraine and soaring inflation, 21/22 proved to be another year of achievement for AAM.

Under the leadership of new Music Director Laurence Cummings, the orchestra performed 29 concerts across the UK, reaching an estimated audience of 12,500. This included our first full own-promoted season at the Barbican Centre (London) and West Road Concert Hall (Cambridge) since 18/19. Themed 'New Worlds', the series featured a spectacular staging of Haydn's *Creation* with specially commissioned, 3D-mapped projections by Nina Dunn Studios (co-produced with the Barbican); a performance of JS Bach's *St John Passion* in its rarely heard 1725 version; and an evening of Mozartian fireworks culminating in an electrifying reading of *Symphony No. 41 'Jupiter'*. Other own-promoted programmes included *The Enchanted Forest*, a sequence of words and music by Handel, Rameau and Geminiani on magical themes; *South America*, a snapshot of sacred music-making in 18th century Peru; *Travelogue*, a programme tracing the voyage of Nicholas Lanier, the first Master of the King's Music, across Europe in 1625; *Exile*, a night of thrilling emotional extremes in the music of Haydn; and *La Turquie*, an evocation of the Ottoman Empire from a distinctly French perspective. We were privileged to work with guest artists Mary Bevan, Rachel Redmond, Stuart Jackson, Ashley Riches, Matthew Brook, Zoë Waites, VOCES8, Anna Dennis, Thomas Walker, Ann Hallenberg, Nicholas Mulroy, Dingle Yandell, Carolyn Sampson, Anthony Gregory, Marcus Farnsworth and Paolo Zanzu, amongst others.

The Academy of Ancient Music

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Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

YEAR IN REVIEW (*continued*)

Audiences received our 21/22 own-promoted season warmly, with 90% rating themselves 'very satisfied' or 'satisfied' with their overall experience. 96% judged artistic quality to be either 'very high' or 'high', and 83% reported feeling inspired by the music either 'a great deal' or 'a lot'. Critical reception of the season was similarly effusive, with significant coverage in the broadsheets, tabloids and online, and ratings of exclusively four- and five-stars. We achieved good attendance across promotions from our principal players and hit our business plan target of 85% of own-promotions directed by Laurence Cummings in his first year as Music Director.

AAM's domestic touring saw returns to the Chipping Campden Music Festival, Cambridge Music Festival, Bath BachFest, London Handel Festival, Deal Festival, Oxford Festival of the Arts and the Milton Abbey Summer Music Festival; as well as the Cadogan Hall (London), Sheldonian Theatre (Oxford), The Apex (Bury St Edmunds), King's College (Cambridge), and Britten Pears Arts (Snape Maltings).

After two years of significant disruption, AAM began to rebuild its international touring profile in 21/22. The orchestra had debuts at the Elbphilharmonie (Hamburg) with Tenebrae Choir and conductor Nigel Short; and MusikfestION (Nuremberg) with VOCES8; and returned to Soli Deo Gloria (Braunschweig) and the Korkyra Baroque Festival (Korcula). Regrettably, planned performances in the Concertgebouw (Amsterdam) and the Tchaikovsky Hall (Moscow) were cancelled due to COVID and international conflict respectively. Increasing the number of international engagements continues to be a key strategic objective of the orchestra going forward.

In April 2021, the Trustees adopted a new strategy for AAMplify, the orchestra's innovative education initiative, reorienting the scheme around developing the audiences, artists and arts managers of the future. In 21/22 AAM appointed a part-time player facilitator to manage and deliver our work with young artists specifically as part of the new strategy, in consultation with the Chief Executive and the Head of Planning & Operations. Across the year, we reactivated partnerships with the Royal Northern College of Music (Manchester), Royal Welsh College of Music & Drama (Cardiff), Royal Academy of Music (London) and the Guildhall School of Music & Drama (London), with whom we led side-by-side projects in London, Oxford and Sandwich. We hope for these activities to feed into an annual AAMplify orchestral project in future seasons, allowing young professionals the opportunity to perform larger-scale works usually beyond the scope of music colleges and universities side-by-side with our acclaimed professionals.

