

The Philharmonia Orchestra in Bedford Trust

FINANCIAL STATEMENTS

for the Year Ending 31 March 2022

Charity Registration No: 1170495

The Philharmonia Orchestra in Bedford Trust

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The Philharmonia Orchestra in Bedford Trust

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report together with the financial statements of The Philharmonia Orchestra in Bedford Trust for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration number: 1170495

Constitution: The Philharmonia Orchestra in Bedford Trust is a registered Charity governed by the Declaration of Trust dated 7th April 2016.

Registered Office: The Harpur Trust
Princeton Court
Pilgrim Centre
Brickhill Drive
Bedford
MK41 7PZ

Bankers: NatWest Bank plc
125 Great Portland Street
London
W1A 1GA

Independent Examiner: MHA MacIntyre Hudson
Moorgate House
201 Silbury Boulevard
Milton Keynes MK9 1LZ

Trustees:

Henry Vann	(Chairman)
David Knapman	(Treasurer)
David Russell	(Trustee)
David Steadman	(Trustee)
David Whelton	(Trustee)
Jeremy Arthern	(Trustee)
Stuart Renshaw	(Trustee)

Investment Manager: Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

The Philharmonia Orchestra in Bedford Trust

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Objectives and Activities

The objects of the charity are the advancement of the education of the public in the Borough of Bedford (the "Borough") through the promotion and support of the art of music, in particular (but without limitation) by the promotion and support of the following;

- The residence of the Philharmonia in the Borough,
- Such other free of charge educational activities as may be carried out by Philharmonia in the Borough from time to time; and
- Such other activities as the Trustees consider will advance the education of the public in the Borough through the promotion and support of the art of music.

The trustees have paid due regard to the Charity Commission guidance on public benefit.

When reviewing the charity's objectives and activities set out above, the Trustees have referred to the charity commission general guidance on public benefit and complied with its duty under the Charities Act 2011.

Achievements and performance

Review of activities

During the period to 31st March 2021 the charity achieved its target of £1m of endowment fund and is now working towards its next target of £2m of endowment funds.

Investment Policy

The Trustees' objective is to invest the Trust's assets in order to maximise the total return whilst balancing risk through a diversified assets portfolio. It is the objective of the fund to both return the value of the fund to its original capital value and to generate sufficient income to support the orchestra in its activities in Bedford.

The Trustees have delegated the management of the Trust's investments to The Harpur Trust, which in turn has delegated the day to day management to an investment manager, Sarasin & Partners.

Under the terms of the governing document, there are no restrictions on the charity's power to invest.

Grant Making

A grant of £27,000 was awarded to the Philharmonia Orchestra towards concerts being held in Bedford (2021: £10,000).

Financial Review

The financial statements cover all the activities of the charity during the year. Gross income totalled £33,274 (2021: £42,723) and there was a surplus in the period of £24,070 (2021: £205,559).

At the period end total reserves were £1,066,987 (2021: £1,042,917) of which a surplus of £1,083,563 (2021: £1,061,207) were Endowment funds and a deficit of £16,576 (2021: deficit of £18,290) of Unrestricted funds. The deficit on Unrestricted funds will be replenished from future income generated by the Endowment funds.

The Philharmonia Orchestra in Bedford Trust

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Reserves policy and Risk Management

It is the Trustees' intention to reserve a balance of income generated from the Endowment Fund to enable them to provide an annual grant to support related activities.

Following the risks arising from the Covid pandemic and further uncertainty which has arisen from the cost of living crisis, negative impacts are anticipated in raising funds through both donations and grants as well as the negative impact expected on investment returns.

Plans for the future

The bulk of funds are held in a diversified assets portfolio, managed by our Investment Managers, Sarasin & Partners. Income from these investments enables the Trust to promote and support the art of music in the Borough of Bedford via the activities of Philharmonia Limited, by the provision of grants in line with their 5 year vision document.

Plans for the future will be kept under review by the Trustees. Definite arrangements are difficult to formulate at the present time, due to the ongoing financial risks outlined above. pandemic and the necessary restrictions on activities.

