

# Britten Pears Arts

England & Wales · Charity number 261383

## Details

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Other names	ALDEBURGH FOUNDATION, ALDEBURGH MUSIC, ALDEBURGH PRODUCTIONS, SNAPE MALTINGS
Status	Registered
Legal form	Charitable company
Company number	<a href="#">00980281</a>
Registered	1970-07-23
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Website	<a href="http://www.brittenpearsarts.org">www.brittenpearsarts.org</a>

## Activities

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**Objects:** 1) TO PROMOTE AND ASSIST IN THE ADVANCEMENT OF EDUCATION IN THE ARTS AND CRAFTS, INCLUDING THE ARTS OF MUSIC, DRAMA, DANCING, MIME, PAINTING, SCULPTURE AND GRAPHIC ARTS, AND LITERATURE AND POETRY, AND TO EXTEND AND INCREASE THE APPRECIATION, KNOWLEDGE AND UNDERSTANDING OF THE ARTS AND CRAFTS IN ALL THEIR FORMS;2) TO PROMOTE THE PUBLIC KNOWLEDGE OF THE WORKS OF BENJAMIN BRITTEN AND PETER PEARS;3) TO PROMOTE THE CONSERVATION OF THE MUSICAL, HISTORICAL AND CULTURAL LEGACIES OF BENJAMIN BRITTEN AND PETER PEARS FOR PUBLIC BENEFIT, IN PARTICULAR THROUGH THE MAINTENANCE AND ENHANCEMENT OF THEIR PROPERTIES AND COLLECTIONS;4) TO ADVANCE EDUCATION IN MATTERS RELATED TO PEACE FOR THE BENEFIT OF THE PUBLIC; AND5) TO PROMOTE AND ENCOURAGE ANY OTHER CHARITABLE OBJECT OR PURPOSE AND TO ENGAGE IN ANY FIELD OF CHARITABLE GRANT-MAKING ACTIVITY PERMITTED BY ENGLISH LAW.

**Activities:** Artistic programming - concerts at Snape Concert Hall and other locations;Britten-Pears Young Artist Programme - performance driven masterclasses;Aldeburgh Residencies - development for established musicians;Aldeburgh Young Musicians - creative and performing projects for exceptional musicians aged 8 and 18;Learning and Inclusion - engagement with the local community on arts-based projects

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

## Geography

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- Suffolk

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£15,359,000	£12,952,000	£68,112,000	156
2024-03-31	£18,397,000	£12,827,000	£64,287,000	169
2023-03-31	£12,780,000	£13,299,000	£58,439,000	166
2022-03-31	£11,351,000	£11,114,000	£58,833,000	144
2021-03-31	£9,258,000	£8,942,000	£57,845,000	132

## Trustees

Name	Role	Appointed
<b>Angela Marie Christine Mallinson</b>	Chair	2020-04-01
ALASDAIR WILSON ROBERTSON TAIT		
Andrew Comben		2024-09-09
David Andrew Leo Clasen		2024-10-11
David Andrew Robbie		
Helen Vincent		2025-06-17
James Peter Rivett KC		2025-12-12
Jamie Njoku-Goodwin		2021-01-20
Lady Sarah Younger		2023-10-09
Laura Wade-Gery		2020-04-01
Linda OHare		2025-10-10
Matthew Gregory		2024-07-11
Sarah Mary Faulder		2020-04-01
Stephen Christopher Neil Swift		2023-10-09

**Britten Pears Arts**

England & Wales - Charity number 261383

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# Accounts

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**BRITTENPEARS  
ARTS**

**BRITTEN PEARS ARTS**

**Company Registration Number: 980281**

**Registered Charity Number: 261383**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

# **BRITTEN PEARS ARTS**

## **ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024**

### **INDEX**

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#### **PAGE NO:**

<b>1</b>	<b>LEGAL AND ADMINISTRATIVE DETAILS</b>
<b>2</b>	<b>INTRODUCTION FROM CHAIR OF BRITTEN PEARS ARTS</b>
<b>3 – 17</b>	<b>TRUSTEES' REPORT INCLUDING STATEMENT OF TRUSTEES' RESPONSIBILITIES</b>
<b>18 – 20</b>	<b>INDEPENDENT AUDITOR'S REPORT</b>
<b>21</b>	<b>CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>22</b>	<b>CONSOLIDATED AND CHARITY BALANCE SHEETS</b>
<b>23</b>	<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>
<b>24 – 46</b>	<b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b>

## LEGAL AND ADMINISTRATIVE DETAILS

<b>NAME</b>	Britten Pears Arts
<b>LEGAL STRUCTURE</b>	The Charity is a company limited by guarantee and incorporated in England and Wales, registered number: 980281
<b>CHARITY REGISTRATION NUMBER</b>	261383
<b>TRUSTEES</b>	Sir Simon Robey (Chair)  Sarah Faulder Dr Scot McKendrick (resigned 9 October 2023) Angela Mallinson Jamie Njoku-Goodwin David Robbie Janis Susskind Alasdair Tait Laura Wade-Gery Roger Wright (resigned 31 August 2024) Sarah Zins Lady Sarah Younger (appointed 1 September 2023) Stephen Swift (appointed 9 October 2023) Dr Xerxes Mazda (appointed 11 December 2023) Errollyn Wallen (appointed 6 March 2024) Matthew Gregory (appointed 11 July 2024) Andrew Comben (appointed 9 September 2024)
<b>HONORARY PRESIDENTS</b>	The Lord Stevenson of Coddensham Colin Matthews
<b>HONORARY VICE PRESIDENT</b>	The Lord Geddes
<b>CHIEF EXECUTIVE</b>	Roger Wright (resigned 31 August 2024) Andrew Comben (appointed 9 September 2024)
<b>COMPANY SECRETARY</b>	Sarah Bardwell (resigned 31 August 2024)
<b>PRINCIPAL AND REGISTERED OFFICE</b>	Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP
<b>AUDITORS</b>	RSM UK Audit LLP 1 <sup>st</sup> Floor, Platinum Building, St John's Innovation Park, Cowley Road, Cambridge CB4 0DS
<b>COMMERCIAL BANKERS</b>	Barclays Bank Plc, Suffolk Coastal Group, 4 Church Street, Woodbridge, Suffolk IP12 1DJ
<b>INVESTMENT MANAGERS AND ADVISORS</b>	CCLA Investment Management Limited, 85 Queen Victoria Street, London EC4V 4ET
<b>LEGAL ADVISORS</b>	Prettys Solicitors, 25 Elm Street, Ipswich IP1 2AD
<b>INVESTMENT PROPERTY ADVISORS</b>	Fenn Wright Limited, 1 Buttermarket, Ipswich IP1 1BA

## Introduction

At Britten Pears Arts (BPA) we continue to ensure that music, arts and heritage transform people's lives, bring communities together and enhance daily life. We aim to effect powerful positive change in and for society and make the arts "useful". We are internationally recognised yet firmly rooted in our local community and in Suffolk. During the year we have offered innovative learning and training in music and heritage, worked with freelance musicians and artists to deliver outstanding activities and provided audiences and visitors with memorable cultural experiences.

We celebrate the commitment of staff, volunteers, musicians and artists who ensure the highest level of professionalism, whilst being open and welcoming to all. We celebrate the amazing creative development programmes, the training for musicians, composers, young people, and emerging professionals, and the broad range of work we undertake in creative health settings. The professional resilience and rigorously high standards of the staff team, led by Roger Wright, has been inspirational.

Across the year of activities, to March 2024, over 88,000 tickets were sold to 16,895 tickets buyers including visitors to both our sites, the hugely successful and critically acclaimed 74<sup>th</sup> Aldeburgh Festival and the year-round programme of performance and activities. We attracted 30% new bookers and continue to develop ways to maintain their engagement with BPA. The Red House continued to grow the reach of its heritage and grounds and attract more visitors. The Archive connected with the public, academics and researchers as well as providing an insightful resource for the whole organisation and achieving accreditation in November 2023. Our Community team has worked with nearly 6,000 individuals in a range of diverse settings including the criminal justice system, care homes and schools.

This has been achieved with the important and continued support of Arts Council England and our supporters, the individuals, companies and public bodies, Trusts and Foundations who gave us vital support during the year. The contribution from our trading arm also helps to ensure that we can fulfil our charitable objectives, and my appreciation goes to all the staff and directors of Snape Maltings Trading Limited.

Many thanks to the Board of Trustees who were enormously supportive with their time during the year. Thanks to the British Library nominated trustee Scot McKendrick who stepped down during the year. We welcome his replacement Xerxes Mazda alongside four further new trustees Stephen Swift, Sarah Younger, Errollyn Wallen, and Matthew Gregory.

Executive Director, Sarah Bardwell, left the organisation at the end of August 2024. Prior to the merger which created BPA, Sarah was CEO of the Britten Pears Foundation. The Board of Trustees appreciate the significant role that Sarah played in driving the merger and subsequently affecting positive change, not least in the area of Equity, Diversity, and Inclusion, whilst helping the organisations to integrate and consolidate.

Under the transformative leadership of CEO Sir Roger Wright, BPA has continued to work internationally, positively impacting the lives of artists and audiences with the breadth and depth of our work supporting local and regional music education and commissioning a large body of new work. Roger's legacy is considerable. The Board of Trustees would like to express their heartfelt gratitude for his dedication and his achievements over the past ten years. We are also delighted and proud that he received his knighthood in the 2024 King's birthday honours list for services to music.

Finally, my renewed gratitude goes to our audiences, visitors, participants, volunteers, and artists for all that they do for BPA.

Sir Simon Robey  
Chair  
Britten Pears Arts

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The Trustees present their report along with the Charity's and Group's financial statements for the year ended 31 March 2024.

The Charity aims to promote and encourage the knowledge, study, teaching and practice of the arts in all their forms throughout the world and advance education in matters related to peace for the benefit of the public; promote and encourage any other charitable object or purpose and to engage in any field of charitable grant making activity permitted by English Law.

BPA was founded on 1 April 2020 when Snape Maltings and the Britten-Pears Foundation merged. It exists to ensure that the legacies of Benjamin Britten and Peter Pears continue to be enjoyed worldwide. Their legacy includes the Aldeburgh Festival, their archive, a cutting-edge programme of creative health work, the Britten-Pears Young Artist Programme, the house where they lived and extensive learning and inclusion work throughout Suffolk and beyond. Their legacy also incorporates their attitude, values and belief in helping communities disadvantaged in society and those who don't have access to music or culture.

BPA uses music to change and enrich thousands of lives every year, from nurturing young emerging artists to supporting people in challenging conditions, all whilst bringing world-class music to Suffolk. Inspired by Benjamin Britten's founding vision, it provides a place where artists at all stages of their career are given the time and space to develop. It is also home to life-changing community projects, making the most of music's ability to help in the most difficult of circumstances. It maintains, conserves and develops The Red House as a major heritage site and uses it to encourage visitors to learn more about the life and work of Benjamin Britten and Peter Pears. It holds a unique archive of manuscripts, documents, artworks, and multimedia materials for the public. It provides access to the collections and disseminates them as widely as possible, both physically and virtually.

In setting objectives, developing strategies and undertaking activities, the Trustees have considered the Charity Commission's general guidance on public benefit. The Charity meets the definition of a public benefit entity under the Charities SORP (FRS 102).

The information given on page 1 forms part of this report.

### STRATEGIC FOCUS AND ACTIVITIES

#### Charitable Objects

The Charity's objects are for the public benefit:

1	To promote, and assist in the advancement of education in, the arts and crafts including the arts of music, drama, dancing, mime, painting, sculpture and graphic arts, and literature and poetry, and to extend and increase the appreciation, knowledge, and understanding of the arts and crafts in all their forms.
2	To promote the public knowledge of the works of Benjamin Britten and Peter Pears.
3	To promote the conservation of the musical, historical and cultural legacies of Benjamin Britten and Peter Pears for public benefit, in particular through the maintenance and enhancement of their properties and collections.
4	To advance education in matters related to peace for the benefit of the public.

#### Mission

BPA wants music, arts and heritage to engage with diverse audiences, participants, musicians, young people and others to enhance their lives. Simply, our mission is for the arts to be useful.

#### Values

Our values are:

- Empowering
- Collaborative
- Rigorous
- Pioneering

## TRUSTEES' REPORT (CONTINUED)

### AIMS AND OBJECTIVES

#### Strategic Priorities

Our strategic priorities are:

- Fostering Creativity
- Accessibility
- Environmental Improvements
- Youth Voice
- Skills Development and Training
- Digital and Technological Development

#### Performance against our 2023/24 Objectives

	2023/24 Objectives	Progress made during the year
1	We will maintain an international roster of artists, leaders and creatives and connect them to the region to achieve ambitious work of quality. We will focus on audience development to ensure that a broad range of high-quality cultural experiences are available year-round which attract a diverse audience.	<p>All 4 featured artists during the Aldeburgh Festival 2023 were internationally active workshop leaders, performers and ensembles connected with local audiences, communities &amp; schools.</p> <p>Our audience development work focussed on two main areas: families and first-time bookers. 46% of families attended a BPA performance for the first time, with a 37% year on year increase in the number of family bookers. Our year-round programme attracted 50% of first-time bookers. Central to achieving these high figures was a £10 ticketing strategy and a bias towards family programming.</p>
2	We will use existing guidance created by the Theatre Green Book project to inform our plans. We will achieve intermediate level in Front of House (FOH) and Back of House (BOH) operations during 2023. We will have ascertained and costed the potential for the Snape Maltings site to generate significant renewable energy through solar and Photovoltaic (PV) panel arrays.	An ambitious capital programme has been drawn up with a range of works to significantly reduce CO2 emissions on the path to net zero carbon. The increased use of renewables, and the installation of large arrays of PV panels. The Delivery Committee will provide oversight for sustainability work. The Theatre Greenbook continues to be a very useful guide, and BPA has achieved intermediate level in operations.
3	We will use dedicated change management resource to leverage and enhance the skills and resources of the organisation through co-ordination and knowledge sharing. With new systems and more effective use of existing IT we will streamline our ways of working and aim to reduce routine activity to allow space for more creative output. We will	<p>Work continued throughout the year to review and improve systems and processes. The organisation has now fully moved over to SharePoint.</p> <p>Following a thorough review of the options, a new Digital Asset Management system was</p>

**TRUSTEES' REPORT (CONTINUED)**

	<p>interrogate data to provide the feedback to inform our decisions and enable us to be more reactive.</p>	<p>introduced during the year, called 'Box'. The system enhances collaboration and workflow, whilst providing the required increased digital storage capacity.</p> <p>During the year Snape Maltings Trading Ltd benefited from the roll out of a new system for holiday accommodation.</p> <p>The organisation achieved Cyber Essentials accreditation in August 2023.</p>
4	<p>We will work towards a capital building project in which physical access to our sites and being more accessible inside and outside our buildings will be a priority. The Equality, Diversity and Inclusion (EDI) Committee will ensure all our activities are evaluated and reviewed, and available and accessible to all.</p>	<p>Taking recommendations from comprehensive audits, improving accessibility is a key theme of the capital programme and it is threaded through all the component parts.</p> <p>Now referred to as the Equity, Diversity and Inclusion Committee the work has continued throughout the year with an updated EDI action plan and a renewed commitment to training and awareness.</p>
5	<p>Work closely with our communities to continue to deliver our extensive creative health programme, artist training and development, archive and heritage activities.</p>	<p>Our Community and Creative Health Programme in an area of socio-economic deprivation continues to bring joy and comfort to many bereaved and isolated people in our community, and to those suffering from Parkinsons and Dementia through our "Skylarks" and "Participate" programmes.</p> <p>Residencies saw the highest ever application number and is clearly nationally sought-after.</p> <p>The Britten Pears Young Artist Programme (BPYAP) is thriving, including a new model of a chamber music course. Aldeburgh Young Musicians (AYM) settled into a slightly changed model, with excellent results. We have extended our draw of future young musicians by introducing AYM to school children at our annual festival "Celebration"</p> <p>Archive accreditation was achieved during the year. Red House exhibitions were very well received, and numerous successful events, such as Recitals, National Open Garden Scheme, and our extensive families &amp; schools programme, won the Sandford Award.</p>

## TRUSTEES' REPORT (CONTINUED)

### Objectives for 2024/25

2024/25 Objectives	
1	<p><b>Range of activity and audience development</b> We will continue to develop the quality and range of our offer and further develop our audience base, both demographically and geographically. There will be an increased focus on our broad joined up programme across both our sites. There will be a continued plan to encourage new audiences and to nurture repeat visits from our first-time bookers alongside continued family programming.</p>
2	<p><b>Leadership Change and Transition</b> We will work to ensure that the senior management and board transition within 2024/25 is seamless, through detailed and cohesive handover, excellent communication, and clarity of vision.</p>
3	<p><b>Commencement of Capital Programme on site</b> As we begin work on site as part of our Capital Programme delivery, we will ensure that any impact on the visitor experience is minimised, and through strong and timely communication we will ensure that all stakeholders are kept up date as we make progress through the programme. Sustainability and accessibility will be key themes throughout the project.</p>
4	<p><b>Maximising revenue and delivering value for money</b> All opportunities to maximise revenue will be taken, including music programme ticket sales, income from our trading subsidiary, income through the launch of a new membership scheme and philanthropic support for our annual revenue and Capital Programme.</p>
5	<p><b>BPA Brand</b> Develop and deliver the next stage of our BPA brand work. Review the relationships of brands and distinct identities required to ensure customer clarity and commercial success.</p>

## STRATEGIC REPORT

### ACHIEVEMENTS AND PERFORMANCE

In line with the aims and objectives of the organisation, BPA continues to build on the success of its reputation as a leading international creative campus across two sites. The Charity is renowned as a performance centre, an artist development hub, critically acclaimed for its learning and inclusion work, unique archive and heritage house and museum offer, and developing its growing reputation as a distinctive leader in creative health with music.

#### Artistic Activities

Activity	Measures of success
Aldeburgh Festival	The 2023, 74 <sup>th</sup> Festival included 35 first performances, 9 first UK performances and 21 BPA commissions. Over 20,500 tickets were booked, there were 2 featured performers and 2 featured composers.
Year-round performance programme	This programme included bespoke programmes for Easter and Christmas and the Britten Weekend, a wide-ranging Summer at Snape programme and an extensive series of programming for families and young people. The relationship with English Touring Opera continued and they presented four operas at Snape Maltings during the year.
Britten Pears Young Artist Programme (BPYAP)	98 young artists took part in the programme, engaging in 19 different sessions including returning for concert performances.
Aldeburgh Young Musicians (AYM)	51 young musicians (aged 8–18) took part in 52 days held during the year working with composers and performers from a wide range of genres. A further 105 young people engaged with BPA through AYM taster days.