In the recording studio, 21/22 saw AAM mount a landmark project to complete the cycle of Mozart Piano Concerto recordings begun nearly 30 years ago by our founder Christopher Hogwood and scholar-pianist Robert Levin. Including sessions in late August 2021, the orchestra recorded no fewer than 17 concertos across the year, which are due for release on AAM Records across five discs from 22/23. To help us realise this long-held ambition, we were delighted to work with our former Music Director Richard Egarr (conductor), as well as our current Music Director Laurence Cummings (conductor/piano), Leader Bojan Čičić (violin), and guest artists Louise Alder (soprano) and Ya-Fei Chuang (piano). All works were recorded on instruments similar to those available to the composer at the time of composition, and we are grateful to partners at Pianos Maene (Belgium) and the Dulwich Estate (London), as well as Christopher Bucknall for the provision of fortepianos (Walters-, Stein- and Spath-types), organ and harpsichord respectively.

AAM did not release any new recordings in 21/22, but two recordings released the previous year were recognised with awards nominations and wins, specifically Dussek's *Messe Solennelle* (BBC Music Magazine Choral Award nominee; *Gramophone Classical Music Awards* winner) and Eccles' *Semele* (*Gramophone Classical Music Awards* nominee, produced in association with Cambridge Handel Opera Company and Cambridge Early Music). In recognition of both releases, and of the achievements of former Music Director Richard Egarr, AAM was nominated for *Gramophone Orchestra of the Year* 2021.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

YEAR IN REVIEW (*continued*)

The orchestra remains committed to digital content creation. In 21/22, in addition to streaming our season-opening co-production of Haydn's *The Creation* as part of the *Live from the Barbican* series, we broadcast all five of our Milton Court programmes via AAM's proprietary streaming portal, *AAM Live*. As a result of these and other digital activities, the orchestra grew its reach significantly both online and across social media. On 31 August 2022, AAM had more than 35,000 subscribers on YouTube (up 16%); 47,500 followers on Facebook (up 5%); 8,800 followers on Twitter (up 10%); 4,000 followers on Instagram (up 30%); and more than 1,200,000 monthly listeners on Spotify (up 20%), making it the most listened-to ensemble of our kind on that platform.

Other highlights of the year included numerous appearances on BBC Radio 3's *In Tune*, a BBC Radio 4 feature on our 20/21 performance of Vivaldi's *The Four Seasons* at the Barbican as part of the *How to Play* series, a delayed broadcast of our *Travelogue* programme at Milton Court on BBC Radio 3 (subsequently rebroadcast on WFMT Chicago), a rebroadcast of a series of lunchtime recitals given at LSO St Luke's in 2016 on BBC Radio 3, and a live broadcast of Handel's *Messiah* with VOCES8 at MusikfestION (Nuremberg) on Bayerischer Rundfunk.

The Trustees are grateful to the orchestra's players, its executive and staff for their loyalty, determination and ongoing creativity in challenging circumstances.

PLANS FOR FUTURE PERIODS

Artistic excellence on the concert platform, investment in digital and recorded content, and nurturing the audiences, artists and arts managers of the future will remain central to the charity's work as the industry continues to return to more normal modes of operation post-COVID.

The 22/23 season will once again feature a full programme of own-promoted events at the Barbican Centre (London) and West Road Concert Hall (Cambridge). The theme for the year will be *'Tis nature's voice*, with programming focusing on the natural world and our place within it. Highlights will include Haydn's *The Seasons* with immersive, 3D-mapped projections (once again co-produced with the Barbican), Handel's *Messiah*, and Beethoven's *Symphony No. 6 'Pastoral'*, alongside programmes exploring nature herself (Rebel's *Les Éléments*), the nature of music (JS Bach's *The Musical Offering*), music as nature (Purcell's *Hail! Bright Cecilia*), the human environment (Biber's *Battaglia*) and human nature (Handel's *Il Trionfo del Tempo*). UK touring will include returns to the Cambridge Music Festival, Chipping Campden Music Festival, Bath BachFest, The Apex (Bury St Edmunds), Cadogan Hall (London), Sheldonian Theatre (Oxford) and King's College (Cambridge) as well as a collaboration with the BBC Singers as part of their Milton Court series. Discussions are also underway to return to the main BBC Proms series at the Royal Albert Hall (London) for the first time since 2004. International touring engagements include returns to Concerts de l'Avent (Fribourg), Auditorio Nacional (Madrid) and Palacio de Congresos Principe Felipe (Oviedo) as well as AAM's debut at AMUZ (Antwerp) with a revival of our 21/22 *South America* programme.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

