



Basement Orchestra
(a charitable incorporated organisation)

Report and Financial Statements

Year Ending 31 August 2020

CIO Number 1168189



Legal and Administrative Information

Trustees	Polly Gannaway Guy Jones Claire Pettitt Alix Harper
CIO number	1168189
Principal address	9 Graveney Grove London SE20 8QH
Bankers	National Westminster Bank plc 135 Bishopsgate London EC2M 3UR

BASEMENT ORCHESTRA

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Trustees' report for the year ending 31 August 2020

The trustees are pleased to present their annual report together with the financial statements of the CIO for the year ending 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the CIO's Constitution, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Our artistic values, purposes and activities

The purposes of the CIO are :

To promote, improve, develop and maintain public appreciation of the art and science of music and the performing arts by the preparation for and presentation of concerts, and through other ways as the organisation through its trustees shall determine from time to time.

Basement Orchestra aims to advance the education of the public in all aspects of musical performance. We seek to bring western classical music to unexpected places using creative programming, non-traditional performance venues with a relaxed atmosphere (such as multi-purpose performance venues and outdoor music festivals) and an informative approach to performances, where for example the music, the composer and its background are introduced live from the concert platform. Lesser-known works and composers are promoted over classical repertoire 'hits'.

Basement Orchestra also aspires to promote the finest classical music to new audiences, through a combination of carefully chosen programming, affordable ticket prices, using venues with a diverse audience base and applying an informal approach to musical performance. Collaborations with performance artists and promoters specialising in different genres, for example music festivals, jazz and musical theatre vocalists and drag artists provide an opportunity for both the Orchestra and its partners to reach each others' core audience members who otherwise may not normally experience such artforms. Although the Orchestra's concerts and events are designed to make classical music more approachable to accommodate audiences who may not be so familiar with the genre, the quality of the performance and the promotion of western classical music is always at the core of Basement Orchestra's ethos.

The Orchestra's final main objective is to further the social and cultural welfare of the community throughout London and the South-East. This has been achieved through our residency at The Grand in Clapham, a venue that champions diverse acts and audiences, and collaborations with local musicians, composers, arrangers and performance artists as well as performing across London and the South East.

Achievements and Performance

19/20 Financial Year activity started with Basement Orchestra's second "Play Day", on 10 November 2019, an intensive full day rehearsal of Rachmaninov's *Symphonic Dances*. The purpose of the project was to provide musical challenge and enrichment to our players, and to further build our core repertoire, with the view to bring this piece to a live performance in the future. The project was fully funded by player subscriptions.

In addition to this, during the Autumn we invited donations from existing members of the Orchestra to support Basement Orchestra's future projects, increase financial stability and ensure membership remains affordable for all our musicians. A number of musicians generously donated a total of £970, with more donations pledged in the next Financial Year.



Trustees' report for the year ending 31 August 2020 (contd.)

In early March 2020, rehearsals were underway for *Beethoven 250: beets, beats, beers*, a musical celebration of Beethoven's 250th birthday which was scheduled to take place on 28 March 2020 at the Tin Tabernacle in Kilburn. This performance was sadly cancelled due to the start of the spread of the coronavirus pandemic across the country and the associated national lockdown during March 2020. We were unable to recoup the prepaid performance/rehearsal venue hire and sheet music costs, and coupled with the loss of the expected ticket income, the project made a deficit of £450. Basement Orchestra was due to perform once again at Mighty Hoopla festival in June 2020 which was also cancelled due to the pandemic. However as the festival organisers kindly rolled Basement Orchestra's performance over to the following year, the only costs incurred were soloist cancellation fees of £150.

Despite the major loss of planned income due to the effects of the pandemic, we ended the 19/20 year with a small deficit of £136.

During this period, subscription fees remained affordable at £17.50 per person for the Play Day in November 2019. It is important to Basement Orchestra that the subscriptions stay affordable for our members. Our subscription fees remain amongst the lowest in London's amateur orchestra scene and are waived for players who can't afford to pay. In order to further boost donations and player subscriptions, Basement Orchestra has registered with HMRC for Gift Aid purposes, and an accrual of £239 Gift Aid income has been made in the 2019/20 accounts in relation to applicable donations and player subscriptions during the year.

The trustees would like to thank The Grand, Clapham for its continued support over the year, particularly in relation to the cancellation and roll over of the Mighty Hoopla performance, as well as our valued supporters and musicians who make it all happen. To view our past and future events or for enquiries about engaging or collaborating with Basement Orchestra, visit our website: www.basementorchestra.com.

Financial Review

This is the fourth set of financial statements for Basement Orchestra CIO and follows a standard 12-month accounting year.