## TRUSTEES' REPORT (CONTINUED)

<b>Archive</b>	In addition to being a central resource for work within our community and organisation the Britten Pears Archive has a recognised national reputation. This has been reinforced by becoming an Accredited Archive during the year, a scheme managed by the National Archives. 43 donations were accessioned, 2,671 records were added to the database and 455 enquiries were received and answered within 5 working days. 2,558 people visited the Archive during the year and there were 123 readers.
<b>Community</b>	The Community team ran 498 sessions or events in both formal and informal settings for young people aged 0-25 reaching 5,847 individuals. As a development of our Friday Afternoons programme, we released a set of 5 digital training resources to support teachers to write songs in schools. Work continued in HMP Warren Hill, care home settings and with those suffering from dementia and Parkinsons.
<b>Digital Public Engagement</b>	65 online content pieces including films, website stories and other content were generated. Alongside 41 live to digital cultural experiences these included recordings of BPYAP concerts and residency outputs. Over 90,000 people engaged with these activities.
<b>Creative Health</b>	We convened 2 Think Tanks on Music in Criminal Justice settings and Music and End of Life. We ran 2 MOTs residential courses which provide rejuvenation, inspiration and support for musicians – one focussing on musicians working in challenging circumstances and one bringing together aspiring leaders in the sector. Additionally, we ran 2 Spark Events (one day conference style events) including bringing together national and regional leaders in Creative Health at Snape Maltings to launch a regional Creative Health Strategy.
<b>The Red House</b>	8,409 visitors came to the house during the year. Following the success of The Britten and Women exhibition in 2022/23 this ran for a second year during 2023/24. The Red House hosted a wide range of activities including Mini-Music, schools visits, bereavement cafes, garden tours and increasingly popular Behind the Scenes days.
<b>Residencies and Retreats</b>	We ran 13 Snape Residencies and 22 Red House retreats which meant we engaged with 87 individual creatives, artists and composers.

## FINANCIAL REVIEW

### GROUP FINANCIAL OVERVIEW FOR THE YEAR

In 2023/24 the organisation commenced a Capital Programme, which will run for the period 2024 to 2026 and cover a range of modernisation and accessibility projects which will be transformative for the site, making old buildings fit for 21<sup>st</sup> Century requirements. During the year an exceptional and transformative gift of £6.5 million was received from the Paul Hamlyn Foundation, which accounts for the 120% increase in income from donations and legacies in the year. The donation includes a £5 million endowment for the provision of creative health work and £200k of the interest generated by the capital sum will support the annual provision of the creative health programme.

The organisation has continued to make progress towards delivering a breakeven annual budget, with a reduced deficit budget at the start of 2023/24 and a focus on the cost-effective delivery of the planned programme of activity, during the year. Increases in box office income and Orchestra and Theatre Tax Relief (OTTR) positively contributed to offsetting lower philanthropic operating income in the financial year. The increase in audience numbers during the year resulted in an 11% increase in box office income to £1,022k, whilst a 52% increase in OTTR took the figure for 2023/24 to £304k. Staff costs for the group were up 1%, at £5,315k, and included restructures within the Finance, Marketing and Development teams. The generosity of its donors continues to be of significant importance to the organisation, contributing to the breadth and reach of work, both nationally and internationally, and underpinning the BPA overall financial performance and strategic aspirations. The Charity saw a positive movement in funds as a result of gains on financial investments. The Statement of Financial Activities on page 21 indicates an increase in total group funds of £5,848k, which includes the Hamlyn gift of £6,500k.

## TRUSTEES' REPORT (CONTINUED)

The 2024 Financial Statements reflect a significant restricted endowment of £5m and a capital donation of £1.5m, both from the Paul Hamlyn Foundation. The gifts are restricted to the terms of the agreement between the Foundation and BPA, with BPA able to spend out of the return on the endowment on activity to support BPA community engagement and creative health programme. The capital donation of £1.5m may be expended on capital projects to repair, restore and improve buildings on the Snape Maltings site to enable the delivery of the community engagement and creative health programme.

The total income for BPA increased by £5,617k, in the year to the end of March 2024, which was an increase of 44% on the £12,780k of income reported for the year to March 2023. Whilst income was maintained within Snape Maltings Trading Limited (SMTL), the budgeted uplift in financial performance was not achieved, mainly owing to demand for catering during the summer of 2023. SMTL income rose from £5,480k to £5,624k, as reported in the audited accounts of the subsidiary.

BPA holds an investment portfolio which increased in value by £5,647k in the year to 31 March 2024, with the addition of the £5,000k Paul Hamlyn endowment, held in an interest-bearing account, with interest received of £28k in the financial year, and unrealised gains of £632k on the remaining portfolio. Heritage assets reduced in value by £354k, reflecting a reduction in the value of the Red House of £100k and a £254k reduction in the value of 3D art objects following revaluation. The Charity's investment portfolio is held for the long term and the Charity sees its income from that portfolio as being the dividend return that it accrues. Individual years may show positive or negative revaluation surpluses but whilst accounting regulations require that these are recognised in the accounts, they are not cash amounts (as the assets have not been sold) and the Group does not treat them as being part of their income for the year. The Charity revalues its heritage assets on a rolling basis and is required to recognise revaluation differences in its Statement of Financial Activities, but these assets are held on an indefinite basis and used for its charitable purposes so any surplus is not available for other use.

Table 1 summarises Group income for the year from Note 2 and is stated in line with accounting requirements under the Charities SORP (FRS 102). It includes amounts relating to future periods where the relevant income recognition criteria have been met while excluding grants and donations recognised in previous years for activities undertaken in 2023/24.

<b>Table 1 – Group income</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Arts Council England core grant	1,429	7.8%	1,429	11.2%
Trusts and Foundations	6,821	37.1%	1,461	11.4%
Private, including memberships and Gift Aid	957	5.2%	1,274	10.0%
Legacies	283	1.5%	86	0.7%
Local authority and corporate donations	113	0.6%	119	0.9%
Box Office and admissions	1,036	5.6%	932	7.3%
Theatre and Orchestra Tax Relief	304	1.7%	200	1.5%
Other charitable activities, including course fees	321	1.7%	341	2.7%
Trading activities, including retail and catering	5,475	29.8%	5,365	42.0%
Royalties	1,245	6.8%	1,277	10.0%
Investments, including interest, dividends and rent	413	2.2%	296	2.3%
<b>Total income and endowments</b>	<b>18,397</b>	<b>100.0%</b>	<b>12,780</b>	<b>100.0%</b>

Table 2 highlights Group expenditure for the year and includes costs associated with activities undertaken during 2023/24 only. More information can be found in Note 4.

<b>Table 2 – Group expenditure</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Fundraising	340	2.6%	349	2.6%
Trading, including retail and catering	5,044	39.2%	4,926	37.1%
Artistic activities	2,621	20.4%	2,968	22.3%
Artistic development	777	6.1%	1,102	8.3%
Archive, Exhibitions and The Red House	319	2.5%	298	2.2%
Community	557	4.3%	509	3.8%
Operations	1,687	13.2%	1,762	13.3%
Administration, including IT and Finance	1,430	11.2%	1,328	10.0%
Governance, including audit fees and legal advice	52	0.4%	57	0.4%
<b>Total expenditure</b>	<b>12,827</b>	<b>100.0%</b>	<b>13,299</b>	<b>100.0%</b>

## TRUSTEES' REPORT (CONTINUED)

Table 3 summarises Group reserves at year end. Greater levels of detail will be found in the Statement of Financial Activities on page 21, the Balance Sheets on page 22 and notes to the accounts from page 24.

Table 3 – Group reserves	2024		2023	
	£'000	%	£'000	%
Unrestricted	7,546	11.7%	8,043	13.8%
Restricted	9,632	15.0%	8,132	13.9%
Endowment	47,109	73.3%	42,264	72.3%
<b>Total reserves/net assets</b>	<b>64,287</b>	<b>100.0%</b>	<b>58,439</b>	<b>100.0%</b>

The Group's net assets of £64,287k are mainly comprised of fixed assets to the value of £59,032k, which include £25,680k of tangible fixed assets and £20,529k of heritage assets. The remaining £12,823k represents income-generating investments designed to provide funding stability for the long-term.

Unrestricted reserves decreased by £497k which is predominantly due to unrestricted expenditure exceeding unrestricted income in the period. Restricted reserves increased by £1,500k, due to the Capital Programme donation of £1,500k from the Paul Hamlyn Foundation. Endowment funds increased by £4,845k, owing to the transformational £5,000k donation towards the delivery of the Creative Health Programme. During the year 3D heritage art and the heritage properties were revalued. More information in respect of the movement in reserves can be found in notes 18 and 19.

The Group and parent Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### BRITTEN PEARS ARTS

As a standalone entity, BPA total reserves increased by £5,928k, to close at £64,525k. Unrestricted funds fell by £417k, predominantly because of unrestricted expenditure exceeding income. Restricted reserves increased by £1,500k, due to a Capital Programme gift of £1,500k. Whilst, as noted above endowment funds increased by £4,845k.

### ALDEBURGH MUSIC ENDOWMENT FUND

Aldeburgh Music Endowment Fund (AMEF), a separate Charity, completed the transfer of its assets and liabilities to BPA on 31 March 2021, and was dormant during the year to 31 March 2024.

### SNAPE MALTINGS TRADING LIMITED

The company, which delivers a wide range of retail and catering activities experienced a 3.1% growth in retail sales during 2023/24, compared to the prior year, owing to increased footfall and strong demand for seasonal goods, books, cards and food. The catering operation fell short of budget and the business continued to experience higher operating costs which impacted overall profitability. Turnover increased to £5,624k (2023: £5,480k). In the year to the end of March 2024 Snape Maltings Trading Limited made a loss before taxation of £65k, compared to a loss in the year to the end of March 2023 of £52k.

The company has share capital of £1,000,100 from its parent company, BPA, £1,000,000 of which represents preference shares.

### BRITTEN ESTATE LIMITED

The company continued to promote the music of Benjamin Britten and receive income in the form of royalties. Turnover reduced to £1,224k (2023: £1,238k), with profit before taxation reducing to £1,194k (2023: £1,204k). The profit generated was fully utilised within the BPA Group.

### FUNDS HELD AS CUSTODIAN TRUSTEE

Creditors include £21,732 (2023: £24,947) of means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development.

### PRINCIPAL FUNDING SOURCES

BPA continued to benefit from annual core funding from Arts Council England. This was £1,428,835 in 2020/21, 2021/22, 2022/23 and 2023/24. The Charity was awarded continued funding for the new three-year period at the same level and is enormously grateful to Arts Council England for continuing to support its wide-ranging activities. The Department for Education provided £75,000 to fund part of the cost of Aldeburgh Young Musicians courses. Besides revenue generated by retail and catering operations, box office and project fees, a considerable proportion of the Group's income is philanthropic and derives from grants and private sources,

## TRUSTEES' REPORT (CONTINUED)

including legacies. The Trustees are indebted to many generous individuals and organisations for their support of artistic activities. Legacy income of £283k was recognised by the Charity during the year (2023: £86k).

### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees undertake a formal process to review risks and risk management strategies proposed by the leadership team. During the year a minor amendment was agreed to the Risk Management Framework. The Group Risk Register is reviewed by the leadership team quarterly, and the key risks are shared with the board at every board meeting. The full risk register is reviewed by Audit and Risk Committee twice a year. There is a separate risk register for Snape Maltings Trading Limited which is reviewed by that board and a separate IT risk register which is reviewed by the IT Steering Group. In reviewing the risk registers, the board and committees consider the financial, reputational and organisational risks the Group faces. The scale of the risks is assessed in terms of potential impact, likelihood of occurrence and means of mitigation. Management has clearly defined responsibilities in relation to their responsibility for, and the management of, all risks.

The organisation has reviewed its appetite for risk during the year, which remains unchanged, with a low or medium appetite against all risk areas. Where mitigated risks remain as 'red' risks, a range of actions are in place and the risks are under continuous review and assessment. The current highest risks fall within external (economic, natural and political), statutory, legal compliance and financial.

The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating risk and uncertainties to the extent reasonably achievable. The Trustees have considered the adequacy of the Group's internal controls and have received an update on the internal assessment of financial controls compared against the Charity Commission financial controls checklist, which was initially undertaken in July 2023. Additional policies have been added during the year.

#### Principal Risks and Uncertainties

The operating environment improved during 2023/24, with the ongoing impact of the UK cost of living crisis, and high interest rates being partially offset by the reduction in inflation. The table below summarises the key risks that that organisation faces.

SUMMARY OF CONSEQUENCES	SUMMARY OF MEASURES IN PLACE
<b>Key Risk – Major global crisis (pandemic, war)</b>	
The threat of Covid has been replaced by geopolitical instability with the ongoing conflict in Ukraine coupled with the wide-ranging impact of the Middle Eastern conflict.	<ul style="list-style-type: none"> <li>• Dynamic programming</li> <li>• Access to unrestricted reserves</li> <li>• Good communication and planning (internal and external)</li> <li>• Close contact with ACE</li> <li>• Regular board contact</li> <li>• Extensive networking with sector leaders</li> </ul>
<b>Key Risk – Current and future economic uncertainty</b>	
Despite inflation coming down, economic uncertainty remains, with the potential impact of cost-of-living crisis on the public's ability to attend performances, spend in our shops and support our organisation through philanthropy	<ul style="list-style-type: none"> <li>• Maintaining strong fundraising team</li> <li>• Careful cost control</li> <li>• Dynamic and modern marketing</li> <li>• Dynamic programming and prioritisation</li> <li>• Stress testing of financial plans</li> <li>• Exploration of new ventures</li> <li>• Monitoring of cash flow forecasts</li> <li>• Retail Buyers regularly feeding back to management on changes in costs (including shipping costs)</li> </ul>
<b>Key Risk – Budget and Cash flow challenges</b>	
Delivery of the annual operating budget is very dependent on the delivery of fundraising targets. Risk is associated with the loss of key funding, through one major donor or a range of smaller donors.	<ul style="list-style-type: none"> <li>• Adequate Reserves Policy</li> <li>• Detailed Cash Flow forecasting</li> <li>• Regular reporting to Leadership Team and Board</li> <li>• Regular review of investments</li> </ul>

## TRUSTEES' REPORT (CONTINUED)

Key Risk – Public Funding cuts in 2027 and beyond	
NPO Funding has recently been extended by a year to 2027. Risk period starts after the next NPO round.	<ul style="list-style-type: none"> <li>• Close contact with ACE</li> <li>• Increase philanthropic income</li> <li>• Always monitor public need</li> <li>• Build relationship with other funders in the sector</li> </ul>
Key Risk – Loss of Leadership / expertise (board / staff)	
Turnover of experienced staff, and recruitment of new, less experienced colleagues. Recruitment challenges. The continuing impact of rising pressure on salary levels.	<ul style="list-style-type: none"> <li>• Investment in training</li> <li>• Investment in new processes and systems</li> <li>• Focused and agile recruitment process and resources</li> <li>• Manage resource and output in line with available staff</li> </ul>

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### STATUS AND GOVERNING INSTRUMENT

BPA is a registered Charity, and a company limited by guarantee and the organisation is governed by its Articles of Association.

#### MEMBERS OF THE BOARD

The governing body of BPA is its Board of Directors which has responsibility to ensure the Charity is properly managed. As BPA is a Charity, each Director is more usually referred to as a Trustee. New Trustees are appointed following a selection process, a central feature of which is our commitment to equity, diversity and inclusion. Confirmation of appointment is undertaken at the subsequent Annual General Meeting.

Trustees are provided with an induction programme involving all aspects and activities of the organisation, including its relationship with its subsidiary undertakings, Snape Maltings Trading Limited, Britten Estate Limited and Elm Property Investments (Snape Maltings) Limited. The Trustees recognise the need to maintain an up-to-date skillset which is applicable to today's changing Charity environment.

#### ORGANISATIONAL STRUCTURE

Besides the Charity, the Group's entities consist of Snape Maltings Trading Limited (company registration: 1519527), Britten Estate Limited (company registration: 2063909) and Elm Property Investment (Snape Maltings) Limited (company registration: 9641832). The financial statements for BPA consolidate the Charity's results with those of other Group members including their subsidiaries. Transactions between Group members are eliminated as part of the consolidation process.

Snape Maltings Trading Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of BPA. It undertakes retail and catering activities at Snape Maltings through the operation of shops, galleries and catering outlets. The company also manages the hiring of the sites' facilities for weddings, conferences and other non-artistic events, and operates a holiday lettings business. Its financial results are summarised in Note 3.

Britten Estate Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of BPA. The company promotes the music of Benjamin Britten and receives income in the form of royalties, and its financial results are summarised in Note 3.

Elm Property Investments (Snape Maltings) Limited (company registration: 9641832), is a wholly owned subsidiary of BPA, which owns the freehold of a number of properties at Snape Maltings and receives an annual ground rent from the leaseholders.

Snape Maltings Trading Limited has a wholly owned subsidiary, Elm Property Management (Snape Maltings) Limited (company registration: 6371788), which undertakes the care and management of residential properties at Snape Maltings on behalf of the leaseholders. For statutory purposes, this company was dormant for the year.

The leadership team are responsible for the day-to-day operational management across the group of companies. The team meet weekly and report to the Board through committees on all aspects of governance, financial performance and risk management.

## TRUSTEES' REPORT (CONTINUED)

### GOVERNANCE

#### Trustee Board

The activities of BPA are ultimately controlled by its trustee board which holds regular meetings throughout the year and is committed to the principles of the Charity Governance Code. By providing a range of experience and skills, it helps the leadership team to achieve artistic success with stable finances. The Trustees provide guidance and knowledge across the organisation's activities, specifically in areas including artistic, heritage, collections, financial and risk management, strategy, logistics, human resources, marketing, property and investments. They also support the organisation in maintaining a wide network of stakeholders, including existing and potential funders.

#### Ability to hold office

Prior to appointment, Trustees are required to confirm they are not barred from holding office as a Trustee or Director.

#### Declaration of interests

In order to ensure that decision-making is transparent, all Trustees and senior managers of the Group are required to sign a Declaration of Interests, and a standing agenda item requires Trustees and others present to declare any interests that may arise in the course of each board meeting.

#### Finance Audit and Risk Committee

The Audit Committee was merged with the Finance Committee in September 2023 and is chaired by David Robbie. It includes board members Sarah Faulder, Sarah Zins, Stephen Swift and Sarah Younger. Any trustee may attend meetings. The Finance Audit and Risk Committee monitors the integrity of the statutory financial statements, ensures the effectiveness of the systems of internal and risk control and manages the effectiveness, performance and objectivity of the external auditors. The Committee also monitors the management accounts, budgets and forecasts and overall financial performance and recommends the strategy, policies and procedures for the Group's investments and estate assets.

When the Committees were merged former trustees, Christopher Higgins and Oliver Rivers, retired having previously been on the Audit Committee.

The Finance Audit and Risk Committee meets four times each year with at least one meeting including the Group's external auditors. The performance and re-appointment of the auditors is reviewed each year, and the Finance Audit and Risk Committee Chairman makes an appropriate recommendation to the Trustees.

#### Remuneration and Nominations Committee

As at 31 March 2024 the Remuneration Committee comprised David Robbie, Sir Simon Robey, Janis Susskind, Sarah Faulder, and Sarah Zins. The Committee meets as necessary to review and make recommendations relating to changes to employees' salaries and benefits, including that of the Chief Executive. The Committee is also responsible for making recommendations to the Board on the appointment of new Trustees.