PLANS FOR FUTURE PERIODS (*continued*)

While financial headwinds may make it difficult to maintain current levels of activity on *AAM Live*, we remain committed to digital content creation and recording work more generally. In 22/23, we will begin to release clips from our 21/22 live-stream series on social media and YouTube, increasing the reach and impact of these recordings. We will also begin to release the five discs remaining in the Mozart Piano Concerto cycle detailed above (with the final discs coming to market in 23/24). We will record a recital disc of 17th century Venetian love duets with Randall Scotting (tenor) and Jorge Navarro Colorado (tenor) for release on Signum Records, and we are planning a new collaboration with Cambridge Handel Opera Company to make the world premiere recording of John Weldon's *The Judgment of Paris* in 23/24. Finally, while plans are not yet confirmed due to artist availability issues, we remain committed to recording the second book of Dario Castello's *Sonate concertate in stil moderno* with former Music Director Richard Egarr (our recording of the first book was released in 2016).

In 22/23 AAMplify, our innovative education initiative, will deliver side-by-side work with the Royal Academy of Music (London) and the Guildhall School of Music & Drama (London), as well as the inaugural AAMplify Masterclass Series, with sessions led by key orchestral principals Rachel Brown (music for flute by Johann Joachim Quantz), Joseph Crouch (cello and the art of accompanied recitative) and Bojan Čičić (the *stylus phantasticus*). Further collaborations are also being planned with the Royal College of Music (London), the Royal Northern College of Music (Manchester) and the Royal Welsh College of Music & Drama (Cardiff).

Looking beyond the immediate future, it is worth noting that the 23/24 season will be AAM's 50th Anniversary. Plans for this significant milestone are still developing but will include the publication of an account of the orchestra's history to date by noted author and former Hogwood Fellow Richard Bratby, the final releases of the complete Mozart Piano Concerto cycle with Robert Levin, and other programmes and events designed to maximise the artistic opportunities that such occasions offer while strengthening our reserves for future investment. In the meantime, the Trustees look forward to continuing to build upon the excellent creative partnership developing between the orchestra's players and Music Director Laurence Cummings.

FINANCIAL POLICY AND PERFORMANCE

AAM receives no regular public funding and is entirely reliant on generated income and voluntary giving. We are fortunate to have the benefit of a substantial bequest from our founder, the late Christopher Hogwood, without which our position would be extremely challenging. The financial flexibility provided by this bequest enables us to maintain our level of artistic ambition and our commitment to exceptional artistic quality. Total income in the period increased to £845k (2021: £757k) however expenditure also increased to £1,043 (2021: £570k) meaning the charity ended the year to 31 August 2022 with a net loss of £198k, of which £123k was attributable to planned investment in the Mozart Piano Concerto completion and £75k to lower than forecast ticketing and other revenue.

Reserves and investment policy

In view of fluctuations in concert income from year to year, exacerbated by the increased financial risks created by the uncertainties in the immediate post-pandemic period, the Trustees consider it prudent to maintain general unrestricted reserves of at least six months' support costs and three months' expenditure on own-promotion concerts. This equates to at least £280k currently.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

FINANCIAL POLICY AND PERFORMANCE *(continued)*

Reserves and investment policy *(continued)*

The charity maintained its cash holdings at high levels in 20/21 to allow it to respond to volatility in the sector. However, in 21/22 funds held as current asset investments were moved into longer-term investments under a strict ethical mandate, with the aim of protecting capital from inflationary erosion. AAM suffered a loss of £35k in the period on its initial investment of £500k, meaning that unrestricted reserves on 31 August 2022 totalled £822k. This includes general reserves of £288k and £533k remaining from the legacy described above, which the Trustees have designated as a special fund to be used to support activities which would not otherwise be possible. In addition, we held £68k in restricted funds available for strategic recording projects, future concerts and education work.

Fundraising

The charity undertakes fundraising from individuals, trusts/foundations and statutory sources, led by the Head of Development, Liz Brinsdon.

Voluntary income for the year comprising both grants and gifts from individuals stood at £308,912. The orchestra was grateful to receive a number of major grants, notably from the Garfield Weston Foundation and the John R Murray Charitable Trust. In addition, AAM was grateful to receive £20,628 in funding from the government-funded Culture Recovery Fund, distributed through Arts Council England. This income, the second of two instalments, is shown within our accounts under Charitable Activities and funded concert-giving, live-streaming and marketing activities across the course of 2021.