Income for the 12 months ending 31 August 2020 is £2,052 (2019: £6,880), with expenditure being £2,188 (2019: £9,444). The CIO is therefore reporting a deficit for the period of £136 (2019: deficit of £2,564).

Reserves at 31 August 2020 are £2,693 (2019: £2,829), all of which are unrestricted.



Trustees' report for the year ending 31 August 2020 (contd.)

Reserves policy

Basement Orchestra CIO's reserves policy is designed to set out the amount of reserves Basement Orchestra should prudently have on average during the period. The specific risks the trustees have identified are as follows:

1. Amounts needed to cover unforeseen emergencies such as the cancellation of one or more concerts or events, which would lead to loss of revenue which would have been built into the budget for the period.
2. The need to fund short-term deficits in the CIO's cash budget from time to time.

Having given the matter full consideration, the trustees consider a prudent level of reserves to be not less than £4,000, which roughly equates to the cancellation cost of a typical large event should we ever need to forfeit the entire hire fee. The level of reserves in place as at 31 August 2020 falls below this figure. This is due to cancellation of two of our events because of the coronavirus pandemic that were expected to bring in sufficient income during the year to increase the Orchestra's reserves to the target level.

Plans for future periods

Following the success of performances at The Grand in Clapham, we intend to organise further events in collaboration with the venue as soon as it is safe to put on live performances once again. We also plan to continue our creative partnership with our soloists and our trusted team of composers and arrangers.

In the following period we will continue to follow government guidance in relation to gatherings and social distancing, and performances will only take place if deemed safe to do so and if they are guaranteed to go ahead, in order to minimise the risk of further losses from cancelled performances. We will continue to invite donations from members and supporters of the orchestra in order to assist the Orchestra with its overheads whilst it is unable to generate any income during the pandemic.

Trustees

The trustees serving during the year and since the year end were as follows:

Chair:	Polly Gannaway
Deputy Chair:	Guy Jones
Secretary:	Claire Pettitt
Treasurer:	Alix Harper

Structure, Governance and Management

Basement Orchestra is a charitable incorporated organisation (CIO) governed by its constitution dated 18 June 2016. It is registered as a CIO with the Charity Commission.

The CIO is administered by the board of trustees. The board typically meets biannually, and informal sub-committees democratically appointed to assist with orchestral section management, planning, development, communications and finance meet on an ad hoc basis. Any current playing member of Basement Orchestra who pays subscription fees to play in the Orchestra (i.e. not concert/rehearsal deps and soloists) can be a member of one or more sub-committees and can vote in members of the sub-committees. The trustees' decisions regarding the CIO's operations are final.

Trustees' report for the year ending 31 August 2020 (contd.)

Related parties and co-operation with other organisations

Guy Jones (Deputy Chair), in his capacity as Musical Director of the Orchestra, received £nil (2019: £nil) in conducting fees as allowed by clause 6 of the constitution. Guy Jones received £nil (2019: £321) and Polly Gannaway received £nil (2019: £279) as reimbursement for necessary travel costs to rehearsals and performances as allowed by clause 6 of the constitution. Any connection between a trustee of the CIO with a production company, performer or musician receiving payment for services from Basement Orchestra must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Basement Orchestra has forged a close relationship with The Grand, Clapham where it is the resident orchestra.

Trustees' responsibilities in relation to the financial statements

The CIO's trustees are responsible for preparing a trustees' annual report and financial statements in accordance with the Charities Act 2011 and Charities SORP and in a way which gives a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources, including the income and expenditure, of the CIO 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the CIO. They are also responsible for safeguarding its assets and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board of Trustees
Polly Gannaway (Chair)



29 June 2021



Statement of Financial Activities
(including an income and expenditure account)
For period ending 31 August 2020

	Note	Total Funds 2020 (£)	Total Funds 2019 (£)
Income	2		
<i>Income from charitable activities:</i> Performance-related income/Donations		2,042	6,204
<i>Income from other trading activities:</i> Merchandise income		10	676
Total income		2,052	6,880
Expenditure	3		
<i>Costs of raising funds</i> Merchandise expenditure		-	(851)
<i>Expenditure on charitable activities:</i> Performance-related expenditure		(2,188)	(8,593)
Total expenditure		(2,188)	(9,444)
Net income/(expenditure) and net movement in funds for the year		(136)	(2,564)
Reconciliation of funds			
Total funds brought forward		2,829	5,393
Total funds carried forward		2,693	2,829


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

BASEMENT ORCHESTRA

Balance Sheet as at 31 August 2020

	Note	CIO 2020 (£)	CIO 2019 (£)
Fixed assets			
Tangible assets - technical equipment	4	72	123
Total Fixed Assets		72	123
Current Assets			
Stock - Merchandise	5	288	288
Debtors	6	1,497	1,873
Cash at bank and in hand		1,040	600
Total Current Assets		2,825	2,761
Liabilities			
Creditors falling due within one year	7	(205)	(55)
Net Current Assets		2,620	2,707
Net Assets		2,693	2,829
The funds of the CIO:			
Unrestricted income funds		2,693	2,829
Total funds		2,693	2,829

The notes on pages 10 to 12 form part of these accounts.