#### Collections Committee

The role of Chair of the Collections Committee was taken up by Xerxes Mazda in March 2024, when Scot McKendrick left the board. Other members are trustee Janis Susskind, former trustee Penny Heath and BPA President Colin Matthews. The committee oversees policy proposals and decisions relating to heritage assets of BPA including the archive collections, artworks, sculpture, The Red House collection and any agreed items held at Snape Maltings. The committee will act as an advisory board on major decisions about these collections, including new acquisitions, loans, preservation and conservation.

#### Capital and Property Development Committee

The Capital and Property Development Committee was set up during the financial year to oversee the Capital Programme. The committee is chaired by trustee, Lady Sarah Younger. Other trustee members are David Robbie, Sarah Zins and co-opted member, Crispin Kelly.

#### Charity Commission Code of Governance

In February 2024 the board considered a report detailing an updated review against the Charity Commission Code of Governance, and an update on actions from the 2023 review. The actions for the year ahead include developing the Group Business Plan, a review of subsidiaries, developing a trustee recruitment policy and publishing a complaints policy on our website.

## TRUSTEES' REPORT (CONTINUED)

### KEY MANAGEMENT PERSONNEL

All Trustees and non-executive directors of Group subsidiaries, together with Andrew Comben (who took over as Chief Executive Officer on 9 September 2024), Harry Young (Chief Operating Officer), and Angela Treagust (Chief Financial Officer) are considered to be the Group's key management personnel. Roger Wright (Chief Executive Officer) left the organisation on 31 August 2024, Sarah Bardwell (Executive Director) left the organisation on 31 August 2024.

Remuneration levels for key management personnel are set within the context of budgets and plans which are approved by the board before implementation and include, where appropriate, recommendations from the Remuneration and Nominations Committee. Details of payments to key management personnel are provided in Note 7.

### FUTURE PLANS

BPA launched a Capital Programme during 2023/24 with the appointment of a Project Manager in October 2024 who then conducted an extensive process to appoint an experienced Design Team to deliver the Programme. A range of capital and maintenance works on the BPA sites at Snape and The Red House, some of which were put on hold owing to the pandemic, but which will bring improved access and fitness for purpose of existing buildings, energy efficiencies and opportunities for future revenue generation. The organisation will continue to look at ways to achieve its strategic objectives, whilst remaining financially robust, within a challenging operating environment.

### FINANCIAL POLICIES

#### *Reserves Policy*

In 2020/21, following the merger of Snape Maltings and the Britten Pears Foundation, the Trustees agreed a new reserves policy for the merged organisation. The Trustees concluded that they would aim that unrestricted and undesignated (free) reserves, not backed by fixed assets, should cover six months of projected charitable costs excluding depreciation. This is a number of about £3,600k and compares to actual free reserves of £2,175k. Although we have fallen short of the target at the end of 2024, the business is actively working towards ensuring that the target is met over time.

#### Unrestricted General Reserves

These reserves stood at £2,943k at the start of the year and fell to £2,175k on 31 March 2024. The £768k decrease is the net of £11,186k of unrestricted income offset by £11,316k of unrestricted expenditure and a £626k transfer to designated funds, which includes £302k of fixed assets. There was £12k of investment and other losses.

#### Unrestricted Designated Reserves

A designated fund is retained for fixed assets, and a £240k depreciation charge in the year, combined with a £302k transfer into the fund, left a closing balance of £3,880k. Further to this, a designated reserve is held for "Securing the Future". The prime motivation for this reserve is acknowledgement of the fact that royalty income is time-limited, and provision should be made for the point at which it will start to fall away. The reserve also provides security against the potential reduction in other key income sources. This reserve will be built over a period of years, noting that the largest drop in royalty income will happen seventy years after Benjamin Britten's death in 1976. The aim has been set to build a reserve of £15 million. On 31 March 2024 it stood at £1,211k.

Separate to the funds outlined above, there is also £280k held in other designated funds relating to Red House capital projects, Aldeburgh Young Musicians (AYM) and Music Makers Programme. Expenditure from other designated funds was 45k in the year with expenditure from the Syrme Hart Trust on AYM.

#### Restricted and Endowment Reserves

Certain reserves bear restrictions on their use imposed by donors, with some of these limiting, or barring, access to the donated capital. Details of restricted and endowment funds, including those of a permanent endowment nature, are provided in Notes 18 and 19.

#### *Investments*

The Trustees are responsible for setting the Fund's investment policy and strategy and are authorised to make any investment they consider to be beneficial. The Trustees confirm they have remained within this power and continue

## **TRUSTEES' REPORT (CONTINUED)**

to keep their investment policy and strategy under review. A review in 2022 of the fund management policies confirmed that there were no specific ethical issues which would be in conflict with the Charity's objectives, and the responsibility of the board to protect BPA's reputation.

### Investment Properties

The Trustees consider it appropriate to invest in commercial property where there is a strategic fit with the activities of the Group and such action provides a rate of return in excess of 5% of investment cost after the deduction of operational expenses. When vacant periods arise, local agents are appointed to manage new tenancy advertising and to provide advice regarding rent levels.

### Market Investments

Meetings are held with investment advisors at least once during the year to monitor performance and review strategy. Key aspects of the investment policy include the achievement, within acceptable levels of risk, of at least market-rate income whilst taking a long-term view regarding capital growth. The current income target is to achieve a yield in excess of the FTSE All-Share Index yield after the deduction of management charges and for capital growth to outperform the FTSE All-Share Index over the long-term, a period defined as being not less than ten years. There is also an interest bearing 95-day account held with Barclays. .

### Investment Performance

All investment properties were tenanted during the year. The target income yield of above 5% of cost was met.

## **KEY PERFORMANCE INDICATORS**

BPA and its Group entities measure progress against a number of indicators set out in annual budgets and plans. It has been following SMART objectives agreed with Arts Council England particularly focussed on the Creative Case for Diversity. Non-financial indicators include public engagement and reach, the number of Festival commissions and targeting a rise in international collaborations. The main financial indicators include royalty income, box office performance, fundraising income, retail sales and investment returns. The Board reviews key performance indicators at its meetings during the year through receiving summary papers and within the Group's management accounts.

## **PUBLIC BENEFIT**

The Charity Commission has distilled a number of principles of public benefit which must be addressed by charities. Any benefit arising from an organisation's activities must be to the public or a section of the public, in respect of which the opportunity to benefit must not be unduly restricted by ability to pay any fees charged; and that people in poverty must not be excluded from the opportunity to benefit.

In setting the level of ticket prices, fees, charges and concessions, the Trustees give careful consideration to the accessibility of concerts and other projects to those on low incomes. BPA's pricing reflects its aim of enabling all members within our community, whatever their means, to take part in its activities. Ticket pricing is generally dependent on event costs and seat location. Ensuring wide access is a priority, resulting in ticket prices for many events starting at or below £10. Concessionary prices are available at most concerts for younger people.

Some events are undertaken to generate public interest in the Charity's activities and are free to all. We are fortunate to have a loyal base of Friends and other supporters who are able to access a priority booking period. However, a number of tickets are held back to allow the general public the opportunity of purchasing seats at an otherwise sold-out concert. New audiences are encouraged by the availability of £10 tickets which are put on sale after the supporters have booked their tickets.

Activities led by the Learning and Inclusion team, including working in care homes with people with dementia, are making a positive difference to the physical and mental wellbeing of the public. Some projects undertaken by the Charity require participants to pay for their travel and other costs. Financial support is made available to those in need such that, in appropriate circumstances, all costs are waived.

The Snape Maltings and Red House sites are steeped in history and are amongst Suffolk's most visited tourist venues. The Maltings has open access and is available to the public for recreational use such as walking, although visitors also enjoy the site's performance, catering and shopping facilities.

## **VOLUNTEERS**

Britten Pears Arts is grateful to have the support of a body of unpaid volunteers who perform important duties at events including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. During the year, we were pleased to have 156 volunteers (2023: 209) who worked a total of

## **TRUSTEES' REPORT (CONTINUED)**

approximately 10,889 hours (2023: 13,252 hours) and which would otherwise have cost an estimated minimum wage of £113,463 (2023: £125,894). Without the loyalty and dedication of these people, the organisation would be forced to reduce its programme of events or increase concert prices.

### **FUNDRAISING**

Sections 13 and 14 of the Charities Act 2016 address public concern about how charities raise funds. The Charity Commission has issued guidance requiring trustees to confirm that fundraising activities are compliant with standards set out in the Code of Fundraising Practice as well as those required under other guidelines and legislation covering areas such as data protection.

#### ***Monitoring fundraising activities***

The Director of Development for BPA's monitors activities undertaken by this department across all Group entities. Regular reports are provided to the Chief Executive and each Board meeting of BPA includes a review of activities undertaken by the Fundraising team. During the year all fundraising activities were performed by BPA's staff. No professional fundraisers were used to carry out fundraising activities on behalf of the Charity or any Group entity. Consequently, no fees or commission were paid to professional fundraisers (2023: £nil).

#### ***Voluntary self-regulation***

The Fundraising Regulator is an independent regulator of charitable fundraising, established to strengthen the system of regulation and preserve public trust in the not-for-profit sector. The Charity has voluntarily registered with the Fundraising Regulator and supports the aims and objectives of this organisation.

#### ***Compliance with standards***

The Charity's fundraising activity complies with all relevant legislation and regulation, including the General Data Protection Regulation, and the Privacy and Electronic Communications Regulations 2003. The Trustees are not aware of any breaches of the Code of Fundraising Practice or other standards.

#### ***Complaints relating to fundraising activities***

The Charity has a policy regarding complaints received in relation to its fundraising activities. No complaints were received in the year (2023: none).

#### ***Vulnerable people, unreasonable behaviour and undue pressure***

The Charity has never used telephone or doorstep methods to induce donations from members of the public and stopped sharing its data with other organisations. Existing supporters and potential donors are required to provide their prior consent to the use of their data, particularly in relation to receiving communications about future events. The Charity's website and printed brochures encourage members of the public to participate in a number of supporter schemes or to consider leaving a legacy in their Wills. The Charity does not send unsolicited mail or use other methods of contact that are not initiated first by the prospective supporter.

### **EQUITY, DIVERSITY AND INCLUSION**

BPA published its updated Equity, Diversity and Inclusion Statement and the Equity, Diversity and Inclusion Action Plan during the year. This work is embedded across the organisation with leadership driven by the Equity, Diversity and Inclusion working group that meets regularly, by the Executive Director, who is also a member of national EDI network, and by a trustee champion. The Group aims to continue developing accessibility and diversity in all areas, whether it be for staff, volunteers, audiences, customers, performers or participants. Its mission is to make new voices heard within the organisation, including at board level. To this end a clear programme of targets and actions has been developed, training undertaken, and the voices of those with protected characteristics listened to, taking the particular challenges of the region into account.

The programme presented by the Charity on its various stages continues to represent an extremely wide range of genres and styles delivered by a diverse group of musicians and performers and to maintain strategic audience development approach that focussed on diversity. We maintained 30% of bookers as new audiences and encourage the return first time bookers.

Continued efforts have been made to diversify our workforce recruitment. The Group is an equal opportunities employer and has appropriate policies in place. Partners include Suffolk Refugee Support, Diversity Dashboard, and Black Lives in Music. In addition, first interviews are offered online, together with help with travel costs for interviews in person. The Group is working to improve access to the site and to ensure access to all is extended. It is exploring how the barriers of geographical limitation, the demographic of the region and the remote locations of our sites can be overcome.

## TRUSTEES' REPORT (CONTINUED)

### ENVIRONMENT

BPA recognises that the climate crisis is one of the most important issue facing the planet today. We acknowledge our influence as a major arts organisation and owner of two visitor destinations and embrace our responsibility and duty to reduce our carbon footprint. It is the ambition of BPA and Snape Maltings Trading Limited to be a force for change and to engage all our staff and visitors in the mission.

#### Action plan

Initiatives in 2023/24 included commissioning detailed studies and options appraisals for green energy solutions, the creation of a free (and popular) bus service for the Aldeburgh Festival, and an effective campaign to reduce visitor waste and increase recycling. There has been an increase in the number of events with RSPB to promote the enjoyment of the environment and local landscape.

In 2023/24, BPA's music facilities at Snape Maltings generated 832 tonnes CO<sub>2</sub>e, 13% higher than in 2022/23. Although carbon generated from energy use and waste were significantly down, there was an increase in estimated Scope 3 carbon generated from audience travel due to increased visitor numbers and a change in the calculation methodology.

The most impactful areas were:

246 tonnes of carbon dioxide	Energy (down from 261)
127 tonnes of carbon dioxide	Waste (down from 295)
385 tonnes of carbon dioxide	Audience travel (up from 169) (Scope 3)

We continue to use guidance created by the Theatre Green Book project to help shape our action plan to reduce this carbon footprint and will use our upcoming capital programme to help set ambitious carbon reduction targets. The capital programme, scheduled to be delivered by June 2028, has sustainability as a key pillar and will aim to make Snape Maltings a regional exemplar of arts organisations transitioning to using green energy. Ingleton Wood has been appointed as the programme's sustainability consultants. Key project elements include;

- Providing a low carbon alternative to the oil-fired system that currently heats the concert hall, the Hoffmann Building and the Britten Pears Building. The current strategy is to use the spare capacity of an existing biomass boiler, with woodchip sourced 3 miles from Snape Maltings. By following this strategy, carbon emissions for energy would be reduced by 90%. The team remains alert to different solutions.
- Insulating the concert hall roof and replacing the concert hall's lighting system with LED alternatives. A grant has been awarded to fund more than 50% of the costs.
- Installing at least 600sqm of photovoltaic panels on south-facing roofs at Snape Maltings, subject to Listed Building Consent.
- A local transport initiative to provide electric minibuses to serve the community and visitors to our sites.

The capital programme's Delivery Committee has been given oversight responsibility for BPA's carbon reduction plans.

### QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

### AUDITORS

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

## TRUSTEES' REPORT (CONTINUED)

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of BPA for the purpose of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year. In preparing those financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Trustees and signed on their behalf on 11 October 2024.

*As per*

Sir Simon Robey  
Chair

box SIGN

4LRJYP28-13XJ5LLQ

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS

## Opinion

We have audited the financial statements of Britten Pears Arts (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS**

**(continued)**

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

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## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 17 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks.;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud.
- discussed matters about non-compliance with laws and regulations and how fraud might occur, including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The group audit engagement team identified the risk of management override of controls and completeness of certain income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business and performing tests of detail in relation to the completeness of income.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditor's> responsibilities. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Sutherland (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
1<sup>st</sup> Floor  
Platinum Building  
St John's Innovation Park  
Cowley Road  
Cambridge  
CB4 0DS

*Claire Sutherland 4 November 2024*  
box SIGN 4Q23P9YW-13XJ5LLQ

Date

Britten Pears Arts Financial Statements 2023/24

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2024 £'000	Total 2023 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	2,605	2,000	4,998	9,603	4,369
Charitable activities	2	1,661	-	-	1,661	1,473
Other trading activities	2	6,720	-	-	6,720	6,642
Investments	2	200	146	67	413	296
<b>Total income and endowments</b>		<b>11,186</b>	<b>2,146</b>	<b>5,065</b>	<b>18,397</b>	<b>12,780</b>
<b>Expenditure on:</b>						
Costs of fundraising	4	550	-	-	550	544
Costs of other activities (trading)	4	5,432	-	-	5,432	5,272
Charitable activities	4	5,630	941	274	6,845	7,483
<b>Total expenditure</b>		<b>11,612</b>	<b>941</b>	<b>274</b>	<b>12,827</b>	<b>13,299</b>
Net gains/(losses) on investments	11	(1)	182	451	632	(217)
<b>Net income/(expenditure)</b>		<b>(427)</b>	<b>1,387</b>	<b>5,242</b>	<b>6,202</b>	<b>(736)</b>
Transfers between funds	18,19	(70)	113	(43)	-	-
Other recognised (losses)/gains	18,19	-	-	(354)	(354)	342
<b>Net movement in funds</b>	<b>18,19</b>	<b>(497)</b>	<b>1,500</b>	<b>4,845</b>	<b>5,848</b>	<b>(394)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	8,043	8,132	42,264	58,439	58,833
<b>Total funds carried forward</b>	<b>18,19</b>	<b>7,546</b>	<b>9,632</b>	<b>47,109</b>	<b>64,287</b>	<b>58,439</b>

**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,094	1,275	-	4,369	3,554
Charitable activities	2	1,473	-	-	1,473	854
Other trading activities	2	6,642	-	-	6,642	6,651
Investments	2	163	133	-	296	251
Other income	2	-	-	-	-	41
<b>Total income and endowments</b>		<b>11,372</b>	<b>1,408</b>	<b>-</b>	<b>12,780</b>	<b>11,351</b>
<b>Expenditure on:</b>						
Costs of fundraising	4	544	-	-	544	563
Costs of other activities (trading)	4	5,272	-	-	5,272	5,125
Charitable activities	4	5,879	1,575	29	7,483	5,426
<b>Total expenditure</b>		<b>11,695</b>	<b>1,575</b>	<b>29</b>	<b>13,299</b>	<b>11,114</b>
Net (losses)/gains on investments	11	(14)	(65)	(138)	(217)	382
<b>Net (expenditure)/income</b>		<b>(337)</b>	<b>(232)</b>	<b>(167)</b>	<b>(736)</b>	<b>619</b>
Transfers between funds	18,19	-	-	-	-	-
Other recognised gains/(losses)	18,19	-	-	342	342	369
<b>Net movement in funds</b>	<b>18,19</b>	<b>(337)</b>	<b>(232)</b>	<b>175</b>	<b>(394)</b>	<b>988</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	8,380	8,364	42,089	58,833	57,845
<b>Total funds carried forward</b>	<b>18,19</b>	<b>8,043</b>	<b>8,132</b>	<b>42,264</b>	<b>58,439</b>	<b>58,833</b>

The notes on pages 24 to 46 form part of these financial statements. All income relates to continuing operations.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

Company registration number: 980281

Charity registration number: 261383

AS AT 31 MARCH 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
<b>Fixed assets</b>					
Intangible assets	8	-	1	-	1
Tangible assets	9	25,680	25,501	25,158	24,911
Heritage assets	10	20,529	20,883	20,529	20,883
Investments	11	12,823	7,176	14,166	9,105
		<u>59,032</u>	<u>53,561</u>	<u>59,853</u>	<u>54,900</u>
<b>Current assets</b>					
Stocks	13	547	543	-	-
Debtors	14	2,253	2,493	2,271	2,232
Cash at bank and in hand		4,660	3,592	4,061	2,571
		<u>7,460</u>	<u>6,628</u>	<u>6,332</u>	<u>4,803</u>
<b>Creditors: amounts falling due within one year</b>	15	2,197	1,741	1,654	1,100
<b>Net current assets</b>		<u>5,263</u>	<u>4,887</u>	<u>4,678</u>	<u>3,703</u>
<b>Total assets less current liabilities</b>		64,295	58,448	64,531	58,603
<b>Creditors: amounts falling due after more than one year</b>	15	8	9	6	6
<b>Net assets</b>	20	<u><u>64,287</u></u>	<u><u>58,439</u></u>	<u><u>64,525</u></u>	<u><u>58,597</u></u>
<b>The funds of the Group and Charity</b>					
Unrestricted funds	18	7,546	8,043	7,784	8,201
Restricted funds	18	9,632	8,132	9,632	8,132
Endowment funds	19	47,109	42,264	47,109	42,264
<b>Total funds</b>	20	<u><u>64,287</u></u>	<u><u>58,439</u></u>	<u><u>64,525</u></u>	<u><u>58,597</u></u>

Net incoming resources for the Charity were £5,928,000 (2023: outgoing £1,042,000). A separate Statement of Financial Activities is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the companies Act 2006.