We continued to benefit from the support of our loyal family of donors - Academy members, Associates and Friends - who make largely unrestricted gifts, without which we could not deliver our work. Further, we received additional donations to complete our recordings of Mozart's Piano Concertos, including through a match-funding campaign as part of The Big Give Christmas Challenge in December 2021. We would like to thank everyone who has supported AAM with a gift in the past year.

No third-party fundraisers were used to raise funds during the financial year. Fundraising was undertaken via telephone, e-mail, direct mail and events, in line with the Code of Fundraising Practice set by the Fundraising Regulator, with which the charity is registered. We are committed to ensuring that no-one, and especially no vulnerable person, feels subject to unreasonable intrusion of privacy or persistent or undue pressure to donate. No complaints were received about our fundraising during the financial year.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) (*continued*)

Year ended 31 August 2022

STRATEGY AND BUSINESS PLAN

Following a significant review of the charity's operations, the Trustees adopted a new business plan in October 2021. This clarified the mission and vision of the organisation and articulated key strategic objectives for the 21/22, 22/23 and 23/24 seasons. These objectives include:

- Increasing the volume of and fees associated with external engagements;
- Regularly delivering a breakeven year-end position before extraordinary projects;
- Investing an appropriate proportion of free reserves to maximise return;
- Increasing the proportion of fundraised income from individual giving;
- Maintaining trust and foundation support and increasing statutory/corporate support;
- Cultivating donor support from outside the UK (with a particular focus on the USA);
- Establishing a clear dominant artistic force (Laurence Cummings) and consolidating a reputation for excellence under his leadership;
- Building on our reputation for distinctiveness in programming and presentation, and for discovery, with a focus on English music, on AAM Records;
- Maximising revenue from AAM Records releases and digital content;
- Better realising the latent potential of digital followership for profile growth and increasing conversion to ticket sales;
- Ensuring the value of existing strategic partnerships and exploring possible new partnerships;
- Nurturing the next generation of audiences, artists and arts managers;
- Increasing diversity across operations and ensuring our work is as accessible, inclusive and equitable as possible;
- Ensuring all operations are delivered in as environmentally sustainable a manner as possible.

As reflected in the third core belief of AAM's new mission statement (above), we plan to place particular emphasis on diversity, equity and inclusion going forward and adopted a DEI policy in April 2022, setting out our ambition for representation across the composers we perform, the artists with whom we work, and the staff and Trustees who manage our operations. Despite the obvious and real constraints on AAM's ability to effect immediate and lasting change in this area, we are nevertheless committed to doing all we can to make historical performance as accessible and inclusive as possible.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and governing instrument

The Academy of Ancient Music (AAM) is a charitable company limited by guarantee, incorporated on 17 November 2000 and governed by a Memorandum and Articles of Association.

Organisational structure

Board of Trustees

The activities of the AAM are ultimately controlled by the Board of Trustees, which meets at regular intervals to provide strategic direction and to monitor the work of the executive and the orchestra. During the year there were four Board meetings. The orchestra's Chief Executive, Music Director and player representatives have standing invitations to Board meetings. Other staff members attend meetings as appropriate.

New Trustees are appointed by the Board on the recommendation of the Nominations Committee. Trustees are normally expected to serve for a maximum of nine years and their continued membership of the Board is reviewed every three years from the date of appointment. Prior to joining the Board, new Trustees have meetings with the Chair, the Chair and members of the Nominations Committee, and the Chief Executive.

Nominations Committee

The Nominations Committee is a committee of the Board of Trustees whose role is to ensure that procedures are in place for the nomination and selection of members of the Board of Trustees and Development Board; it has regard for the size, composition, diversity and succession needs of both Boards, taking into account their required balance of skills, knowledge and experience.

Audit and Risk Committee

The Audit and Risk Committee is a committee of the Board of Trustees. It provides oversight of the accounting systems, accounting policies, financial reporting and internal controls of the organisation and it makes recommendations to the Board on any changes that are required. Working with the Executive, it reviews the budgets, forecasts, management accounts and the annual accounts and recommends them to the Board for approval. The Committee also has responsibility for oversight of risk management within the organisation. Working with the Executive it reviews significant risks, assesses their impact (probability and magnitude), and makes recommendations to the Board on the best ways of managing and mitigating risk. It reviews the work of the auditors or independent examiner and, if necessary, recommends changes to the Board for subsequent approval.