POLLY GANNAWAY Chair of trustees on behalf of the trustees

Approved by the trustees on 29 June 2021.

Statement of Cash Flows as at 31 August 2020

	Note	CIO 2020 (£)	CIO 2019 (£)
Cash used in operating activities	A	440	(5,553)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(55)
Cash provided by (used in) investing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		440	(5,608)
Cash and cash equivalents at the beginning of the year		600	6,208
Total cash and cash equivalents at the end of the year		1,040	600

A Reconciliation of net movement in funds to net cash flow used in operating activities

	CIO 2020 (£)	CIO 2019 (£)
Net movements in funds	(136)	(2,564)
Depreciation charge	50	50
Decrease/(increase) in stock	-	(288)
Decrease/(increase) in debtors	376	(758)
Increase/(decrease) in creditors	150	(1,993)
Net cash from (used in) operating activities	440	(5,553)



Notes on the accounts

For period ending 31 August 2020

1. Accounting Policies

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

a) Basis of preparation

The financial statements have been prepared in accordance 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 2015) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basement Orchestra 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 note(s).

b) Preparation of the accounts on a going concern basis

The financial statements have been prepared on the basis that the CIO is and will remain a going concern for the foreseeable future.

c) Income

Income is recognised when the CIO has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income consists primarily of concert ticket sales and player subscriptions. Revenue from ticket sales and player subscriptions is recognised at the time of the related performance.

Income received in advance of a performance or provision of other specified service is deferred until the criteria for income recognition are met.

No amounts are included in the financial statements for services donated by volunteers.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the CIO. The CIO does not currently have any designated or restricted funds.

e) Expenditure

Expenditure is accounted for on an accruals basis and 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 headings that aggregate all costs related to the category.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes on the accounts

For period ending 31 August 2020 (contd.)

f) Tangible fixed assets

Individual fixed assets costing £50 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset Category	Annual Rate
Technical Equipment	20%
Small Instruments	10%

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

2. Income

	2020 (£)	2019 (£)
Income from charitable activities		
Performance fees	-	1,055
Ticket sales	-	2,287
Player subscriptions (including Gift Aid)	916	2,862
Donations (including Gift Aid)	1,126	-
	2,042	6,204
Income from other trading activities		
Merchandise income	10	676
	10	676
Total Income	2,052	6,880

Notes on the accounts

For period ending 31 August 2020 (contd.)

3. Expenditure

	2020 (£)	2019 (£)
Costs of raising funds		
Merchandise Expenditure	-	851
	-	851
Expenditure on charitable activities		
Performance costs	1,500	6,156
Fees	270	1,821
Administrative expenditure	418	616
	2,188	8,593
Total Expenditure	2,188	9,444

Total fees of £270 (2019: £1,821) includes £nil (2019: £nil) for conducting fees for Guy Jones (Deputy Chair) in his capacity as Musical Director, as allowed by clause 6 of the constitution. Guy Jones received £nil (2019: £321) and Polly Gannaway received £nil (2019: £279) as reimbursement for necessary travel costs to rehearsals and performances as allowed by clause 6 of the constitution.

4. Tangible Fixed Assets - technical equipment

	2020 (£)	2019 (£)
Cost		
As at 1 September 2019	441	386
Additions	-	55
As at 31 August 2020	44	441
Depreciation		
As at 1 September 2019	318	268
Charge for the year	50	50
As at 31 August 2020	369	318
Net book value		
As at 1 September 2019	123	118
As at 31 August 2020	72	123

Notes on the accounts

For period ending 31 August 2020 (contd.)

5. Stock

	2020 (£)	2019 (£)
Stocks of merchandise - T-shirts, tote bags etc	288	288
	288	288

6. Debtors

	2020 (£)	2019 (£)
Trade debtors	455	1,055
Prepayments/Accrued income	1,042	8180
Sundry debtors	-	-
	1,497	1,873

7. Creditors: Amounts falling due within one year

	2020 (£)	2019 (£)
Trade creditors	55	55
Accruals/Deferred income	150	-
	205	55

8. Corporation Taxation

The CIO is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.