Approved by the Trustees, authorised for issue and signed on their behalf on 11 October 2024.

*Simon Robey*

box SIGN 4LRJYP28-13XJ5LLQ

Sir Simon Robey  
Chair

The notes on pages 24 to 46 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Group 2024 £'000	Group 2023 £'000
<b>a) Cash flows from operating activities:</b>			
<b>Net cash provided by/(used in) operating activities</b>	b	5,805	(794)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		348	281
Purchase of fixed assets		(458)	(303)
Purchase of investments		(5,028)	(500)
Proceeds from sale of investments		401	-
<b>Net cash (used in)/generated by investing activities</b>		(4,737)	(522)
<b>Change in cash and cash equivalents in the reporting period</b>		1,068	(1,316)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	c	3,592	4,908
<b>Cash and cash equivalents at the end of the reporting period</b>	c	4,660	3,592
<b>b) Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>			
<b>Net income/(expenditure) for the reporting period</b>		5,848	(394)
<b>Adjustments for:</b>			
Depreciation and amortisation charges		284	252
Losses/(gains) on heritage assets		354	(342)
(Gains)/losses on investments revaluation		(632)	198
(Gains)/losses on disposal of investments		-	19
Losses/(gains) on disposal of fixed assets		11	-
Dividends, interest and rents from investments		(413)	(296)
(Increase)/decrease in stocks		(4)	(58)
(Increase)/decrease in debtors		(81)	250
Increase/(decrease) in creditors		438	(423)
<b>Net cash provided by/(used in) operating activities</b>		5,805	(794)
<b>c) Analysis of Cash and Cash Equivalents</b>			
Cash in hand		4,660	3,592
<b>Total cash and cash equivalents</b>	24	4,660	3,592

The notes on pages 24 to 46 form part of these financial statements.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 31 MARCH 2024

### 1 ACCOUNTING POLICIES

#### **Basis of accounting**

Britten Pears Arts is a charitable company domiciled and registered in England and Wales. The principal accounting policies adopted in the preparation of the financial statements are set out below. Britten Pears Arts meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared under the historical cost convention as modified by the recognition of certain financial assets measured at fair value in accordance with generally accepted accounting principles, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in Sterling, which is the functional currency of the Charity. Monetary amounts are rounded to the nearest £'000.

#### **Basis of consolidation**

The Group's financial statements comprise the financial statements of Britten Pears Arts, its subsidiary undertakings Snape Maltings Trading Limited, Britten Estate Limited, Elm Property Management (Snape Maltings) Limited, and their respective subsidiaries.

#### **Reduced disclosure**

The Charitable Company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

#### **Significant judgements, estimates and uncertainties recognised in the financial statements**

The Charity's aims, objectives and strategies are identified in the Trustees' Report on page 4. Preparation of the financial statements requires the directors to make estimates and judgements. The areas in the financial statements where these estimates and judgements have been made include:

#### Valuation of Property

Freehold land and buildings represent a significant proportion of the organisation's balance sheet and therefore the estimates and assumptions made to determine the carrying value and related depreciation (Note 9) are important to Britten Pears Arts's reported financial position and total expenditure. In deciding the expected useful life of tangible fixed assets, the organisation's experience is considered together with generally accepted best practice. Consideration is also given as to the likelihood of impairment.

#### Valuation of heritage assets

Heritage assets represent a significant proportion of the organisation's balance sheet and therefore the estimates and assumptions made to determine the carrying value (Note 10) are important to BPA's reported financial position.

#### Royalty Revenue

Determining the amounts to be accrued for Royalty revenue received post year end, relating to the 2023/24 financial year.

#### Trading Inventories

Reviewing the inventories held at year end, in particular for the provision of slow or obsolete stock.

## NOTES TO THE ACCOUNTS (*continued*)

### 1 ACCOUNTING POLICIES (*continued*)

#### Going concern

Customer numbers continued a positive trajectory during 2023/24, following a year where, compared to many other arts organisations, our numbers attending performances were relatively strong. Ticket revenue was ahead of budget in 2023/24, reflecting a positive summer and sales ahead of budget for the Spring. Whilst our music programme exceeded target, philanthropic operating income was down on budget; and despite the Retail trading operation meeting target during the year, the full year outturn for our trading subsidiary, Snape Maltings Trading Ltd (SMTL), was impacted by lower than budgeted catering sales in the summer of 2023 and lower than budgeted art gallery and accommodation sales throughout the year.

The Group and Charity have performed financial modelling for the period to 31 March 2026 which takes into consideration the impact of a range of stress tests relating to lower income and higher operating costs on the forecast position. The key assumptions used include the delivery of a break-even budget for 2025/26, with an uplift in box office income, minimal increase in staff costs, a continuation of a two-week Aldeburgh Festival and a full programme of artistic activity throughout the year, supported by an increased return from the trading subsidiary SMTL. The strength of the programme for the 2024 Aldeburgh Festival, coupled with an updated ticketing strategy resulted in vastly increased pre-sales during January to March 2024. There have been a range of changes within our marketing team during 2023/24, with new skills being brought into the team. The focus has been on developing our audience reach with the aim of maximising potential revenue, both in terms of box office receipts and wider trading revenue.

Britten Pears Arts has provided letters of support to its subsidiary companies, Snape Maltings Trading Limited and Elm Property Investments (Snape Maltings) Limited confirming that it is willing to provide any necessary financial support to ensure they are able to continue to meet their liabilities as they fall due. This includes but is not limited to not seeking repayment of any Group creditors should it be required for at least 12 months from the date of signing the financial statements. Financial projections of Britten Pears Arts support the ability of the Charity to provide this support.

Having considered all the factors noted above, the Trustees are satisfied that there are no material uncertainties in respect of going concern and that there is a reasonable expectation that the Group and Charity have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Income

Income from grants and donations is recognised once entitlement to the funds has been confirmed, it is probable the resources will be received, and the monetary value can be measured with sufficient reliability. Income is deferred where a donor has imposed performance conditions that must be met before there is unconditional entitlement to the funds. Legacy income is recognised when there is legal entitlement (from date of probate, or from receipt if earlier), receipt is probable (there are no material uncertainties on the estate), and the amount can be measured reliably (financial information in respect of the estate has been received). Income is not recognised for legacies subject to a life interest.

Grants and donations received of a capital nature are held in a restricted fund, or otherwise depending on the donor's conditions, and depreciation of the relevant assets is charged to the appropriate fund. Donations of property are professionally valued and accounted for at the time ownership passes to the Charity. Donations or legacies in the form of tradable securities are recognised at market value on the date control is passed.

Income generated from the sale of concert tickets, admissions, goods and services is stated net of Value Added Tax. Box office receipts and other income received in advance of the date of performance is deferred where it does not meet the income recognition criteria noted under the Charities SORP (FRS 102).

Royalty income is accounted for when receipt may be anticipated with reasonable probability. Rental income accounted for under other trading activities relates to income earned from letting properties that are also utilised by the Charity in delivering charitable activities. Investment income is accounted for on an accruals basis.

## NOTES TO THE ACCOUNTS (*continued*)

### 1 ACCOUNTING POLICIES (*continued*)

#### **Expenditure**

Expenditure is included on an accruals basis and allocated, along with any associated irrecoverable Value Added Tax, to the appropriate heading in the accounts.

#### Costs of fundraising

This is the cost of Britten Pears Arts' fundraising team, who generate income from trusts and foundations, individuals and the business sector.

#### Costs of other activities (trading):

This includes retail and catering expenditure incurred by Snape Maltings Trading Limited, and also service charges, repairs and legal fees associated with the creation and agreement of leases with shop tenants.

#### Charitable activities:

Expenditure incurred to meet charitable aims and objectives, including artistic activity within the Concert Hall, the Red House and the archive and other venues, artistic development through the Britten-Pears Young Artist Programme, Aldeburgh Residencies, Aldeburgh Young Musicians and Learning and Inclusion's outreach into the community.

#### Support costs:

Support costs represent the central services of the Group, including human resources, finance and information technology, and costs of maintaining facilities such as repairs, insurance, business rates and utilities. Support costs have been allocated across the Charity's activities as indicated in Note 4.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure on a straight-line basis over the length of the lease.

#### **Deferred tax**

Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Deferred tax assets are recognised to the extent that the Directors consider it probable that they will be recovered by the reversal of deferred tax liabilities or other taxable profits generated in future periods.

#### **Intangible fixed assets**

Intangible assets comprise capitalised computer software and goodwill. Capitalised computer software is amortised over its useful life, which is usually three to five years.

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition and is now fully amortised.

#### **Tangible fixed assets**

Tangible fixed assets costing up to £500 are not capitalised and are written off in the year of purchase. Works of art are not subject to regular professional valuation due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creator changes from one period to another.

Capital works in progress are held under freehold land and buildings and depreciation commenced when the asset is brought into use.

## NOTES TO THE ACCOUNTS (continued)

### 1 ACCOUNTING POLICIES (continued)

#### Depreciation

Tangible fixed assets are stated at historic or deemed cost following the adoption of FRS 102, less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over the period of their expected useful life as follows:

Land	No depreciation.
Freehold property	50 years straight-line basis, down to residual value.
Freehold property improvements	Up to 50 years straight-line basis depending on the expected life of the asset, down to residual value.
Long leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease, down to residual value.
Short leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease.
Motor vehicles	Two to four years straight-line basis.
Office furniture and computers	4% to 50% per annum straight-line basis.
Plant and equipment	10% to 20% per annum straight-line basis.
Musical instruments	No depreciation is provided where, in the opinion of the Trustees, the estimated residual value is in excess of the net book value. Otherwise: 10 years straight-line basis.
Works of art	No depreciation as their residual valuation is considered to be at least equal to their holding value.

A revised estimate of the residual value of freehold and long leasehold property was made in 2019/20 and this has been set at 80% of cost, given the conservation requirements placed upon the Charity's buildings.

#### Impairment reviews

Impairment reviews are undertaken when indicators highlight that such reviews are required. Where an asset's holding value is considered to be impaired, the loss is taken through the Statement of Financial Activities.

#### Heritage assets

Previously acquired heritage assets are recorded in the financial statements at market value. Additions to heritage assets since the last valuation are recorded at cost. The Trustees have adopted a policy of revaluation and as such the value of heritage assets is considered by the Trustees annually and is subject to a full professional valuation every five years. Where the valuation obtained is considered by management to not reflect a range of current market indicators, management will take a view based on all available information. The Trustees consider that the depreciation charge and accumulated depreciation on manuscripts and other archival material is immaterial due to the extended useful economic life of these assets.

## NOTES TO THE ACCOUNTS (*continued*)

### 1 ACCOUNTING POLICIES (*continued*)

#### **Investment properties**

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Trustees consider that, because investment properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view of the Charity's financial position. As such these properties are carried at market value at each reporting date. Market value is assessed at regular intervals, or sooner in volatile economic circumstances, using a professional valuer. Surpluses or deficits arising on revaluation are charged or credited through the Statement of Financial Activities.

#### **Listed investments**

Listed investments are valued at bid price. Differences arising on market value are taken to the Statement of Financial Activities. Realised gains and losses are recognised when the investment is disposed of, unrealised gains and losses are recognised annually.

#### **Investments in subsidiaries**

Investments in subsidiaries are held in the accounts of parent entities at the value of purchased share capital and are eliminated on consolidation.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Obsolete items carry a corresponding provision.

#### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Trade, Group and other debtors

Trade, Group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

#### Trade, Group and other creditors

Trade, Group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

## NOTES TO THE ACCOUNTS (*continued*)

### 2 INCOME AND ENDOWMENTS

	2024 £'000	2023 £'000
<b><i>Donations and legacies:</i></b>		
Arts Council England core grant	1,429	1,429
Local authority, public and EU grants	96	115
Trusts and foundations	6,821	1,461
Corporate	17	4
Private individuals	703	991
Gift Aid recovered on private individual donations	175	221
Membership subscriptions	79	62
Legacies	283	86
	<u>9,603</u>	<u>4,369</u>
<b><i>Charitable activities:</i></b>		
Box Office and admissions	1,022	918
Box Office commission and processing charges	14	14
Co-production income	55	7
Course and audition fees	90	98
Hire, recording and other site use for artistic purposes	82	87
Theatre and Orchestra Tax Relief	304	200
Programme books and other	94	149
	<u>1,661</u>	<u>1,473</u>
<b><i>Other trading activities:</i></b>		
Trading turnover, including retail, catering, advertising and sponsorship	5,475	5,365
Royalties	1,245	1,277
	<u>6,720</u>	<u>6,642</u>
<b><i>Investments:</i></b>		
Dividends and interest received on bank deposits and investments	329	197
Rents received including service charges	84	99
	<u>413</u>	<u>296</u>
<b>Total income and endowments</b>	<u>18,397</u>	<u>12,780</u>

## NOTES TO THE ACCOUNTS (continued)

### 3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES

The Charity has three active wholly owned trading subsidiaries which are consolidated into the Group's accounts, Snape Maltings Trading Limited (Company Number 1519527), Britten Estate Limited (Company Number 2063909) and Elm Property Investments (Snape Maltings) Limited (Company Number 09641832). The principal activities of both companies are highlighted on page 11.

A summary of Snape Maltings Trading Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a loss before taxation of £65,000 (2023: loss of £52,000). The Company does not have distributable reserves meaning that there was no Gift Aid distribution to Britten Pears Arts (2023: nil).

	2024 £'000	2023 £'000
Turnover	5,624	5,480
Cost of sales	<u>(2,520)</u>	<u>(2,506)</u>
Gross profit	3,104	2,974
Administrative costs excluding amortisation of goodwill	(3,169)	(3,046)
Other operating income	-	20
Loss before taxation	<u>(65)</u>	<u>(52)</u>
Tax on loss	-	700
(Loss)/profit after taxation and retained (loss)/profit for the period	<u>(65)</u>	<u>648</u>

A summary of Britten Estate Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a profit before taxation of £1,194,000 (2023: £1,204,000). In 2022/23 £700,000 of the company's profit was paid to Snape Maltings Trading Limited in return for the surrender of Snape Maltings Trading Limited's tax losses. A Gift Aid distribution to Britten Pears Arts was made for the profit after taxation of £1,194,000 (2023: £504,000).

	2024 £'000	2023 £'000
Turnover	1,224	1,238
Cost of sales	<u>-</u>	<u>-</u>
Gross profit	1,224	1,238
Administrative costs	(30)	(34)
Profit before taxation	<u>1,194</u>	<u>1,204</u>
Tax on profit	-	(700)
Profit after taxation and retained profit for the period	<u>1,194</u>	<u>504</u>

## NOTES TO THE ACCOUNTS (continued)

### 3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES (continued)

A summary of Elm Property Investments (Snape Maltings) Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a loss before taxation of £8,000 (2023: £6,000). During the year to 31 March 2024 a Gift Aid distribution to Britten Pears Arts was made of £8,000 (2023: £nil).

	2024 £'000	2023 £'000
Turnover	9	11
Administrative costs	<u>(16)</u>	<u>(14)</u>
Operating loss	(7)	(3)
Loss on revaluation of investment properties	(1)	(1)
Loss on disposal of investment properties	-	(2)
Loss before taxation	<u>(8)</u>	<u>(6)</u>
Tax on loss	2	3
Loss after taxation and retained loss for the period	<u>(6)</u>	<u>(3)</u>

## NOTES TO THE ACCOUNTS (continued)

### 4 EXPENDITURE

	Direct costs £'000	Support costs £'000	Total 2024 £'000	Total 2023 £'000
<i>Costs of fundraising</i>	340	210	550	544
<i>Costs of other activities (trading)</i>	5,044	388	5,432	5,272
<i>Charitable activities:</i>				
Artistic activities	2,621	1,539	4,160	4,542
Artistic development	777	513	1,290	1,704
Archive, Exhibitions and The Red House	319	184	503	454
Community	557	335	892	783
	<u>4,274</u>	<u>2,571</u>	<u>6,845</u>	<u>7,483</u>
<b>Total resources expended</b>	<u>9,658</u>	<u>3,169</u>	<u>12,827</u>	<u>13,299</u>

Direct costs relate to expenditure required to undertake fundraising and charitable activities and include staff costs for the relevant teams and directly attributable expenditure such as trading cost of sales and overheads.

#### *Analysis of support costs:*

Type of cost:	Basis of allocation	Charitable activities £'000	Costs of fundraising £'000	Costs of other activities £'000	Total 2024 £'000	Total 2023 £'000
Operations and site running	Direct costs/time spent	1,478	120	89	1,687	1,762
Administration, IT and finance	Direct costs/time spent	1,045	86	299	1,430	1,328
Governance	Direct costs/time spent	48	4	-	52	57
		<u>2,571</u>	<u>210</u>	<u>388</u>	<u>3,169</u>	<u>3,147</u>

### 5 NET INCOME FOR THE PERIOD

	2024 £'000	2023 £'000
This is stated after charging/(crediting):		
Stock provisions	(6)	15
Depreciation	283	251
Amortisation of intangible fixed assets	1	1
Auditor's remuneration – statutory audit (Charity only)	40	38
– statutory audit (other Group entities)	18	17
– tax compliance	13	13
– tax and other advisory services	9	13
Rentals paid under operating leases	7	5
Loss on disposal of fixed assets	<u>11</u>	<u>5</u>

The Charity was grateful to receive the assistance of 156 volunteer supporters who undertook a range of duties including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. Volunteers, many of whom are long serving, play an important part in the smooth running of events held on site and at external locations.

## NOTES TO THE ACCOUNTS (continued)

### 6 STAFF COSTS

	Raising Funds				Total 2024 £'000	Total 2023 £'000
	Fund- raising £'000	Trading Activities £'000	Charitable Activities £'000	Support Costs £'000		
Wages and salaries	289	1,642	1,254	1,484	4,669	4,613
Social security costs	31	101	114	144	390	401
Pension contributions	9	34	47	59	149	144
Other benefits	-	11	-	96	107	92
	<u>329</u>	<u>1,788</u>	<u>1,415</u>	<u>1,783</u>	<u>5,315</u>	<u>5,250</u>

Termination payments in the year amounted to £61,430 (2023: £18,457). No funding was received relating to the payments.