The most significant risks to the charity across the year were identified to relate to reduced income (ticketed, voluntary and via engagement fees) resulting from ongoing COVID disruption and financial pressures due to rising inflation. The Committee judged mitigations in place to be sufficient to manage the current situation but will continue to monitor the charity's position with regard to these and other risks going forward.

The Academy of Ancient Music

Company Limited by Guarantee

Trustees' Annual Report (incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Development Board

The Development Board has an advisory and support function in relation to fundraising and is not a committee of the Board of Trustees. It brings together AAM supporters who are actively engaged in introducing potential donors and raising funds for the orchestra. Members are appointed for three-year terms of office by the Development Board Chair. As at 31 August 2022, the Development Board comprised Elise Badoy (chair), Hugh Burkitt, Elizabeth de Friend, Émmanuelle Dotezac, Pauline Ginestié, Agneta Lansing, Terence Sinclair and Fiona Stewart.

The Development Board met three times during the year. Development Board members gain an understanding of the orchestra's workings by attending rehearsals as well as concerts and supporter events; act as ambassadors and advocates for the orchestra by introducing potential supporters to its work; serve on working parties established by the Development Board to work on specific fundraising projects as appropriate from time to time; and support the executive fundraising staff in their work.

AAM Council

The AAM Council brings together individuals involved with the AAM as ambassadors, advisers and major donors. The Council meets annually to receive an update on the AAM's work, and additionally as required.

Appraisal of the Boards and Committees

The Board reviews its own performance on a regular basis. The Trustees and the Chief Executive assess how the Board functions and, where appropriate, make changes. There is a similar review of the Development Board and committees. The respective Chair reviews the performance of each member of the Board and Development Board, assessing their contribution and the possible further development of their skills. Following discussions with other Board members, the Deputy Chair and/or Chair of the Nominations Committee similarly reviews the performance of the Chair of the Board.

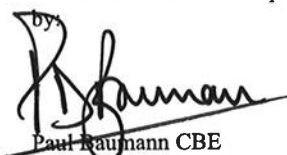
Executive staff

The Chief Executive is vested with day-to-day responsibility for the running of the orchestra. At the year end he was supported by 7 members of staff, as well as an external freelance PR consultant.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' Annual Report was approved on 26th January 2023 and signed on behalf of the Board of Trustees

by

Paul Baumann CBE
Chair

The Academy of Ancient Music

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Academy of Ancient Music

Year ended 31 August 2022

I report to the Trustees on my examination of the Financial Statements of The Academy of Ancient Music ('the charity') for the year ended 31 August 2022.

Responsibilities and basis of report

As the Trustees of the company (and also its Directors for the purposes of company law) you are responsible for the preparation of the Financial Statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

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

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

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

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

Shane Tharby

Shane Tharby FCA
Independent Examiner

For and on behalf of
Streets Chartered Accountants
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

17 February 2023

The Academy of Ancient Music

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2022

		Unrestricted funds	2022 Restricted funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	188,031	120,881	308,912	431,014
Charitable activities	6	500,572	25,628	526,200	325,341
Investment income	7	9,689	—	9,689	300
Total income		<u>698,292</u>	<u>146,509</u>	<u>844,801</u>	<u>756,655</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	74,464	—	74,464	89,675
Expenditure on charitable activities	9,10	691,578	277,094	968,672	480,438
Total expenditure		<u>766,042</u>	<u>277,094</u>	<u>1,043,136</u>	<u>570,113</u>
Net losses on investments	12	(35,082)	—	(35,082)	—
Net (expenditure)/income		<u>(102,832)</u>	<u>(130,585)</u>	<u>(233,417)</u>	<u>186,542</u>
Transfers between funds		(56,807)	56,807	—	—
Net movement in funds		<u>(159,639)</u>	<u>(73,778)</u>	<u>(233,417)</u>	<u>186,542</u>
Reconciliation of funds					
Total funds brought forward		981,980	141,578	1,123,558	937,016
Total funds carried forward		<u>822,341</u>	<u>67,800</u>	<u>890,141</u>	<u>1,123,558</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 26 form part of these Financial Statements.