Structure, governance and management

The Trust is a registered charity (Number 1170495) and was established under a Trust Deed dated 7th April 2016.

Policy for the induction and training of trustees

New Board members receive a formal induction session from the existing Trustees. In addition, additional external Trustee training and guidance is provided dependent on the experience and skills of the new Trustees.

Related parties

The Harpur Trust is the sole related party in 2022.

Organisational structure and decision making

The Trustees have delegated the accounting function to Philharmonia Limited. Philharmonia Limited, The Harpur Trust and Bedford Council are entitled to nominate in writing one individual for appointment as a Trustee from time to time.

Method of appointment or election of trustees

The range of skills and experience of the Board is kept under review and new appointments are recommended in order to ensure the Board has and maintains a full range of expertise.

The Philharmonia Orchestra in Bedford Trust

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Trustees' responsibilities statement

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Henry Vann

Chairman

Date: 24/01/2023

The Philharmonia Orchestra In Bedford Trust

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF THE PHILHARMONIA IN BEDFORD TRUST

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 7 to 12.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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 Act.

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 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 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.



Andrew Moyser

FCCA,FCA

MHA MacIntyre Hudson
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

Date: 27 January 2023

The Philharmonia Orchestra In Bedford Trust

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2022

		2022	2022	2022	2021	2021	2021
		Unrestricted	Endowment	Total	Unrestricted	Endowment	Total
		Funds	Funds	Funds	Funds	Funds	Funds
	Note	£	£	£	£	£	£
Income from:							
Donations	1	-	40	40	-	902	902
Investment income	2	33,234	-	33,234	41,821	-	41,821
Total		33,234	40	33,274	41,821	902	42,723
Expenditure on:							
Grants made	3	27,000	-	27,000	10,000	-	10,000
Bank charges		2	-	2	6	-	6
Audit & Accountancy fees		1,590	-	1,590	1,590	-	1,590
Other Expenditure		2,928	-	2,928	5,717	-	5,717
Total Expenditure		31,520	-	31,520	17,314	-	17,314
		1,714	40	1,754	24,507	902	25,409
Other recognised Gains/(Losses):							
Gain/(Loss) on investment assets	4	-	22,316	22,316	-	180,150	180,150
Net income / (expenditure)		1,714	22,356	24,070	24,507	181,052	205,559
Total funds brought forward		(18,290)	1,061,207	1,042,917	(42,797)	880,155	837,358
Total funds carried forward	9	(16,576)	1,083,563	1,066,987	(18,290)	1,061,207	1,042,917

The notes on pages 11 to 12 form an integral part of these financial statements

The Philharmonia Orchestra In Bedford Trust

BALANCE SHEET

31st March 2022

	Note	2022 £	2021 £
Investments	4	1,103,119	1,049,422
Cash at bank		34,066	29,675
Debtors	5	-	5,335
Current Assets		34,066	35,010
Creditors: Amounts falling due within one year	6	(70,198)	(41,515)
Net Current Assets		(36,132)	(6,505)
Net Assets		1,066,987	1,042,917
Reserves			
Unrestricted Fund		(16,576)	(18,290)
Trust Endowment Fund		1,083,563	1,061,207
Total Funds		1,066,987	1,042,917

The financial statements were approved and authorised for issue by the Trustees on

24 January
2023



Henry Vann

Chairman



David Knapman

Treasurer

The notes on pages 11 to 12 form part of these financial statements

The Philharmonia Orchestra In Bedford Trust

STATEMENT OF CASHFLOW

31st March 2022

	2022	2021
	£	£
Cashflows from operating activities:		
Net income for the period (per the statement of financial activities)	24,070	205,559
Adjustments for:		
(Increase)/Decrease in debtors	5,335	40
Increase/(Decrease) in creditors	28,683	11,068
Net cash (used in)/provided by operating activities being net change in cash and cash equivalents	58,088	216,667
Net cash (used in) investing activities	(53,697)	(210,909)
Change in cash and cash equivalents in the reporting year	4,391	5,758
Cash and cash equivalent brought forward	29,675	23,916
Cash and cash equivalent carried forward	34,066	29,675

The Philharmonia Orchestra In Bedford Trust

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Charities SORP (FRS 102), the financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Principal accounting policies adopted in the preparation of the financial statements are set out below.