<i>Average number of employees during the year:</i>	2024	2023
Raising funds, including fundraising and trading activities	133	129
Directly involved in furtherance of the Charity's activities	64	61
Operations and administrative support	41	43
	<u>238</u>	<u>233</u>

Average number of full-time equivalent employees during the year	<u>169</u>	<u>166</u>
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The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2024	2023
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1
£90,001 to £100,000	2	2
£101,000 to £110,000	2	-
£110,000 to £120,000	1	-
£180,001 to £190,000	-	1
£200,001 to £210,000	1	-
	<u>1</u>	<u>-</u>

### 7 CHIEF EXECUTIVE, KEY MANAGEMENT PERSONNEL AND TRUSTEE EMOLUMENTS

	2024 £'000	2023 £'000
Chief Executive:		
Salary	205	189
Pension	12	13
Total	<u>217</u>	<u>202</u>
Business expenses	<u>£7,786</u>	<u>£14,414</u>

The authority to make payments to Trustees is contained within the Charity's Articles of Association. The power to appoint the Chief Executive as a Trustee was confirmed by the Charity Commission. Key management personnel for the year are identified on page 13 of the Trustees' Report. Remuneration and benefits, which include salary, pension and employer's National Insurance, received by key management personnel for the year totalled £610,000 (2023: £576,000). Other than the Chief Executive, who received remuneration and reimbursement of his business expenses, no expenses were paid by the Charity to its Trustees during the year (2023: £nil).

## NOTES TO THE ACCOUNTS (continued)

### 8 INTANGIBLE FIXED ASSETS

	Goodwill £'000	Group Software £'000	Total £'000	Charity Software £'000	Total £'000
<b>Cost:</b>					
At 1 April 2023	2,113	75	2,188	75	75
Additions	-	-	-	-	-
At 31 March 2024	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
<b>Amortisation:</b>					
At 1 April 2023	2,113	74	2,187	74	74
Charge	-	1	1	1	1
At 31 March 2024	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
<b>Net book value:</b>					
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 9 TANGIBLE FIXED ASSETS

#### GROUP

	Freehold land and buildings £'000	Motor vehicles £'000	Musical instruments and works of art £'000	Furniture, plant and equipment £'000	Total £'000
<b>Cost:</b>					
1 April 2023	30,165	74	586	2,363	33,188
Additions	175	-	137	161	473
Transfer	(50)	-	-	50	-
Disposals	(61)	-	(4)	(322)	(387)
31 March 2024	<u>30,229</u>	<u>74</u>	<u>719</u>	<u>2,252</u>	<u>33,274</u>
<b>Depreciation:</b>					
1 April 2023	5,361	71	277	1,978	7,687
Charge	67	3	14	199	283
Disposals	(51)	-	(4)	(321)	(376)
31 March 2024	<u>5,377</u>	<u>74</u>	<u>287</u>	<u>1,856</u>	<u>7,594</u>
<b>Net book value:</b>					
31 March 2024	<u>24,852</u>	<u>-</u>	<u>432</u>	<u>396</u>	<u>25,680</u>
31 March 2023	<u>24,804</u>	<u>3</u>	<u>309</u>	<u>385</u>	<u>25,501</u>

## NOTES TO THE ACCOUNTS (continued)

### 9 TANGIBLE FIXED ASSETS (continued)

#### CHARITY

	Freehold Property £'000	Leasehold Property Improve'ts £'000	Motor vehicles £'000	Musical instrum'ts £'000	Furniture, plant and equipment £'000	Total £'000
<b>Cost:</b>						
1 April 2023	29,279	409	63	586	1,898	32,235
Additions	175	-	-	137	110	422
Transfer	(50)	-	-	-	50	-
Disposals	(61)	-	-	(4)	(322)	(387)
31 March 2024	<u>29,343</u>	<u>409</u>	<u>63</u>	<u>719</u>	<u>1,736</u>	<u>32,270</u>
<b>Depreciation:</b>						
1 April 2023	5,252	29	63	277	1,703	7,324
Charge	42	1	-	14	107	164
Disposals	(51)	-	-	(4)	(321)	(376)
31 March 2024	<u>5,243</u>	<u>30</u>	<u>63</u>	<u>287</u>	<u>1,489</u>	<u>7,112</u>
<b>Net book value:</b>						
31 March 2024	<u>24,100</u>	<u>379</u>	<u>-</u>	<u>432</u>	<u>247</u>	<u>25,158</u>
31 March 2023	<u>24,027</u>	<u>380</u>	<u>-</u>	<u>309</u>	<u>195</u>	<u>24,911</u>

All fixed assets are used in the furtherance of the Group's activities.

The value of land within freehold land and buildings not depreciated at 31 March 2024 was £2,904,615 (2023: £2,811,286).

Musical instruments and works of art include some assets which could be considered to be of historical or artistic significance. However, these are not maintained principally for their contribution to knowledge and culture and therefore have not been classified as heritage assets.

Under FRS 102 transition arrangements, the Trustees considered it appropriate to regard the valuation of works of art by Bonhams in 2005 as the deemed cost for these assets. Due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creators changes, the Trustees consider it to be inappropriate to undertake a policy to revalue these assets.

As a requirement of receiving grant funding from Arts Council England in support of the Snape Maltings Development Plan and the purchase of freehold land and buildings at Snape Maltings, the Trustees have entered into a guarantee and legal charge over its land and a fixed and floating security over its assets.

Included within freehold land and buildings are assets under the course of construction which are not depreciated of £163,428 (2023 £260,302) including costs incurred in relation to the capital programme which will be undertaken during the period 2024 to 2026.

Following an examination of the Group's tangible fixed assets, which included consideration of the use of land and buildings available to Group members, the Trustees found no indicators that require a review for impairment.

## NOTES TO THE ACCOUNTS (continued)

### 10 HERITAGE ASSETS

#### GROUP AND CHARITY

	Land and buildings £'000	Art Objects £'000	Red House Contents £'000	Archives £'000	Total £'000
Carrying amount at 1 April 2023	3,950	6,549	399	9,985	20,883
Revaluation	(100)	(254)	-	-	(354)
Carrying amount at 31 March 2024	<u>3,850</u>	<u>6,295</u>	<u>399</u>	<u>9,985</u>	<u>20,529</u>

#### Revaluation of assets

Heritage Assets were professionally valued as follows:

Date of valuation	Asset Class	Valuer	Value £
March 2024	Art Objects	Arabella Chandos	1,026,800
March 2024	Land and buildings	Note (a)	3,850,000
January 2023	Art Objects	Nicholas Skeaping - VMS Grosvenor Ltd	5,268,140
January 2022	Archives	Francesca Franchi	9,985,142
31 March 2020	Red House Contents	Gary Barfoot for Clarke and Simpson	399,096
28 February 2018	Land and buildings	Peter Watson FRICS Flick & Son, Chartered Surveyors	3,950,000

Note (a) Valuations were undertaken by Fenn Wright (December 2023) and Bedfords (March 2024). A management decision has been taken, based on a range of supporting evidence, that the valuation undertaken by Flick & Son in 2018 is more reflective of the current value, with a reduction of £100k for land which has changed use.

The historical cost of heritage assets as at 31 March 2024 is as follows:

	2024 £'000	2023 £'000
Land and buildings	3,329	3,329
Art Objects	1,631	1,631
Red House Contents	78	78
Archives	<u>4,548</u>	<u>4,548</u>
	<u>9,586</u>	<u>9,586</u>

#### Heritage assets are held for the following purposes:

- to sustain the activities of the archive: to maintain and, when appropriate, to extend its priceless collection of Britten autograph manuscripts, together with other manuscripts, books, scores and works of art, and to encourage public use of the archive as a resource for educational, scholarly and relevant commercial purposes.
- to maintain and to preserve the integrity of The Red House, Britten's home, as a heritage property of national importance, whilst ensuring that the property is used to further the Charity's objectives in a constructive way.

#### Five year financial summary of heritage asset transactions

	31/03/24 £	31/03/23 £	31/03/22 £	31/03/21 £	31/03/20 £
<b>Purchases and donations</b>					
Archives	-	-	-	-	167,000

There have been no disposals in any period covered by the table above. There have been no further purchases or donations other than those detailed above.

## NOTES TO THE ACCOUNTS (continued)

### 11 INVESTMENTS

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Market value at beginning of year	7,176	7,274	7,074	7,056
Additions	5,028	500	5,028	500
Disposals	(13)	(400)	-	(284)
Unrealised (loss)/gain on revaluation	632	(198)	633	(198)
Market value at end of year	<u>12,823</u>	<u>7,176</u>	<u>12,735</u>	<u>7,074</u>
Investment in subsidiary undertakings at cost	-	-	1,431	2,031
	<u>12,823</u>	<u>7,176</u>	<u>14,166</u>	<u>9,105</u>
Historic or deemed historic cost at end of year	<u>9,084</u>	<u>4,069</u>	<u>10,644</u>	<u>6,216</u>
Investments are represented by:				
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	£'000	£'000	£'000	£'000
Equities and other market investments	10,802	5,141	10,802	5,141
Properties	2,021	2,035	1,933	1,933
Subsidiary undertakings	-	-	1,431	2,031
Market value or cost at end of year	<u>12,823</u>	<u>7,176</u>	<u>14,166</u>	<u>9,105</u>
Equities and other market investments	7,932	2,904	7,932	2,904
Properties	1,152	1,165	1,281	1,281
Subsidiary undertakings	-	-	1,431	2,031
Historic or deemed historic cost at end of year	<u>9,084</u>	<u>4,069</u>	<u>10,644</u>	<u>6,216</u>

The Trustees hold market and property investments for the long-term and whilst there are no plans to liquidate these assets, during the year the lease on one freehold property was extended. The freehold of the property has been retained but the resulting discounted value of these assets is insignificant and as such has been disposed of in these accounts. In March 2021, investment properties at Snape Maltings were valued by Fenn Wright, Chartered Surveyors, the previous valuation was in August 2016 and assigned a value as at the date of transition to FRS102, 1 April 2014.

#### Subsidiary undertakings:

The Charity is supported by its subsidiary undertakings, holding all the issued share capital of those companies in the form of Ordinary shares and Redeemable preference shares:

	% held	Aggregate Capital and Reserves £'000
Snape Maltings Trading Limited (Company Number 1519527)	<u>100</u>	<u>746</u>

Snape Maltings Trading Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

	% held	Aggregate Capital and Reserves £'000
Britten Estate Limited (Company Number 2063909)	<u>100</u>	<u>21</u>

Britten Estate Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objectives. The company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

## NOTES TO THE ACCOUNTS (continued)

### 11 INVESTMENTS (continued)

	% held	Aggregate Capital and Reserves £'000
Elm Property Investments (Snape Maltings) Limited (Company Number 09641832)	100	423

Elm Property Investments (Snape Maltings) Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

### 12 FINANCIAL INSTRUMENTS

The carrying amount of the Group's and Charity's financial instruments at 31 March were:

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial assets measured at fair value	10,802	5,141	10,802	5,141

### 13 STOCKS

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Goods held for resale	533	538	-	-
Fuel	14	5	-	-
	<u>547</u>	<u>543</u>	<u>-</u>	<u>-</u>

### 14 DEBTORS

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade debtors	114	79	47	21
Amounts due from Group undertakings	-	-	557	362
Prepayments and accrued income	2,133	2,380	1,665	1,823
Other current debtors	6	34	2	26
	<u>2,253</u>	<u>2,493</u>	<u>2,271</u>	<u>2,232</u>

### 15 CREDITORS

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Amounts falling due within one year:</b>				
Trade creditors	606	450	378	234
Amounts owed to group undertakings	-	-	100	-
Other taxes and Social Security	290	283	120	96
Other creditors	203	136	195	141
Accruals and deferred income	1,098	872	861	629
	<u>2,197</u>	<u>1,741</u>	<u>1,654</u>	<u>1,100</u>

Included within other creditors are amounts held as agent of £21,732 (2023: £24,947) which is means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development. Funds are held by the Charity in a separate balance sheet control account, are subject to an annual internal review and are available for examination by the Department for Education.

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Amounts falling due after more than one year:</b>				
Rent deposit held as security	6	6	6	6
Deferred tax	2	3	-	-
	<u>8</u>	<u>9</u>	<u>6</u>	<u>6</u>

## NOTES TO THE ACCOUNTS (continued)

16 DEFERRED TAX	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Provision for deferred tax has been made as follows:				
Deferred tax liabilities	2	3	-	-
Deferred tax assets	-	-	-	-
Net position	<u>2</u>	<u>3</u>	<u>-</u>	<u>-</u>
Movements in the year:				
Balance at 1 April	3	-	-	-
Additional provisions made in year	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred tax is comprised as follows:				
Capital gains	3	3	-	-
Fixed asset timing differences	56	62	-	-
Short-term timing differences	(2)	(1)	-	-
Losses and other deductions	<u>(55)</u>	<u>(61)</u>	<u>-</u>	<u>-</u>
	<u>2</u>	<u>3</u>	<u>-</u>	<u>-</u>

Deferred tax is not recognised in respect of losses and other deductions of £70,376 (2023: £44,681) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 17 TAXATION

Snape Maltings Trading Limited currently has a retained deficit due to the amortisation of goodwill and therefore has no liability to pay UK Corporation Tax. Other members of the Group have no, or minimal, liability for UK taxation due to their charitable status or lack of retained profits.

## 18 UNRESTRICTED AND RESTRICTED FUNDS

GROUP CURRENT YEAR	Balance 1 April 2023 £'000	Income £'000	Expend. £'000	Investm't Gains/ (losses) £'000	Transfers £'000	Balance 31 March 2024 £'000
<b>Unrestricted funds:</b>						
General	2,943	11,186	(11,327)	(1)	(626)	2,175
Designated fixed assets	3,818	-	(240)	-	302	3,880
Securing the Future fund	957	-	-	-	254	1,211
Other designated funds	325	-	(45)	-	-	280
Total designated funds	<u>5,100</u>	<u>-</u>	<u>(285)</u>	<u>-</u>	<u>556</u>	<u>5,371</u>
Total unrestricted funds	<u>8,043</u>	<u>11,186</u>	<u>(11,612)</u>	<u>(1)</u>	<u>(70)</u>	<u>7,546</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,342	38	(30)	165	-	1,515
Other income reserves	921	395	(825)	-	(100)	391
BPYAP and other activities	176	124	(51)	17	138	404
Restricted fixed assets	5,693	-	(35)	-	-	5,658
Capital programme	-	1,589	-	-	75	1,664
Total restricted funds	<u>8,132</u>	<u>2,146</u>	<u>(941)</u>	<u>182</u>	<u>113</u>	<u>9,632</u>

## NOTES TO THE ACCOUNTS (continued)

### 18 UNRESTRICTED AND RESTRICTED FUNDS (continued)

GROUP PRIOR YEAR	Balance		Investm't Gains/ (losses)	Transfers	Balance	
	1 April 2022	Income				Expens.
	£'000	£'000	£'000	£'000	£'000	
<b>Unrestricted funds:</b>						
General	3,344	11,372	(11,152)	(14)	(607)	2,943
Designated Artist Fund	175	-	(175)	-	-	-
Designated Opera and Comm'n Fund	160	-	(160)	-	-	-
Designated fixed assets	3,729	-	(208)	-	297	3,818
Securing the Future fund	872	-	-	-	85	957
Other designated funds	100	-	-	-	225	325
Total designated funds	5,036	-	(543)	-	607	5,100
Total unrestricted funds	8,380	11,372	(11,695)	(14)	-	8,043
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,704	42	(343)	(61)	-	1,342
Other income reserves	538	1,274	(891)	-	-	921
BPYAP and other activities	396	92	(308)	(4)	-	176
Restricted fixed assets	5,726	-	(33)	-	-	5,693
Total restricted funds	8,364	1,408	(1,575)	(65)	-	8,132

CHARITY CURRENT YEAR	Balance		Investm't Gains/ (losses)	Transfers	Balance	
	1 April 2023	Income				Expens.
	£'000	£'000	£'000	£'000	£'000	
<b>Unrestricted funds:</b>						
General	3,691	6,487	(6,669)	-	(574)	2,935
Designated fixed assets	3,228	-	(120)	-	250	3,358
Securing the Future fund	957	-	-	-	254	1,211
Other designated income funds	325	-	(45)	-	-	280
Total designated funds	4,510	-	(165)	-	504	4,849
Total unrestricted funds	8,201	6,487	(6,834)	-	(70)	7,784
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,342	38	(30)	165	-	1,515
Other income reserves	921	395	(825)	-	(100)	391
Britten-Pears Young Artist Programme	176	124	(51)	17	138	404
Restricted fixed assets	5,693	-	(35)	-	-	5,658
Capital programme	-	1,589	-	-	75	1,664
Total restricted funds	8,132	2,146	(941)	182	113	9,632

## NOTES TO THE ACCOUNTS (continued)

### 18 UNRESTRICTED AND RESTRICTED FUNDS (continued)

CHARITY PRIOR YEAR	Balance 1 April 2022	Income	Expend.	Investm't Gains/ (losses)	Transfers	Balance 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General	4,586	5,959	(6,479)	(11)	(364)	3,691
Designated Artist Fund	175	-	(175)	-	-	-
Designated Opera and Commission Fund	160	-	(160)	-	-	-
Designated fixed assets	3,293	-	(119)	-	54	3,228
Securing the Future fund	872	-	-	-	85	957
Other designated income funds	100	-	-	-	225	325
Total designated funds	4,600	-	(454)	-	364	4,510
Total unrestricted funds	9,186	5,959	(6,933)	(11)	-	8,201
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,704	42	(343)	(61)	-	1,342
Other income reserves	538	1,274	(891)	-	-	921
Britten–Pears Young Artist Programme	396	92	(308)	(4)	-	176
Restricted fixed assets	5,726	-	(33)	-	-	5,693
Total restricted funds	8,364	1,408	(1,575)	(65)	-	8,132

General unrestricted funds are available for use as Trustees consider appropriate. The transfer out of £626,000 represents the transfer to the designated fixed asset fund to reflect the net book value of tangible fixed assets not represented by restricted or endowment funds and unrestricted legacy income transferred to the Securing the Future fund.

The designated Artist Fund was created to underpin the expansion in artist development. Having reached its target of £175,000 this fund was utilised during the year ended 31 March 2023.

The designated Opera and Commission Fund provides support for the development of opera, an area noted for high production costs. Again, this fund was utilised in the year ended 31 March 2023.

The designated fixed asset funds represent the net book value of non-heritage fixed assets and investment properties at the end of the year.

The Securing the Future fund is being built in anticipation of the time at which royalty income will fall away, but also provides security against the potential reduction in other key income sources. £254,000 of unrestricted legacies were transferred into this fund during the year.

Other designated funds represent a £100,000 capital fund, to maintain the fabric at the Red House site. A further £225,000 was transferred in during the prior year to support the Aldeburgh Young Musicians and Music Makers Programme, of which £45,000 was utilised during the year ended 31 March 2024.

Restricted funds represent grants, donations and legacies which must be used as donors have directed.

- The Basil Coleman Memorial Fund provides funding in support of fully staged operas (particularly those of Benjamin Britten) performed by students of the Britten–Pears Young Artist Programme upon completion of opera courses.
- Other income reserves represent amounts received and expensed in year together with amounts recognised in advance of associated project delivery. This includes funding in support of developing the creative health initiative.
- Funds held in the BPYAP and other activities reserve support specific activities including the Britten–Pears Young Artist Programme.
- Restricted fixed assets reflect the balance of grants and donations received, less depreciation charges, in support of the purchase of land and buildings, site redevelopment and some works of art.
- Capital programme reserve holds income to support the delivery of the capital programme and the accumulating asset as the project progresses. The transfer in of £75,000 represents the timing difference of preliminary work prior to receipt of funding.