The Academy of Ancient Music

Company Limited by Guarantee

Statement of Financial Position

31 August 2022

		2022	2021
	Note	£	£
Fixed assets			
Investments	17	464,918	—
Current assets			
Debtors	18	188,152	214,447
Investments	19	—	568,155
Cash at bank and in hand		279,820	443,121
		<u>467,972</u>	<u>1,225,723</u>
Creditors: amounts falling due within one year	20	<u>42,749</u>	<u>102,165</u>
Net current assets		<u>425,223</u>	<u>1,123,558</u>
Total assets less current liabilities		<u>890,141</u>	<u>1,123,558</u>
Net assets		<u>890,141</u>	<u>1,123,558</u>
Funds of the charity			
Restricted funds		67,800	141,578
Unrestricted funds		822,341	981,980
Total charity funds	22	<u>890,141</u>	<u>1,123,558</u>

For the year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its Financial Statements for the year in question in accordance with section 476;
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of Financial Statements.

These Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These Financial Statements were approved by the Board of Trustees and authorised for issue on 26th January 2023 and are signed on behalf of the Board by:


Paul Baumann CBE
Trustee

The notes on pages 15 to 26 form part of these Financial Statements.

The Academy of Ancient Music

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2022

	2022 £	2021 £
Cash flows from operating activities		
Net (expenditure)/income	(233,417)	186,542
<i>Adjustments for:</i>		
Net losses on investments	35,082	—
Other interest receivable and similar income	(9,689)	(300)
<i>Changes in:</i>		
Trade and other debtors	26,295	(13,750)
Trade and other creditors	(59,416)	45,490
Cash generated from operations	(241,145)	217,982
Interest received	9,689	300
Net cash (used in)/from operating activities	(231,456)	218,282
Cash flows from investing activities		
Deposits into money market deposit investments	—	(299)
Deposits taken out of the money market deposit investments	568,155	—
Deposits into investments	(500,000)	—
Net cash from/(used in) investing activities	68,155	(299)
Net (decrease)/increase in cash and cash equivalents	(163,301)	217,983
Cash and cash equivalents at beginning of year	443,121	225,138
Cash and cash equivalents at end of year	279,820	443,121

The notes on pages 15 to 26 form part of these Financial Statements.

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Cherry Trees Centre, St Matthew's Street, Cambridge, CB1 2LT.

2. Statement of compliance

These Financial Statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Charities SORP (FRS 102) Second Edition 'The 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)', the Charities Act 2011 and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The Financial Statements have been prepared on the historical cost basis.

The Financial Statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no significant judgements that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the charitable objectives of the charity. The Trustees may identify certain unrestricted funds as designated funds where they intend to use them for particular future projects or activities.

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Fund accounting *(continued)*

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from grants and fundraising efforts, where related to performance and specific deliverables, are accounted for as and when the charity fulfils these commitments.

Legacy income is recognised after grant of probate, the executors have established there are sufficient assets in the estate to pay the legacy and any conditions attached to the legacy are under the control of the charity or have been met.

Investment income is included when receivable.

Income from charitable activities is accounted for when earned and relates to income from concerts, education projects and recordings.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the Statement of Financial Activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events and non-charitable trading activities.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

Cash equivalents are short term, highly liquid investments, usually up to 30 day notice interest bearing savings accounts.

Year ended 31 August 2022

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

3. Accounting policies (continued)

Defined contribution plans

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Taxation

No provision has been made for corporation tax or deferred tax as the company is a registered charity and is therefore exempt.

Orchestra Tax Relief

Orchestra Tax Relief is recognised in the period to which it relates.