INCOME

Voluntary income, including donations, gifts and legacies, as well as grants that provide core funding or are of a general nature are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Income earned through interest or investments is recognised in the period it is received.

EXPENDITURE

Expenditure is recognised when a liability has been incurred and on an accruals basis. Expenditure is recognised in the period in which the liability is incurred.

FUNDS

Unrestricted funds are donations or other income, receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Permanent Endowment funds are funds that generally cannot be spent under the terms of the grant awards from The Harpur Trust, Bedford Council and the Arts Council. Any income arising from these funds will form part of Unrestricted funds whilst movements in the market value of investments held will form part of the Permanent Endowment funds. Expenditure incurred in support of the charitable activities of the Trust is set against the unrestricted funds with the intention that the unrestricted funds will be built up to their original level from income raised by the investing of the Permanent Endowment funds.

DEBTORS

Trade and other debtors are recognised at the settlement amount.

CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

FINANCIAL INSTRUMENTS

The Charity only has basic 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 measured at their settlement value.

INVESTMENTS

Investments are revalued at open market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

The Philharmonia Orchestra In Bedford Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

1 DONATIONS

	2022 £	2021 £
Sundry donations and Gift Aid	40	902
	<u>40</u>	<u>902</u>

2 INVESTMENT INCOME

	2022 £	2021 £
Bank interest receivable	-	-
Income from investment	33,234	41,821
	<u>33,234</u>	<u>41,821</u>

3 GRANTS AWARDED

A grant of £27,000 was awarded to the Philharmonia Orchestra to support the work undertaken in Bedford by the Orchestra in 2022 and settled post year end (2021: £10,000).

4 INVESTMENTS

	2022 £	2021 £
Balance brought forward 1 April 2021	1,049,422	838,513
Additions to investments at cost	31,381	30,759
Net gain on revaluation (based on open market valuation at year end)	22,316	180,150
At 31 March 2022	<u>1,103,119</u>	<u>1,049,422</u>

5 DEBTORS

	2022 £	2021 £
Gift Aid receivable	-	5,335
	<u>-</u>	<u>5,335</u>

The Philharmonia Orchestra In Bedford Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2022

6 CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Grants payable	27,000	-
Amount payable to Philharmonia Limited	41,383	39,925
Accruals and deferred income	1,815	1,590
	<u>70,198</u>	<u>41,515</u>

7 TRUSTEE REMUNERATION

No Trustee received any remuneration for their services.

The charity considers its key management personnel to be the Trustees.

8 RELATED PARTY TRANSACTIONS

The Trustees have delegated the management of the Trust's investments to The Harpur Trust, which in turn has delegated the day to day management to an investment manager, Sarasin & Partners. There were other no related party transactions in the year or prior year.

9 FUNDS

	At 1 April 2021	Income	Expenditure	Gains & Losses	At 31 March 2022
	£	£	£	£	£
Endowment Funds	1,061,207	40	-	22,316	1,083,563
Unrestricted Funds	(18,290)	33,234	(31,520)	-	(16,576)
Total Funds	<u>1,042,917</u>	<u>33,274</u>	<u>(31,520)</u>	<u>22,316</u>	<u>1,066,987</u>

Unrestricted Funds will be replenished from future income generated from the Endowment funds.

ANALYSIS OF NET ASSETS BETWEEN

10 FUNDS

	2022	2022	2022	2021	2021	2021
	Unrestricted	Endowment	Total	Unrestricted	Endowment	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£	£
Investments	19,556	1,083,563	1,103,119	-	1,049,422	1,049,422
Current assets	34,066	-	34,066	23,225	11,785	35,010
Current liabilities	(70,198)	-	(70,198)	(41,515)	-	(41,515)
	<u>(16,576)</u>	<u>1,083,563</u>	<u>1,066,987</u>	<u>(18,290)</u>	<u>1,061,207</u>	<u>1,042,917</u>