## NOTES TO THE ACCOUNTS (continued)

### 19 ENDOWMENT FUNDS

GROUP	Balance	Income	Expend.	Invest.	Transfers	Other	Balance
	1 April			Gains			31 March
	2023	£'000	£'000	£'000	£'000	£'000	2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expendable – Designated	15,136	14	(271)	67	-	-	14,946
Expendable – Catalyst	2,968	-	-	359	-	-	3,327
Total expendable endowment	18,104	14	(271)	426	-	-	18,273
Permanent endowment	24,160	5,051	(3)	25	(43)	(354)	28,836
Total Endowment Funds	42,264	5,065	(274)	451	(43)	(354)	47,109

	Balance	Income	Expend.	Invest.	Transfers	Other	Balance
	1 April			Gains			31 March
	2022	£'000	£'000	£'000	£'000	£'000	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expendable – Designated	15,162	-	(26)	-	-	-	15,136
Expendable – Catalyst	3,097	-	-	(129)	-	-	2,968
Total expendable endowment	18,259	-	(26)	(129)	-	-	18,104
Permanent endowment	23,830	-	(3)	(9)	-	342	24,160
Total Endowment Funds	42,089	-	(29)	(138)	-	342	42,264

CHARITY	Balance	Income	Expend	Invest.	Transfers	Other	Balance
	1 April			Gains			31 March
	2023	£'000	£'000	£'000	£'000	£'000	2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expendable – Designated	15,136	14	(271)	67	-	-	14,946
Expendable – Catalyst	2,968	-	-	359	-	-	3,327
Total expendable endowment	18,104	14	(271)	426	-	-	18,273
Permanent endowment	24,160	5,051	(3)	25	(43)	(354)	28,836
Total Endowment Funds	42,264	5,065	(274)	451	(43)	(354)	47,109

	Balance	Income	Expend	Invest.	Transfers	Other	Balance
	1 April			Gains			31 March
	2022	£'000	£'000	£'000	£'000	£'000	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expendable – Designated	15,162	-	(26)	-	-	-	15,136
Expendable – Catalyst	3,097	-	-	(129)	-	-	2,968
Total expendable endowment	18,259	-	(26)	(129)	-	-	18,104
Permanent endowment	23,830	-	(3)	(9)	-	342	24,160
Total Endowment Funds	42,089	-	(29)	(138)	-	342	42,264

## NOTES TO THE ACCOUNTS (*continued*)

### 19 ENDOWMENT FUNDS (*continued*)

#### Expendable – Designated

- Britten–Pears Young Artist Programme Funds provide financial support to the Charity to enable students from around the world to attend masterclasses held as part of the Britten–Pears Young Artist Programme.
- Britten–Pears and Events Funds provide funding in support of the Britten–Pears Young Artist Programme and events at Snape Maltings Concert Hall.
- The Replacement and Renewals Fund of £849,000 exists to meet significant ongoing repairs and improvements to the Group’s sites, including the Concert Hall and its infrastructure.
- The Contingency Reserve of £943,000 is marginally below £950,000 target. The reserve is intended to cover known and likely costs payable over a notional 12 to 24-month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders.
- The heritage asset and fixed asset funds amount to £13.7m and represent the net book value of specific assets which are not held as legally endowed or restricted at the year end.

#### Expendable – Catalyst

In 2012 Arts Council England awarded a grant under the Catalyst Arts: endowments scheme. New funds totalling £1,000,000 were matched-funded by Arts Council England to create a new endowment. The grant was made subject to various conditions, including the Trustees signing a Declaration of Trust which includes a provision that the capital will be invested for a minimum of 25 years, after which it will become unrestricted.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Britten Pears Arts for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

#### Permanent endowment

Permanent endowment reserves are comprised of funds, predominantly heritage assets, whose capital may not be spent. The heritage asset funds represent the net book value of the assets at the end of the year, and comprise of The Archive Collection, The Red House and Outbuildings, The Red House Collection and the Snape Maltings Concert Hall.

During the year to 31 March 2024 £5m was received to underpin delivery of the creative health programme and is held in investments. Up to 4% of the original capital sum can be expensed annually from the income earned, which in the year was pro rated from the date of receipt and transferred to and expensed through restricted reserves.

## NOTES TO THE ACCOUNTS (continued)

### 20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2024 are represented by:				
Intangible assets	-	-	-	-
Tangible assets	3,881	5,087	16,712	25,680
Heritage assets	-	-	20,529	20,529
Investments	1,238	2,390	9,195	12,823
Net current assets	2,435	2,155	673	5,263
Creditors falling due after more than one year	(8)	-	-	(8)
	<u>7,546</u>	<u>9,632</u>	<u>47,109</u>	<u>64,287</u>

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2023 are represented by:				
Intangible assets	1	-	-	1
Tangible assets	3,818	4,956	16,727	25,501
Heritage assets	-	-	20,883	20,883
Investments	1,252	2,209	3,715	7,176
Net current assets	2,981	967	939	4,887
Creditors falling due after more than one year	(9)	-	-	(9)
	<u>8,043</u>	<u>8,132</u>	<u>42,264</u>	<u>58,439</u>

### ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2024 are represented by:				
Intangible fixed assets	-	-	-	-
Tangible fixed assets	3,359	5,087	16,712	25,158
Heritage assets	-	-	20,529	20,529
Investments	2,581	2,390	9,195	14,166
Net current assets	1,850	2,155	673	4,678
Creditors falling due after more than one year	(6)	-	-	(6)
	<u>7,784</u>	<u>9,632</u>	<u>47,109</u>	<u>64,525</u>

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	1	-	-	1
Tangible fixed assets	3,228	4,956	16,727	24,911
Heritage assets	-	-	20,883	20,883
Investments	2,581	2,209	3,715	8,505
Net current assets	1,797	967	939	3,703
Long term asset	600	-	-	600
Creditors falling due after more than one year	(6)	-	-	(6)
	<u>8,201</u>	<u>8,132</u>	<u>42,264</u>	<u>58,597</u>

### 21 PENSION COMMITMENTS

The Group operates separate defined contribution group personal pension schemes for the Charity and its subsidiary, Snape Maltings Trading Limited. The assets are held in an independently administered fund. Contributions paid during the period amounted to £148,490 (2023: £143,329).

Outstanding pension contributions, which are included within other creditors at 31 March 2024, totalled £24,209 (2023: £19,389).

### 22 CAPITAL COMMITMENTS

At 31 March, there were no capital commitments (2023: £nil).

## NOTES TO THE ACCOUNTS (continued)

### 23 RELATED PARTY TRANSACTIONS

Due to the nature of the Group's operations and the composition of Trustees, transactions sometimes take place with non-Group organisations in which a Trustee will have an interest. All commercial transactions involving Trustees are conducted in accordance with normal purchasing procedures.

During the year, the Group recognised donations from Trustees, other family members and closely associated charitable trusts totalling £398,201 including Gift Aid (2023: £711,050), of which £nil is within debtors at year end (2023: £100,000).

Transactions between the Charity and Group members during the current and prior periods were as follows:

	Snape Maltings Trading Limited £	Britten Estate Limited £	Elm Property Investments (Snape Maltings) Limited £
<b><u>Current year</u></b>			
<b>Balance at 31 March 2024</b>	<u>97,237</u>	<u>459,310</u>	<u>(100,000)</u>
<b>Income</b>			
Management charges	403,587	26,251	7,988
Rent	250,000	-	-
Interest on loan	7,000	-	-
Utility, accommodation and other income	17,754	-	-
Gift aid distribution	-	1,194,362	7,910
	<u>678,341</u>	<u>1,220,613</u>	<u>15,898</u>
<b>Expenditure</b>			
Management charges	22,518	-	-
Catering, car parking and other charges	154,187	-	-
Rent	-	-	375
	<u>176,705</u>	<u>-</u>	<u>375</u>
<b><u>Prior year</u></b>			
<b>Balance at 31 March 2023</b>	<u>255,154</u>	<u>106,558</u>	<u>-</u>
<b>Income</b>			
Grants	354,486	26,113	7,761
Management charges	244,000	-	-
Interest on loan	28,000	-	-
Utility, accommodation and other income	22,296	-	-
Gift aid distribution	-	503,610	-
	<u>648,782</u>	<u>529,723</u>	<u>7,761</u>
<b>Expenditure</b>			
Management charges	11,434	-	-
Catering, car parking and other charges	163,549	-	-
Rent	-	-	300
	<u>174,983</u>	<u>-</u>	<u>300</u>

The organisational structure of the Group and the relationship between each Group member is highlighted on page 11 of the Trustees Report. All Group members have their registered office at Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP.

## NOTES TO THE ACCOUNTS (continued)

### 24 ANALYSIS OF CHANGES IN NET DEBT

Group	1 April 2023 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2024 £'000
Cash and cash equivalents				
Cash	3,592	1,068	-	4,660
	<u>3,592</u>	<u>1,068</u>	<u>-</u>	<u>4,660</u>

### 25 CONTINGENT LIABILITY

The Charity and its wholly owned subsidiaries, Snape Maltings Trading Limited and Britten Estate Limited, share the same registration for VAT purposes, reducing administration and imposing joint and several liabilities on each party. At 31 March 2024, the net joint VAT liability was £189,327 (2023: £160,243). Of this liability, £46,725 (2023: £nil) is represented by the Charity, £73,559 (2023: £55,120) by Snape Maltings Trading Limited and £69,043 (2023: £105,123) by Britten Estate Limited.

### 26 OPERATING LEASE COMMITMENTS

Besides low value commitments to hire equipment for activities, the Charity and Snape Maltings Trading Limited occupy premises at Snape Maltings and Aldeburgh which were leased from Elm Property Investments (Snape Maltings) Limited. Related income and expenditure are eliminated on consolidation.

The total future minimum lease payments under non-cancellable operating leases are as follows:

Amounts due:	2024 £'000	2023 £'000
Within one year	7	7
Between one and five years	17	24
	<u>24</u>	<u>31</u>

### 27 GUARANTEE

The Charity is a company limited by guarantee. In the event of any winding up, each member would be required to contribute £1 towards the liabilities of the company. As at 31 March 2024 there were 14 such members (2023: 11).

**Britten Pears Arts**

England & Wales - Charity number 261383

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# Accounts

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# **BRITTEN PEARS ARTS**

**Company Registration Number: 980281**

**Registered Charity Number: 261383**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

# **BRITTEN PEARS ARTS**

## **ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2023**

### **INDEX**

#### **PAGE NO:**

<b>1</b>	<b>LEGAL AND ADMINISTRATIVE DETAILS</b>
<b>2</b>	<b>INTRODUCTION FROM CHAIR OF BRITTEN PEARS ARTS</b>
<b>3 – 16</b>	<b>TRUSTEES' REPORT INCLUDING STATEMENT OF TRUSTEES' RESPONSIBILITIES</b>
<b>17 – 19</b>	<b>INDEPENDENT AUDITORS' REPORT</b>
<b>20</b>	<b>CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>21</b>	<b>CONSOLIDATED AND CHARITY BALANCE SHEETS</b>
<b>22</b>	<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>
<b>23 – 43</b>	<b>NOTES TO THE CONSOLIDATED ACCOUNTS</b>

**LEGAL AND ADMINISTRATIVE DETAILS**

<b>NAME</b>	Britten Pears Arts
<b>LEGAL STRUCTURE</b>	The Charity is a company limited by guarantee and incorporated in England and Wales, registered number: 980281
<b>CHARITY REGISTRATION NUMBER</b>	261383
<b>TRUSTEES</b>	Sir Simon Robey Sir Vernon Ellis (retired 31 March 2023) Sarah Faulder Dr Scot McKendrick Angela Mallinson Jamie Njoku-Goodwin Garth Pollard (retired 31 March 2023) David Robbie Janis Susskind Alasdair Tait Laura Wade-Gery Roger Wright Sarah Zins
<b>HONORARY PRESIDENTS</b>	The Lord Stevenson of Coddenham Colin Matthews
<b>HONORARY VICE PRESIDENT</b>	The Lord Geddes
<b>CHIEF EXECUTIVE</b>	Roger Wright
<b>COMPANY SECRETARY</b>	Sarah Bardwell (appointed 8 March 2023)
<b>PRINCIPAL AND REGISTERED OFFICE</b>	Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP
<b>AUDITORS</b>	RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk IP33 3SB
<b>COMMERCIAL BANKERS</b>	Barclays Bank Plc, Suffolk Coastal Group, 4 Church Street, Woodbridge, Suffolk IP12 1DJ
<b>INVESTMENT MANAGERS AND ADVISORS</b>	CCLA Investment Management Limited, 85 Queen Victoria Street, London EC4V 4ET
<b>LEGAL ADVISORS</b>	Prettys Solicitors, 25 Elm Street, Ipswich IP1 2AD
<b>INVESTMENT PROPERTY ADVISORS</b>	Fenn Wright Limited, 1 Buttermarket, Ipswich IP1 1BA

## **Introduction**

Britten Pears Arts continues to ensure that music, arts and heritage transform people's lives, bring communities together and enhance daily life. We aim to effect powerful positive change in and for society and make the arts "useful". We are internationally recognised yet firmly rooted in our local community and in Suffolk. During the year we have offered innovative learning and training in music and heritage and worked with freelance musicians and artists to deliver outstanding experiences.

We celebrate the commitment and determination of staff, volunteers, musicians and artists who ensure the highest level of professionalism, whilst being open and welcoming to all. We acknowledge the amazing development programmes and training for musicians, composers, young people, those in later life, emerging professionals and those working in creative health settings. The resilience of the staff team, led by Roger Wright, has been inspirational.

After a two-year hiatus as a result of Covid-19, the 73rd Aldeburgh Festival returned with a hugely successful three-week festival as opposed to the normal two weeks in order to honour commitments to the musicians who are vital to its creativity. In August for the second year in a row, we built The Dome Stage, an outdoor structure on which we presented 20 free concerts. It attracted 40% new audiences to engage with Britten Pears Arts. The Red House continued to grow the reach of its heritage and grounds and attract more visitors. Whilst the Archive connected with the public, academics and researchers as well as providing an insightful resource for the whole organisation. Our lively series of digital engagement, year-round programming and exhibition programme included the award-winning Power of Stories exhibition in collaboration with Marvel and meant new audiences engaged with Britten Pears Arts throughout the year.

None of this could have been achieved without the important and continued support of Arts Council England and the renewal of our National Portfolio Organisation status. We are especially thankful to all our supporters, individuals, companies and public bodies, Trusts and Foundations who gave us vital support during the year. The support via our trading arm also helps to ensure that we are able to fulfil our charitable objectives and my appreciation goes to all the staff and directors of Snape Maltings Trading Limited.

Many thanks to the board of trustees who were enormously supportive with their time during the year. I particularly want to thank Sir Vernon Ellis and Garth Pollard who stepped down as trustees during the year - their work and support has been invaluable. Finally, my renewed gratitude goes to our audiences, visitors, participants, volunteers and artists for all that they do for Britten Pears Arts.

Sir Simon Robey  
Chair  
Britten Pears Arts

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The Trustees present their report along with the Charity's and Group's financial statements for the year ended 31 March 2023.

The Charity aims to promote and encourage the knowledge, study, teaching and practice of the arts in all their forms throughout the world and advance education in matters related to peace for the benefit of the public; promote and encourage any other charitable object or purpose and to engage in any field of charitable grant making activity permitted by English Law.

Britten Pears Arts was founded on 1 April 2020 when Snape Maltings and the Britten-Pears Foundation merged. It exists to ensure that the legacies of Benjamin Britten and Peter Pears continue to be enjoyed worldwide. Their legacy includes the Aldeburgh Festival, their archive, a cutting-edge programme of creative health work, the Britten-Pears Young Artist Programme, the house where they lived and extensive learning and inclusion work throughout Suffolk and beyond. Their legacy also incorporates their attitude, values and belief in helping communities disadvantaged in society and those who don't have access to music or culture.

Britten Pears Arts uses music to change and enrich thousands of lives every year, from nurturing young emerging artists to supporting people in challenging conditions, all whilst bringing world-class music to Suffolk. Inspired by Benjamin Britten's founding vision, it provides a place where artists at all stages of their career are given the time and space to develop. It is also home to life-changing community projects, making the most of music's ability to help in the most difficult of circumstances. It maintains, conserves and develops The Red House as a major heritage site and uses it to encourage visitors to learn more about the life and work of Benjamin Britten and Peter Pears. It holds a unique archive of manuscripts, documents, artworks, and multimedia materials for the public. It provides access to the collections and disseminates them as widely as possible, both physically and virtually.

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Charity meets the definition of a public benefit entity under the Charities SORP (FRS 102).

The information given on page 1 forms part of this report.

### **STRATEGIC FOCUS AND ACTIVITIES**

#### **Charitable Objects**

The charity's objects are for the public benefit:

<b>1</b>	To promote, and assist in the advancement of education in, the arts and crafts including the arts of music, drama, dancing, mime, painting, sculpture and graphic arts, and literature and poetry, and to extend and increase the appreciation, knowledge, and understanding of the arts and crafts in all their forms.
<b>2</b>	To promote the public knowledge of the works of Benjamin Britten and Peter Pears.
<b>3</b>	To promote the conservation of the musical, historical and cultural legacies of Benjamin Britten and Peter Pears for public benefit, in particular through the maintenance and enhancement of their properties and collections.
<b>4</b>	To advance education in matters related to peace for the benefit of the public.

#### **Mission**

Britten Pears Arts wants music, arts and heritage to engage with diverse audiences, participants, musicians, young people and others to enhance their lives. Simply, our mission is for the arts to be useful.

#### **Values**

Our values are :

- Empowering
- Collaborative
- Rigorous
- Pioneering

## TRUSTEES' REPORT (CONTINUED)

### AIMS AND OBJECTIVES

#### Strategic Priorities

Our strategic priorities are:

- Fostering Creativity
- Accessibility
- Environmental Improvements
- Youth Voice
- Skills Development and Training
- Digital and Technological Development

#### Performance against our 2022/23 Objectives

	2022/23 Objectives	Progress made during the year
1	Make our organisation even more inclusive, open and accessible.	Through free concerts and a free exhibition programme we ensured that our organisation reached more visitors and audience members.
2	Make new voices heard within the organisation.	Regular staff meetings, email communications and surveys enable feedback to be given. Youth Voice work with staff, volunteers and audience members has given an opportunity for new ideas to flourish and impact to be celebrated.
3	Focus on our data management and processes to help transform our effectiveness.	An IT steering group was established with a remit to introduce robust systems that are efficient, appropriate and provide value for money.
4	Use technology to improve audience, participant, customer and visitor experiences.	Introduction of surtitling, improved web interface and streamlined ticket booking processes have improved experiences.
5	Working with other organisations, play an important role in the region's cultural leadership.	As members of the Norfolk and Suffolk Cultural board we have worked closely with organisations throughout the region. As members of NPO large arts organisation groups we have worked closely with others on a national level.
6	Make world class music in a regional community.	The 3 week long Aldeburgh Festival, year round programming and extensive community involvement with audiences of all ages ensured our vital position in the region, nationally and internationally.
7	Recognise the impact our activities and those of our many stakeholders are having on the environment and understand and lead the need for action and change.	Undertaken feasibility studies to address our environmental impact. Continued prioritising and measurement of progress.