4. Limited by guarantee

The company is limited by guarantee and each member's liability is restricted to £1.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Individual donors, including AAM Society members	158,031	63,131	221,162
Grants			
Grants from charitable trusts and other bodies	30,000	57,750	87,750
	<u>188,031</u>	<u>120,881</u>	<u>308,912</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Individual donors, including AAM Society members	169,581	121,933	291,514
Grants			
Grants from charitable trusts and other bodies	100,000	39,500	139,500
	<u>269,581</u>	<u>161,433</u>	<u>431,014</u>

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Concert income	313,793	5,000	318,793
CD sales and royalties	64,021	—	64,021
Miscellaneous income	8,644	20,628	29,272
OTR relief	114,114	—	114,114
Coronavirus job retention scheme	—	—	—
	<u>500,572</u>	<u>25,628</u>	<u>526,200</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Concert income	130,425	—	130,425
CD sales and royalties	60,111	—	60,111
Miscellaneous income	1,680	48,133	49,813
OTR relief	57,662	—	57,662
Coronavirus job retention scheme	27,330	—	27,330
	<u>277,208</u>	<u>48,133</u>	<u>325,341</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	29	29	300	300
Dividends received	9,660	9,660	—	—
	<u>9,689</u>	<u>9,689</u>	<u>300</u>	<u>300</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations, grants and legacies	74,464	74,464	89,675	89,675

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct costs	628,490	276,195	904,685
Support costs	63,088	899	63,987
	<u>691,578</u>	<u>277,094</u>	<u>968,672</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct costs	309,723	104,365	414,088
Support costs	63,427	2,923	66,350
	<u>373,150</u>	<u>107,288</u>	<u>480,438</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total funds 2021 £
Direct costs	904,685	55,599	960,284	473,784
Governance costs	—	8,388	8,388	6,654
	<u>904,685</u>	<u>63,987</u>	<u>968,672</u>	<u>480,438</u>

11. Analysis of support costs

	Allocated to cost of raising funds £	Allocated to charitable activities £	Total 2022 £	Total 2021 £
Staff costs	69,709	41,431	111,140	124,289
Premises	—	5,035	5,035	7,019
Other costs	4,755	17,521	22,276	24,717
	<u>74,464</u>	<u>63,987</u>	<u>138,451</u>	<u>156,025</u>

12. Net losses on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on other investment assets	(35,082)	(35,082)	—	—

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

13. Independent examination fees

	2022	2021
	£	£
Fees payable to the Independent Examiner for: Independent examination of the Financial Statements	<u>3,410</u>	<u>3,100</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	233,423	222,334
Social security costs	18,935	18,579
Employer contributions to pension plans	3,093	2,188
	<u>255,451</u>	<u>243,101</u>

The average head count of employees during the year was 7 (2021: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Management	1	1
Administration	3	3
Direct charitable	3	3
	<u>7</u>	<u>7</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
	No.	No.
£70,000 to £79,999	<u>1</u>	<u>1</u>

15. Trustee remuneration and expenses

No Trustees received any remuneration in relation to her or his services as a Trustee (2021: £Nil).

No Trustees were reimbursed expenses during the year (2021: £Nil).

16. Tangible fixed assets

	Office Equipment £
Cost	
At 1 September 2021 and 31 August 2022	<u>4,300</u>
Depreciation	
At 1 September 2021 and 31 August 2022	<u>4,300</u>
Carrying amount	
At 31 August 2022	—
At 31 August 2021	—

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

17. Fixed Asset Investments

	Total £
Cost or valuation	
At 1 September 2021	—
Additions	500,000
Fair value movements	(35,082)
At 31 August 2022	464,918
Impairment	
At 1 September 2021 and 31 August 2022	—
Carrying amount	
At 31 August 2022	464,918
At 31 August 2021	—

All investments shown above are held at valuation.

18. Debtors

	2022 £	2021 £
Trade debtors	29,801	62,633
Prepayments and accrued income	156,380	76,875
Other debtors	1,971	74,939
	188,152	214,447

19. Investments

	2022 £	2021 £
Short term bank deposits above 30 days notice	—	568,155

20. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	28,047	68,152
Accruals and deferred income	5,858	25,239
Social security and other taxes	7,001	7,481
Other creditors	1,843	1,293
	42,749	102,165

Accruals and deferred income includes £2,496 (2021: £3,718) of income for expenditure in the 2022-2023 concert season (2021: 2021-22 concert season).

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,093 (2021: £2,188).

