



Basement Orchestra
(a charitable incorporated organisation)

Report and Financial Statements

Year Ending 31 August 2023

CIO Number 1168189



Legal and Administrative Information

Trustees	Polly Gannaway Guy Jones Claire Iona Samson Alix Harper Philip Rashleigh
CIO number	1168189
Principal address	99b Osborne Road London E7 0PW
Bankers	National Westminster Bank plc 135 Bishopsgate London EC2M 3UR

BASEMENT ORCHESTRA

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Trustees' report for the year ending 31 August 2023

The trustees are pleased to present their annual report together with the financial statements of the CIO for the year ending 31 August 2023.

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 collaborations with inclusive venues, local musicians, composers, arrangers and performance artists as well as performing across London and the South East.

Achievements and Performance

In the 22/23 Financial Year Basement Orchestra's activities focussed on an intensive "play day" of Elgar *Enigma Variations* in November 2022 for its members at the London Bubble Theatre in Rotherhithe, while putting in plans for a new residency project at Big Penny Social in Walthamstow in the next financial year.

During this period, subscription fees for each project remained affordable, employing the model of a minimum fee of £20 or £35 depending on the project, with the option to pay a higher rate up to £50 based on income level, which many players opted to take up. 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.



Trustees' report for the year ending 31 August 2023 (contd.)

Financial Review

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

Income for the 12 months ending 31 August 2023 is £385 (2022: £17,271), with expenditure being £1,017 (2022: £13,165). The CIO is therefore reporting a surplus for the period of £x (2022: deficit of £4,106).

Reserves at 31 August 2023 are £5,822 (2022: £6,455), all of which are unrestricted.

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 2023 comfortably exceeds this figure.

Plans for future periods

Plans have been put in place for a new residency with and performances at Big Penny Social in Walthamstow. We also plan to explore potentially performing at other musical festivals in the UK, as well as continuing our creative partnership with our soloists and our trusted team of composers and arrangers.

Trustees

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

Chair:	Polly Gannaway
Deputy Chair:	Guy Jones
Secretary:	Philip Rashleigh
Treasurer:	Alix Harper
Trustee:	Claire Iona Samson



Trustees' report for the year ending 31 August 2023 (contd.)

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 at least once a month. The trustees' decisions regarding the CIO's operations are final.

Related parties and co-operation with other organisations

Polly Gannaway (Chair) received £nil (2022: £250) 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.

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)

A handwritten signature in black ink, appearing to read "Polly Gannaway", with a stylized flourish at the end.

26 June 2024

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Statement of Financial Activities (including an income and expenditure account) For period ending 31 August 2023

	Note	Total Funds 2023 (£)	Total Funds 2022 (£)
Income	2		
<i>Income from charitable activities:</i>		385	17,271
Performance-related income/Donations			
Total income		385	17,271
Expenditure	3		
<i>Costs of raising funds</i>		-	-
Merchandise expenditure			
<i>Expenditure on charitable activities:</i>		(1,017)	(13,165)
Performance-related expenditure			
Total expenditure		(1,017)	(13,165)
Net income/(expenditure) and net movement in funds for the year		(632)	4,106
Reconciliation of funds			
Total funds brought forward		6,445	2,349
Total funds carried forward		5,822	6,455

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

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Balance Sheet as at 31 August 2023

	Note	CIO 2023 (£)	CIO 2022 (£)
Fixed assets			
Tangible assets - technical equipment	4	-	11
Total Fixed Assets		-	11
Current Assets			
Stock - Merchandise	5	288	288
Debtors	6	1,004	4,764
Cash at bank and in hand		4,530	1,632
Total Current Assets		5,822	6,684
Liabilities			
Creditors falling due within one year	7	-	(240)
Net Current Assets		5,822	6,444
Net Assets		5,822	6,455
The funds of the CIO:			
Unrestricted income funds		5,822	6,455
Total funds		5,822	6,455

The notes on pages 9 to 12 form part of these accounts.



POLLY GANNAWAY Chair of trustees on behalf of the trustees

Approved by the trustees on 26 June 2024

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Statement of Cash Flows as at 31 August 2023

	Note	CIO 2023 (£)	CIO 2022 (£)
Cash used in operating activities	A	2,898	468
Cash flows from investing activities			
Purchase of tangible fixed assets		-	-
Cash provided by (used in) investing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		-	-
Cash and cash equivalents at the beginning of the year		1,632	1,164
Total cash and cash equivalents at the end of the year		4,530	1,632

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

	CIO 2023 (£)	CIO 2022 (£)
Net movements in funds	(632)	4,106
Depreciation charge	11	11
Decrease/(increase) in stock	-	-
Decrease/(increase) in debtors	3,760	(2,414)
Increase/(decrease) in creditors	(240)	(1,235)
Net cash from (used in) operating activities	2,898	468



Notes on the accounts

For period ending 31 August 2023

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 2023 (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

	2023 (£)	2022 (£)
Income from charitable activities		
Performance fees	-	13,214
Ticket sales	-	-
Player subscriptions	385	4,056
Donations	-	-
	<hr/>	<hr/>
Total Income	385	17,271
	<hr/>	<hr/>

3. Expenditure

	2023 (£)	2022 (£)
Expenditure on charitable activities		
Performance costs	599	5,428
Fees	-	7,265
Administrative expenditure	418	472
	<hr/>	<hr/>
	1,017	13,165
	<hr/>	<hr/>
Total Expenditure	1,017	13,165
	<hr/>	<hr/>

Polly Gannaway (Chair) received £nil (2022: £250) as reimbursement for necessary travel costs to rehearsals and performances as allowed by clause 6 of the constitution.

Notes on the accounts

For period ending 31 August 2023 (contd.)

4. Tangible Fixed Assets - technical equipment

	2023 (£)	2022 (£)
Cost		
As at 1 September 2022	441	441
Additions	-	-
	<hr/>	<hr/>
As at 31 August 2023	441	441
	<hr/>	<hr/>
Depreciation		
As at 1 September 2022	430	419
Charge for the year	11	11
	<hr/>	<hr/>
As at 31 August 2023	441	430
	<hr/>	<hr/>
Net book value		
As at 1 September 2022	11	22
	<hr/>	<hr/>
As at 31 August 2023	-	11
	<hr/>	<hr/>

5. Stock

	2023 (£)	2022 (£)
Stocks of merchandise - T-shirts, tote bags etc	288	288
	<hr/>	<hr/>
	288	288
	<hr/>	<hr/>

Notes on the accounts

For period ending 31 August 2023 (contd.)

6. Debtors

	2023 (£)	2022 (£)
Trade debtors	-	-
Prepayments/Accrued income	1,004	4,764
Sundry debtors	-	-
	<u>1,004</u>	<u>4,764</u>

7. Creditors: Amounts falling due within one year

	2023 (£)	2022 (£)
Trade creditors	-	240
Accruals/Deferred income	-	-
	<u>-</u>	<u>240</u>

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.