## TRUSTEES' REPORT (CONTINUED)

### Objectives for 2023/24

2023/24 Objectives	
1	We will maintain an international roster of artists, leaders and creatives and connect them to the region to achieve ambitious work of quality. We will focus on audience development to ensure that a broad range of high-quality cultural experiences are available year-round which attract a diverse audience.
2	We will use existing guidance created by the Theatre Green Book project to inform our plans. We will achieve intermediate level in FOH and BOH operations during 2023. We will have ascertained and costed the potential for the Snape Maltings site to generate significant renewable energy through solar and PV panel arrays.
3	We will use dedicated change management resource to leverage and enhance the skills and resources of the organisation through co-ordination and knowledge sharing. With new systems and more effective use of existing IT we will streamline our ways of working and aim to reduce routine activity to allow space for more creative output. We will interrogate data to provide the feedback to inform our decisions and enable us to be more reactive.
4	We will work towards a capital building project in which physical access to our sites and being more accessible inside and outside our buildings will be a priority. The Equality, Diversity and Inclusion committee will ensure all our activities are evaluated and reviewed, and available & accessible to all.
5	Work closely with our communities to continue to deliver our extensive creative health programme, artist training and development, archive and heritage activities.

## STRATEGIC REPORT

### ACHIEVEMENTS AND PERFORMANCE

In line with the aims and objectives of the organisation, Britten Pears Arts continues to build on the success of its reputation as a leading international creative campus across two sites. The charity is renowned as a performance centre, an artist development hub, critically acclaimed for its learning and inclusion work, unique archive and heritage house and museum offer, and developing its growing reputation as a distinctive leader in the area of creative health with music.

#### Artistic Activities

Activity	Measures of success
<b>Aldeburgh Festival</b>	The 73 <sup>rd</sup> Festival was extended to 24 days to include 41 first performances, 11 first UK performances and 19 Britten Pears Arts commissions. Over 21,000 tickets were booked, there were 5 featured performers and 4 featured composers.
<b>Year-round performance programme</b>	This programme included bespoke programmes for Easter and Christmas, the Britten Weekend, a production of Rape of Lucretia and English Touring Opera. Over 55,000 tickets were booked. There were 20 free performances on the outdoor Dome Stage with 40% new audience members. Two special concerts to compliment the Power of Stories exhibition were staged to reach new diverse audiences.
<b>Britten Pears Young Artist Programme (BPYAP)</b>	This artist development programme turned 50, which was celebrated with concerts, articles, and a gathering of oral histories. 99 young people worked as BPYAP artists across 7 residential touch points at Snape. They performed throughout the Festival.
<b>Aldeburgh Young Musicians (AYM)</b>	50 young musicians (aged 8–18) took part in 19 different opportunities during the year working with composers and performers from a wide range of genres.
<b>Archive</b>	In addition to being a central resource for work within our community and organisation and having a growing national reputation, 54 donations were accessioned, 4,271 records were added to the database and 447 enquiries were

	received and answered within 5 working days. We also had 2,526 people visit the Archive during the year.
<b>Community</b>	The Community team ran 462 sessions or events in both formal and informal settings for young people aged 0-25 reaching 6,352 individuals. 10 new songs were commissioned for the online Friday Afternoon resource for schools. Work continued in HMP Warren Hill, care home settings and with those suffering from dementia and Parkinsons. The Community and Red House teams worked together to present The Power of Stories exhibition in the Concert Hall Foyer.
<b>Digital Public Engagement</b>	65 online content pieces including films, website stories and other content were generated. Alongside 41 live to digital cultural experiences these included recordings of BPYAP concerts and residency outputs. Over 90,000 people engaged with these activities.
<b>Creative Health</b>	We convened 5 Think Tanks on a range of topics include Young Musicians' Health and Well-being, Music in Criminal Justice settings and Later Life. We ran MOTs (residential courses which provide rejuvenation, inspiration and support for musicians) and Recover, Recharge, Renew and training sessions for freelancers.
<b>The Red House</b>	Over 7,000 visitors came to the house during the year. The Britten and Women exhibition and accompanying guide was also marked by a display of all the female artists held in the Britten Pears collection. The Red House became an Accredited Museum as recognised by the Arts Council.
<b>Residencies and Retreats</b>	We ran 28 Snape Residencies and 59 Red House retreats which meant we engaged with 197 individual creatives, artists and composers. Festival of New features some of the work created during the residencies as well as a new opera "Blue Woman" in collaboration with the Royal Opera House.

## **FINANCIAL REVIEW**

### **GROUP FINANCIAL OVERVIEW FOR THE YEAR**

2022/23 was the first year post-Covid that the organisation reverted to its normal financial model and while it has experienced more favourable audience numbers than many comparable organisations, demand is still below pre-Covid levels. The organisation started the year with a deficit budget and experienced challenges with costs, particularly staff and utilities, during the course of the year. With the help of the generosity of its donors, Britten Pears Arts achieved an overall financial performance that exceeded the budget. The Charity saw a positive movement in funds as a result of the revaluation of some of its heritage assets, however this was offset by a fall in the value of financial assets. The Statement of Financial Activities on page 20 indicates a reduction in in total Group reserves of £394,000.

The total income for Britten Pears Arts increased by £1,429,000, in the year to the end of March 2023, which was an increase of 12.6% on the £11,351,000 of income reported for the year to March 2022. After a strong performance by Snape Maltings Trading Limited in 2021/22 the operating conditions in 2022/23 have been significantly more challenging, group trading income fell to £5,365,000 compared to £5,601,000 in 2022. This reduction was partly offset by higher royalty revenue.

Britten Pears Arts holds an investment portfolio which fell in value by £198,000 in the year to 31 March 2023, while its heritage art objects yielded a revaluation surplus of £342,000. The Charity's investment portfolio is held for the long term and the Charity sees its income from that portfolio as being the dividend return that it accrues. Individual years may show positive or negative revaluation surpluses but whilst accounting regulations require that these are recognised in the accounts, they are not cash amounts (as the assets have not been sold) and the Group does not treat them as being part of their income for the year. The Charity revalues its heritage assets on a rolling basis and is required to recognise revaluation differences in its Statement of Financial Activities, but these assets are held on an indefinite basis and any surplus is not available for other use.

During the year to March 2023 twenty-two leases were extended by 125 years on group properties, (the freehold for 9 properties were within the subsidiary Elm Property Investments, and 13 properties sit within the charity Britten Pears Arts) the total receipt was £385,000.

## TRUSTEES' REPORT (CONTINUED)

Table 1 summarises Group income for the year from Note 2 and is stated in line with accounting requirements under the Charities SORP (FRS 102). It includes amounts relating to future periods where the relevant income recognition criteria have been met while excluding grants and donations recognised in previous years for activities undertaken in 2022/23.

<b>Table 1 – Group income</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Arts Council England core grant	1,429	11.2%	1,429	12.6%
Arts Council England project grant	-	-	442	3.9%
Trusts and Foundations	1,461	11.4%	464	4.1%
Private, including memberships and Gift Aid	1,274	10.0%	1,046	9.2%
Legacies	86	0.7%	52	0.5%
Local authority and corporate donations	119	0.9%	121	1.1%
Box Office and admissions	932	7.3%	604	5.3%
Theatre and Orchestra Tax Relief	200	1.5%	30	0.3%
Other charitable activities, including course fees	341	2.7%	220	1.9%
Trading activities, including retail and catering	5,365	42.0%	5,601	49.3%
Royalties	1,277	10.0%	1,050	9.2%
Investments, including interest, dividends and rent	296	2.3%	251	2.2%
Other income, including government grants for Covid-19	-	-	41	0.4%
<b>Total income and endowments</b>	<b>12,780</b>	<b>100.0%</b>	<b>11,351</b>	<b>100.0%</b>

Table 2 highlights Group expenditure for the year and includes costs associated with activities undertaken during 2022/23 only. More information can be found in Note 4.

<b>Table 2 – Group expenditure</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Fundraising	349	2.6%	327	2.9%
Trading, including retail and catering	4,926	37.1%	4,797	43.2%
Artistic activities	2,968	22.3%	1,641	14.8%
Artistic development	1,102	8.3%	794	7.1%
Archive, Exhibitions and The Red House	298	2.2%	307	2.8%
Community	509	3.8%	401	3.6%
Operations	1,762	13.3%	1,487	13.3%
Administration, including IT and Finance	1,328	10.0%	1,298	11.7%
Governance, including audit fees and legal advice	57	0.4%	62	0.6%
<b>Total expenditure</b>	<b>13,299</b>	<b>100.0%</b>	<b>11,114</b>	<b>100.0%</b>

Table 3 summarises Group reserves at year end. Greater levels of detail will be found in the Statement of Financial Activities on page 20, the Balance Sheets on page 21 and notes to the accounts from page 23.

<b>Table 3 – Group reserves</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Unrestricted	8,043	13.8%	8,380	14.3%
Restricted	8,132	13.9%	8,364	14.2%
Endowment	42,264	72.3%	42,089	71.5%
<b>Total reserves/net assets</b>	<b>58,439</b>	<b>100%</b>	<b>58,833</b>	<b>100.0%</b>

The Group's net assets of £58,439,000 are mainly comprised of fixed assets to the value of £53,561,000, which include £25,501,000 of tangible fixed assets and £20,883,000 of heritage assets. £1,000 of intangible fixed assets reflects software used in the organisation. The remaining £7,176,000 represents income-generating investments designed to provide funding stability for the long-term.

## **TRUSTEES' REPORT (CONTINUED)**

Unrestricted reserves decreased by £337,000 which is predominantly due to the unrestricted expenditure exceeding unrestricted income in the period. Restricted reserves decreased by £232,000, predominantly due to the impact of investment losses of £65,000 and the net impact of income less expenditure in the period. Endowment funds increased by £175,000, which is represented predominantly by the £342,000 revaluation gain on artwork offset by a £138,000 loss on investments. More information in respect of the movement in reserves can be found in notes 18 and 19.

Further detail in respect of the impact of the current cost of living challenges is covered in Note 1 and the ongoing impact of the current economic environment is recognised in future forecasts. The Group and parent charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **BRITTEN PEARS ARTS**

As a standalone entity, Britten Pears Arts' total reserves fell by £1,042,000 to close at £58,597,000. Unrestricted funds fell by £985,000, predominantly as a result of unrestricted expenditure exceeding income. Restricted reserves decreased by £232,000, due to investment losses. Whilst as noted above endowment funds increased by £175,000 due to both the revaluation gains and a fall in investment values.

### **ALDEBURGH MUSIC ENDOWMENT FUND**

Aldeburgh Music Endowment Fund (AMEF), a separate charity, completed the transfer of its assets and liabilities to Britten Pears Arts on 31 March 2021, and was dormant during the year to 31 March 2023. As planned, Britten Pears Arts became the sole trustee of AMEF with effect from 30 June 2022 when the previous five individual trustees tendered their resignations.

### **SNAPE MALTINGS TRADING LIMITED**

The company, which delivers a wide range of retail and catering activities experienced a reduction in sales during 2022/23, compared to the prior year, owing to the unseasonably hot summer, which resulted in lower visitor numbers. The business also experienced higher operating costs and reduced spend per head. Turnover dropped to £5,480,000 (2022: £5,691,000). In the year to the end of March 2023 Snape Maltings Trading Limited made a loss before taxation of £51,790, compared to a profit in the year to the end of March 2022 of £300,920.

The company has share capital of £1,000,100 from its parent company, Britten Pears Arts, £1,000,000 of which represents preference shares.

### **BRITTEN ESTATE LIMITED**

The company continued to promote the music of Benjamin Britten and receive income in the form of royalties. Turnover increased to £1,237,521 (2022: £1,013,134), with profit before taxation increasing to £1,203,610 (2022: £974,394). The profit generated was fully utilised within the Britten Pears Arts Group, with £700,000 being used to buy tax losses from Snape Maltings Trading Limited and £503,610 distributed to Britten Pears Arts.

### **FUNDS HELD AS CUSTODIAN TRUSTEE**

Creditors include £24,947 (2022: £34,545) of means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development.

### **PRINCIPAL FUNDING SOURCES**

Britten Pears Arts continued to benefit from annual core funding from Arts Council England. This was £1,428,835 in 2020/21, 2021/22 and 2022/23. The Charity was awarded continued funding for the new three-year period at the same level and is enormously grateful to Arts Council England for continuing to support its wide-ranging activities. The Department for Education provided £75,000 to fund part of the cost of Aldeburgh Young Musicians courses. Besides revenue generated by retail and catering operations, box office and project fees, a considerable proportion of the Group's income is philanthropic and derives from grants and private sources, including legacies. The Trustees are indebted to many generous individuals and organisations for their support of artistic activities. Legacy income of £86,000 was notified to the charity during the year (2022: £52,000).

## TRUSTEES' REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees undertake a formal process to review risks and risk management strategies proposed by the leadership team. During the year a Risk Management Framework was agreed, together with associated actions. The Group Risk Register is reviewed by the leadership team quarterly and the key risks are shared with the board at every board meeting. The full risk register is reviewed by Audit and Risk Committee twice a year. There is a separate risk register for Snape Maltings Trading Limited which is reviewed by that board and a separate IT risk register which is reviewed by the IT Steering Group. In reviewing the risk registers, the board and committees consider the financial, reputational and organisational risks the Group faces. The scale of the risks is assessed in terms of potential impact, likelihood of occurrence and means of mitigation. Management have clearly defined responsibilities in relation to their responsibility for, and the management of, all risks.

The organisation has reviewed its appetite for risk during the year and has a low or medium appetite against all risk areas. Where mitigated risks remain as 'red' risks, a range of actions are in place and the risks are under continuous review and assessment. The current highest risks fall within external (economic, natural and political), statutory, legal compliance and financial.

The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating risk and uncertainties to the extent reasonably achievable. The Trustees have considered the adequacy of the Group's internal controls and have received an internal assessment of financial controls compared against the Charity Commission financial controls checklist. New processes and controls have been put in place during the year to improve the budgeting and forecasting process and the new Financial Regulations have been embedded across the organisation.

#### Principal Risks and Uncertainties

At the start of the 2022/23 financial year there was a deteriorating economic outlook mainly owing to the war in Ukraine. During the year the impact of the UK cost of living crisis, rising inflation and rising interest rates provided a challenging operating context. Whilst the impact of Covid subsided the economic environment had far reaching consequences for many businesses (and the reduction in the broader funding of the Arts during 2022/23 will have a significant impact on the sector), including Britten Pears Arts. The table below summarises the key risks that that organisation faces.

SUMMARY OF CONSEQUENCES	SUMMARY OF MEASURES IN PLACE
<b>Key Risk – Major global crisis (pandemic, war)</b>	
The threat of Covid has been replaced by the Ukrainian war and the energy crisis Confidence is gradually being built back but trends are as yet hard to identify	<ul style="list-style-type: none"> <li>• Dynamic programming</li> <li>• Access to unrestricted reserves</li> <li>• Good communication and planning (internal and external)</li> <li>• Close contact with ACE</li> <li>• Regular board contact</li> <li>• Extensive networking throughout sector</li> </ul>
<b>Key Risk – Current and future economic uncertainty</b>	
Potential impact of lengthy recession and cost of living crisis on the public's ability to attend performances, spend in our shops and support our organisation through philanthropy	<ul style="list-style-type: none"> <li>• Maintaining strong fundraising team</li> <li>• Careful cost control</li> <li>• Dynamic and modern marketing</li> <li>• Dynamic programming and prioritisation</li> <li>• Stress testing of financial plans</li> <li>• Exploration of new ventures</li> <li>• Monitoring of cash flow forecasts</li> <li>• Retail Buyers regularly feeding back to management on changes in costs (including shipping costs)</li> </ul>
<b>Key Risk – People Risk</b>	
Loss of expertise Organisation and capacity stretch <ul style="list-style-type: none"> <li>• Maintenance of passionate and committed teams.</li> </ul>	<ul style="list-style-type: none"> <li>• Investment in training</li> <li>• Investment in new processes and systems</li> <li>• Succession planning</li> <li>• Review of business model to ensure organisational sustainability</li> </ul>

Key Risk – Nationally Significant Infrastructure Projects	
With Sizewell C having now been granted Development Consent, there is a risk that visitors may be put off coming to the area for fear of traffic congestion. Furthermore, we may struggle to recruit i.e. cleaners and hospitality staff	<ul style="list-style-type: none"> <li>• Keep informed of details of the programme</li> <li>• Sub Committee established to work through the impact and response in detail</li> <li>• Close liaison with developers and local authorities</li> <li>• Close liaison with opposition groups</li> <li>• Through tourism connections, influence tourism mitigation fund</li> </ul>
Key Risk – Public Funding cuts in 2027 and beyond	
BPA was recently awarded new NPO funding. Risk period starts after the next NPO round.	<ul style="list-style-type: none"> <li>• Close contact with ACE</li> <li>• Increase philanthropic income</li> <li>• Always monitor public need</li> <li>• Build relationship with other funders in the sector</li> </ul>

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **STATUS AND GOVERNING INSTRUMENT**

Britten Pears Arts is a registered charity and a company limited by guarantee and the organisation is governed by its Articles of Association.

### **MEMBERS OF THE BOARD**

The governing body of Britten Pears Arts is its Board of Directors which has responsibility to ensure the Charity is properly managed. As Britten Pears Arts is a charity, each Director is more usually referred to as a Trustee. New Trustees are appointed following a selection process, a central feature of which is our commitment to equality, diversity and inclusion. Confirmation of appointment is undertaken at the subsequent Annual General Meeting.

Trustees are provided with an induction programme involving all aspects and activities of the organisation, including its relationship with its subsidiary undertakings, Snape Maltings Trading Limited and Britten Estate Limited. The Trustees recognise the need to maintain an up-to-date skillset which is applicable to today's changing charity environment.

### **ORGANISATIONAL STRUCTURE**

Besides the Charity, the Group's main entities consist of Snape Maltings Trading Limited (company registration: 1519527), and Britten Estate Limited (company registration: 2063909). The remaining assets and liabilities of the former operating (now dormant) subsidiary Aldeburgh Music Endowment Fund were transferred to Britten Pears Arts on 31 March 2021. The financial statements for Britten Pears Arts consolidate the Charity's results with those of other Group members including their subsidiaries. Transactions between Group members are eliminated as part of the consolidation process.

Snape Maltings Trading Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. It undertakes retail and catering activities at Snape Maltings through the operation of shops, galleries and catering outlets. The company also manages the hiring of the sites' facilities for weddings, conferences and other non-artistic events, and operates a holiday lettings business. Its financial results are summarised in Note 3.