22. Analysis of charitable funds

Unrestricted funds

	At 1 Sep 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2022 £
Designated funds	624,552	—	—	(55,807)	(35,082)	533,663
Unrestricted funds	357,428	698,292	(766,042)	(1,000)	—	288,678
	<u>981,980</u>	<u>698,292</u>	<u>(766,042)</u>	<u>(56,807)</u>	<u>(35,082)</u>	<u>822,341</u>

	At 1 Sep 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2021 £
Designated funds	624,552	—	—	—	—	624,552
Unrestricted funds	268,164	547,089	(462,825)	5,000	—	357,428
	<u>892,716</u>	<u>547,089</u>	<u>(462,825)</u>	<u>5,000</u>	<u>—</u>	<u>981,980</u>

The Trustees have designated the legacy received from Christopher Hogwood as a fund to be used by the orchestra in engaging in performances, recordings and other projects which would not otherwise be possible. During the year £55,807 was released in support of the Mozart recording project. During the previous year £45,000 was released for extraordinary COVID-19 reliefs for musicians including cancellation fees and other payments.

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

22. Analysis of charitable funds (continued)

Restricted funds

	At 1 Sep 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2022 £
Strategic Recording Fund	18,800	—	—	(1,000)	—	17,800
Castello Recording Fund	20,500	500	—	2,000	—	23,000
The Creation ACE Cultural Recovery II	34,500	5,750	(40,250)	—	—	—
Mozart Piano Concertos	—	20,628	(20,628)	—	—	—
Big Give Fit for the Future	67,778	62,535	(186,120)	55,807	—	—
AAMplify	—	—	—	—	—	—
The Seasons	—	26,096	(10,096)	—	—	16,000
Concerts and Digital Support Fund	—	11,000	—	—	—	11,000
	—	20,000	(20,000)	—	—	—
	<u>141,578</u>	<u>146,509</u>	<u>(277,094)</u>	<u>56,807</u>	<u>—</u>	<u>67,800</u>

	At 1 Sep 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Aug 2021 £
Strategic Recording Fund	18,800	—	—	—	—	18,800
Castello Recording Fund	20,500	—	—	—	—	20,500
The Creation ACE Cultural	—	34,500	—	—	—	34,500
Recovery II	—	48,133	(48,133)	—	—	—
Mozart Piano Concertos	—	102,752	(34,974)	—	—	67,778
Big Give Fit for the Future	—	24,181	(24,181)	—	—	—
AAMplify	—	—	—	—	—	—
The Seasons	—	—	—	—	—	—
Concerts and Digital Support Fund	5,000	—	—	(5,000)	—	—
	<u>44,300</u>	<u>209,566</u>	<u>(107,288)</u>	<u>(5,000)</u>	<u>—</u>	<u>141,578</u>

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2022

22. Analysis of charitable funds (continued)

The Strategic Recording Fund includes donations for future recording projects received in previous years.

The Castello Recording Fund is for a recording of Castello's Sonate Concertate In Stil Moderno, Libro Secondo.

The Creation was funding to support a performance and live-stream of Haydn's *The Creation* in September 2021.

The ACE Culture Recovery II is grant funding from Arts Council England, as part of Culture Recovery initiatives, to fund work on building our live-streaming audience.

The Mozart Piano Concertos fund is funding for a major recording project to complete five discs of Mozart works for keyboard and orchestra and includes donations received from the 2021 Big Give Complete the Cycle campaign.

Funds from the Big Give Fit for the Future campaign were used to support 2020/21 concert performances and live-streams during the pandemic.

The AAMplify fund relates to funds received in support of our AAMplify educational initiative.

The Seasons fund relates to funds received in support of the performance of Haydn's *The Seasons* in October 2022.

The Concerts and Digital Support Fund relates to funds received in support of the costs of our own-promotion concerts.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fixed Asset Investments	464,918	—	464,918
Current assets	400,172	67,800	467,972
Creditors less than 1 year	(42,749)	—	(42,749)
Net assets	822,341	67,800	890,141

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fixed Asset Investments	—	—	—
Current assets	1,084,145	141,578	1,225,723
Creditors less than 1 year	(102,165)	—	(102,165)
Net assets	981,980	141,578	1,123,558

The Academy of Ancient Music

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

24. Analysis of changes in cash and current asset investments

	At 1 Sep 2021	Cash flows	At 31 Aug 2022
	£	£	£
Cash at bank and in hand	443,121	(163,301)	279,820
Current asset investments	568,155	(568,155)	—
	<u>1,011,276</u>	<u>(731,456)</u>	<u>279,820</u>

25. Related parties

Donations received without conditions from related parties, including Trustees, in the year totalled £37,450 (2021: £41,153). There were no other related party transactions.