Britten Estate Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. The company promotes the music of Benjamin Britten and receives income in the form of royalties, and its financial results are summarised in Note 3.

Snape Maltings Trading Limited has a wholly owned subsidiary, Elm Property Management (Snape Maltings) Limited (company registration: 6371788), which undertakes the care and management of residential properties at Snape Maltings on behalf of the leaseholders. For statutory purposes, this company was dormant for the year.

Elm Property Investments (Snape Maltings) Limited (company registration: 9641832), is a wholly owned subsidiary of Snape Maltings Trading Limited, which owns the freehold of a number of properties at Snape Maltings and receives an annual ground rent from the leaseholders.

## **TRUSTEES' REPORT (CONTINUED)**

The leadership team are responsible for the day to day operational management across the group of companies. The team meet weekly and report to the Board through committees on all aspects of governance, financial performance and risk management.

### **GOVERNANCE**

#### **Trustee Board**

The activities of Britten Pears Arts are ultimately controlled by its trustee board which holds regular meetings throughout the year and is committed to the principles of the Charity Governance Code. By providing a range of experience and skills, it helps the leadership team to achieve artistic success with stable finances. The Trustees provide guidance and knowledge across the organisation's activities, specifically in areas including artistic, heritage, collections, financial and risk management, strategy, logistics, human resources, marketing, property and investments. They also support the organisation in maintaining a wide network of stakeholders, including existing and potential funders.

#### **Ability to hold office**

Prior to appointment, Trustees are required to confirm they are not barred from holding office as a Trustee or Director.

#### **Declaration of interests**

In order to ensure that decision-making is transparent, all Trustees and senior managers of the Group are required to sign a Declaration of Interests and a standing agenda item requires Trustees and others present to declare any interests that may arise in the course of each board meeting.

#### **Audit Committee**

The Audit Committee is chaired by David Robbie and includes board member Sarah Faulder and former trustees Christopher Higgins and Oliver Rivers. Any trustee may attend meetings. The Audit Committee monitors the integrity of the statutory financial statements, ensures the effectiveness of the systems of internal and risk control and manages the effectiveness, performance and objectivity of the external auditors.

The Audit Committee meets at least twice each year with at least one meeting including the Group's external auditors. The performance and re-appointment of the auditors is reviewed each year and the Audit Committee Chairman makes an appropriate recommendation to the Trustees ahead of the Annual General Meeting.

#### **Finance Committee**

A separate Finance Committee assists the board in monitoring its management accounts, budgets and forecasts and overall financial performance and in recommending the strategy, policies and procedures for the Group's investments and estate assets. The Finance Committee is chaired by David Robbie and includes board members Garth Pollard and Sarah Zins and former trustees Christopher Howes, Andrew Staff (resigned 4 May 2022) and Stephen Swift.

#### **Remuneration and Nominations Committee**

As at 31 March 2023 the Remuneration Committee comprised David Robbie, Sir Simon Robey, Janis Susskind and Sarah Zins. The Committee meets as necessary to review and make recommendations relating to changes to employees' salaries and benefits, including that of the Chief Executive. The Committee is also responsible for making recommendations to the Board on the appointment of new Trustees.

#### **Collections Committee**

The Collections Committee is chaired by Scott McKendrick, other members are trustee Janis Susskind, former trustee Penny Heath and BPA President Colin Matthews. The committee oversees policy proposals and decisions relating to heritage assets of BPA including the archive collections, artworks, sculpture, The Red House collection and any agreed items held at Snape Maltings. The committee will act as an advisory board on major decisions about these collections, including new acquisitions, loans, preservation and conservation.

#### **Charity Commission Code of Governance**

In February 2023 the board considered a report detailing a review against the Charity Commission Code of Governance, this report was accompanied by an action plan which will be reported on quarterly, with a full review taking place annually going forward,

## TRUSTEES' REPORT (CONTINUED)

### KEY MANAGEMENT PERSONNEL

All Trustees and non-executive directors of Group subsidiaries, together with Roger Wright (Chief Executive Officer), Sarah Bardwell (Executive Director), Harry Young (Chief Operating Officer), and Angela Treagust (Chief Financial Officer) are considered to be the Group's key management personnel.

Remuneration levels for key management personnel are set within the context of budgets and plans which are approved by the board before implementation and include, where appropriate, recommendations from the Remuneration Committee. Details of payments to key management personnel are provided in Note 7.

### FUTURE PLANS

Britten Pears Arts have plans over the next twelve to eighteen months to move forward with the planning and preparation for a range of capital and maintenance works on their sites at Snape and The Red House, some of which were put on hold owing to the pandemic but which will bring improved access and fitness for purpose of existing buildings, energy efficiencies and opportunities for future revenue generation. The organisation will continue to look at ways to achieve its strategic objectives, whilst remaining financially robust, within a challenging operating environment.

### FINANCIAL POLICIES

#### *Reserves Policy*

In 2020/21, following the merger of Snape Maltings and the Britten Pears Foundation, the Trustees agreed a new reserves policy for the merged organisation. The Trustees concluded that they would aim that unrestricted and undesignated (free) reserves, not backed by fixed assets, should cover six months of projected charitable costs excluding depreciation. This is a number of about £3.6m and compares to actual free reserves of £2,943,000. Although we have fallen short of the target at the end of 2023, the business is actively working towards ensuring that the target is met.

#### Unrestricted General Reserves

These reserves stood at £3,344,000 at the start of the year and fell to £2,943,000 at 31 March 2023. The £401,000 decrease is the net of £11,372,000 of unrestricted income offset by £11,152,000 of unrestricted expenditure and a £607,000 transfer to designated funds, which includes £297,000 of fixed assets.

#### Unrestricted Designated Reserves

The Trustees designate certain funds for specific use, including an Artist Fund which underpins the expansion in artist development and an Opera and Commission Fund to provide support for the development of opera, an area noted for high production costs and needing long-term planning. These funds supported activity to the value of £335,000 during the year. A designated fund is also retained for fixed assets. Further to this, a designated reserve is held for "Securing the Future". The prime motivation for this reserve is acknowledgement of the fact that royalty income is time-limited, and provision should be made for the point at which it will start to fall away. The reserve also provides security against the potential reduction in other key income sources. This reserve will be built over a period of years, noting that the largest drop in royalty income will happen seventy years after Benjamin Britten's death in 1976. The aim has been set to build a reserve of £15 million. At 31 March 2023 it stood at £957,000. There is also £325,000 held in other designated funds relating to Red House capital projects, Aldeburgh Young Musicians and Music Makers Programme.

#### Restricted and Endowment Reserves

Certain reserves bear restrictions on their use imposed by donors, with some of these limiting, or barring, access to the donated capital. Details of restricted and endowment funds, including those of a permanent endowment nature, are provided in Notes 18 and 19.

#### *Investments*

The Trustees are responsible for setting the Fund's investment policy and strategy and are authorised to make any investment they consider to be beneficial. The Trustees confirm they have remained within this power and continue to keep their investment policy and strategy under review. A review in 2022 of the fund management policies confirmed that there were no specific ethical issues which would be in conflict with the charity's objectives, and the responsibly of the board to protect the BPA reputation.

#### Investment Properties

The Trustees consider it appropriate to invest in commercial property where there is a strategic fit with the activities of the Group and such action provides a rate of return in excess of 5% of investment cost after the deduction of operational expenses. When vacant periods arise, local agents are appointed to manage new tenancy advertising and to provide advice regarding rent levels.

## **TRUSTEES' REPORT (CONTINUED)**

### Market Investments

Meetings are held with investment advisors at least once during the year to monitor performance and review strategy. Key aspects of the investment policy include the achievement, within acceptable levels of risk, of at least market-rate income whilst taking a long-term view regarding capital growth. The current income target is to achieve a yield in excess of the FTSE All-Share Index yield after the deduction of management charges and for capital growth to outperform the FTSE All-Share Index over the long-term, a period defined as being not less than ten years. There is also an investment fund invested in an interest-bearing cash account with Scottish Widows.

### Investment Performance

All investment properties were tenanted during the year. The target income yield of above 5% of cost was met.

### **KEY PERFORMANCE INDICATORS**

Britten Pears Arts and its Group entities measure progress against a number of indicators set out in annual budgets and plans. It has been following SMART objectives agreed with Arts Council England particularly focussed on the Creative Case for Diversity. Non-financial indicators include public engagement and reach, the number of Festival commissions and targeting a rise in international collaborations. The main financial indicators include royalty income, box office performance, fundraising income, retail sales and investment returns. The Board reviews key performance indicators at its meetings during the year through receiving summary papers and within the Group's management accounts.

### **PUBLIC BENEFIT**

The Charity Commission has distilled a number of principles of public benefit which must be addressed by charities. Any benefit arising from an organisation's activities must be to the public or a section of the public, in respect of which the opportunity to benefit must not be unduly restricted by ability to pay any fees charged; and that people in poverty must not be excluded from the opportunity to benefit.

In setting the level of ticket prices, fees, charges and concessions, the Trustees give careful consideration to the accessibility of concerts and other projects to those on low incomes. Britten Pears Arts' pricing reflects its aim of enabling all members within our community, whatever their means, to take part in its activities. Ticket pricing is generally dependent on event costs and seat location. Ensuring wide access is a priority, resulting in ticket prices for many events starting at or below £10. Concessionary prices are available at most concerts.

Some events are undertaken to generate public interest in the Charity's activities and are free to all. We are fortunate to have a loyal base of Friends and other supporters who are able to access a priority booking period. However, a number of tickets are held back to allow the general public the opportunity of purchasing seats at an otherwise sold-out concert. New audiences are encouraged by the availability of £10 tickets which are put on sale after the supporters have booked their tickets.

Activities led by the Learning and Inclusion team, including working in care homes with people with dementia, are making a positive difference to the physical and mental wellbeing of the public. Some projects undertaken by the Charity require participants to pay for their travel and other costs. Financial support is made available to those in need such that, in appropriate circumstances, all costs are waived.

The Snape Maltings and Red House sites are steeped in history and are amongst Suffolk's most visited tourist venues. The Maltings has open access and is available to the public for recreational use such as walking, although visitors also enjoy the site's performance, catering and shopping facilities.

### **VOLUNTEERS**

Britten Pears Arts is grateful to have the support of a body of unpaid volunteers who perform important duties at events including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. During the year, we were pleased to have 209 volunteers (2022: 138) who worked a total of approximately 13,252 hours (2022: 6,425 hours) and which would otherwise have cost an estimated minimum wage of £125,894 (2022: £57,247). Without the loyalty and dedication of these people, the organisation would be forced to reduce its programme of events or increase concert prices.

## **TRUSTEES' REPORT (CONTINUED)**

### **FUNDRAISING**

Sections 13 and 14 of the Charities Act 2016 address public concern about how charities raise funds. The Charity Commission has issued guidance requiring trustees to confirm that fundraising activities are compliant with standards set out in the Code of Fundraising Practice as well as those required under other guidelines and legislation covering areas such as data protection.

#### ***Monitoring fundraising activities***

The Director of Development for Britten Pears Arts monitors activities undertaken by this department across all Group entities. Regular reports are provided to the Chief Executive and each Board meeting of Britten Pears Arts includes a review of activities undertaken by the Fundraising team. During the year all fundraising activities were performed by Britten Pears Arts' staff. No professional fundraisers were used to carry out fundraising activities on behalf of the Charity or any Group entity. Consequently, no fees or commission was paid to professional fundraisers (2022: £nil).

#### ***Voluntary self-regulation***

The Fundraising Regulator is an independent regulator of charitable fundraising, established to strengthen the system of regulation and preserve public trust in the not-for-profit sector. The Charity has voluntarily registered with the Fundraising Regulator and supports the aims and objectives of this organisation.

#### ***Compliance with standards***

The Charity's fundraising activity complies with all relevant legislation and regulation, including the General Data Protection Regulation, and the Privacy and Electronic Communications Regulations 2003. The Trustees are not aware of any breaches of the Code of Fundraising Practice or other standards.

#### ***Complaints relating to fundraising activities***

The Charity has a policy regarding complaints received in relation to its fundraising activities. No complaints were received in the year (2022: none).

#### ***Vulnerable people, unreasonable behaviour and undue pressure***

The Charity has never used telephone or doorstep methods to induce donations from members of the public and stopped sharing its data with other organisations. Existing supporters and potential donors are required to provide their prior consent to the use of their data, particularly in relation to receiving communications about future events. The Charity's website and printed brochures encourage members of the public to participate in a number of supporter schemes or to consider leaving a legacy in their Wills. The Charity does not send unsolicited mail or use other methods of contact that are not initiated first by the prospective supporter.

### **EQUALITY, DIVERSITY AND INCLUSION**

Britten Pears Arts has published its Equality, Diversity and Inclusion Statement. This work is embedded across the organisation with leadership driven by the Equality, Diversity and Inclusion working group that meets regularly, by the Executive Director, who is also a member of national EDI network, and by a board trustee champion. The Group aims to continue developing accessibility and diversity in all areas, whether it be for staff, volunteers, audiences, customers, performers or participants. Its mission is to make new voices heard within the organisation, including at board level. To this end a clear programme of targets and actions has been developed, training undertaken, and the voices of those with protected characteristics listened to, taking the particular challenges of the region into account.

The programme presented by the Charity on its various stages continues to represent an extremely wide range of genres and styles delivered by a diverse group of musicians and performers. From October 2022 to February 2023 we hosted the award winning exhibition The Power of Stories in partnership with Marvel Studios, Aspire Black Suffolk, the Association of Suffolk Museums, and Colchester and Ipswich Museum Service. Alongside this a range of associated activity took place including two workshops for Black and African Caribbean community members in East Suffolk who created artwork which formed part of the exhibition, unconscious bias and exhibition training for staff, there were all-age West African-drumming workshops and two performances in the Snape Maltings Concert Hall one by Hannabiell & Midnight Blue collective and one by Sefo Kanuteh and The African Choir of Norfolk. A special edition of Belongings was recorded by BBC Radio Suffolk about the entire project. These activities had a transforming influence over the audience we were able to attract. We will continue on this path of strategic audience development and encourage the return of the 1,093 new contacts who booked for the first time during the period.

## **TRUSTEES' REPORT (CONTINUED)**

New recruitment methods have been used with the aim of diversifying the workforce. The Group is an equal opportunities employer and has appropriate policies in place. Partners include Suffolk Refugee Support, Diversity Dashboard, and Black Lives in Music. In addition, first interviews are offered online, together with help with travel costs for interviews in person. The Group is working to improve access to the site and to ensure access to all is extended. It is exploring how the barriers of geographical limitation, the demographic of the region and the remote locations of our sites can be overcome.

### **ENVIRONMENT**

Britten Pears Arts recognises that the climate crisis is the most important issue facing the planet today. We acknowledge our influence as a major arts organisation and owner of two visitor destinations and embrace our responsibility and duty to reduce our carbon footprint. It is the ambition of Britten Pears Arts and Snape Maltings Trading Limited to be a force for change and to engage all our staff and visitors in the mission.

#### **Action plan**

Initiatives in 2022/23 included the installation of four electric car charging points, the trialling of electric minibuses and car sharing services, a push for greater biodiversity at the Red House and a collaboration with the RSPB to increase the appreciation of the environment. Our catering team has replaced plastic water bottles with biodegradable alternatives.

In 2022/23, BPA's music facilities at Snape Maltings generated 731 tonnes CO<sub>2</sub>e, 1.6% higher than in 2021/22 due to a greater amount of event activity.

The most impactful areas were:

35%	Energy
40%	Waste (-6% to 278 CO <sub>2</sub> e)
23%	Audience travel

We will continue to use guidance created by the Theatre Green Book project to shape our action plan to reduce this carbon footprint and will use the upcoming capital project to help set ambitious carbon reduction targets. The capital project, scheduled to be delivered by June 2026, will have sustainability as a key pillar and will aim to make Snape Maltings a regional exemplar of arts organisations transitioning to using green energy. Key project elements include;

- Providing a low carbon alternative to the oil-fired system that currently heats the concert hall, the Hoffmann Building and the Britten Pears Building. If an existing biomass boiler can be connected to the concert hall, net carbon emissions for energy would be reduced by 90%.
- Insulating the concert hall roof and replacing the concert hall's lighting system with LED alternatives. A grant has been awarded to fund more than 50% of the costs.
- Installing at least 600sqm of photovoltaic panels on south-facing roofs at Snape Maltings.
- A local transport initiative to provide electric minibuses to serve the community and visitors to our sites.

The local authority East Suffolk Council has pledged to support Britten Pears Arts ambitions to make Snape Maltings an exemplar of green energy use.

### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

### **AUDITORS**

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Britten Pears Arts for the purpose of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year. In preparing those financial statements, Trustees are required to:

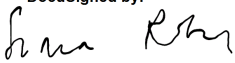
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Trustees and signed on their behalf on 9 October 2023.

DocuSigned by:



AC8F84Z7557D4B2

Sir Simon Robey  
Chair

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS

### Opinion

We have audited the financial statements of Britten Pears Arts (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The group audit engagement team identified the risk of management override of controls and completeness of certain income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business and performing tests of detail in relation to the completeness of income.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Claire Sutherland*

Claire Sutherland (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

Date 12 October 2023

Britten Pears Arts Financial Statements 2022/23

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

### FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,094	1,275	-	4,369	3,554
Charitable activities	2	1,473	-	-	1,473	854
Other trading activities	2	6,642	-	-	6,642	6,651
Investments	2	163	133	-	296	251
Other income	2	-	-	-	-	41
<b>Total income and endowments</b>		<u>11,372</u>	<u>1,408</u>	<u>-</u>	<u>12,780</u>	<u>11,351</u>
<b>Expenditure on:</b>						
Costs of fundraising	4	544	-	-	544	563
Costs of other activities (trading)	4	5,272	-	-	5,272	5,125
Charitable activities	4	5,879	1,575	29	7,483	5,426
<b>Total expenditure</b>		<u>11,695</u>	<u>1,575</u>	<u>29</u>	<u>13,299</u>	<u>11,114</u>
Net (losses)/gains on investments	11	(14)	(65)	(138)	(217)	382
<b>Net (expenditure)/income</b>		<u>(337)</u>	<u>(232)</u>	<u>(167)</u>	<u>(736)</u>	<u>619</u>
Transfers between funds	18,19	-	-	-	-	-
Other recognised gains/(losses)	18,19	-	-	342	342	369
<b>Net movement in funds</b>	18,19	<u>(337)</u>	<u>(232)</u>	<u>175</u>	<u>(394)</u>	<u>988</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	8,380	8,364	42,089	58,833	57,845
<b>Total funds carried forward</b>	18,19	<u><b>8,043</b></u>	<u><b>8,132</b></u>	<u><b>42,264</b></u>	<u><b>58,439</b></u>	<u><b>58,833</b></u>

### FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,005	504	45	3,554	4,332
Charitable activities	2	854	-	-	854	275
Other trading activities	2	6,651	-	-	6,651	3,370
Investments	2	113	138	-	251	228
Other income	2	41	-	-	41	1,053
<b>Total income and endowments</b>		<u>10,664</u>	<u>642</u>	<u>45</u>	<u>11,351</u>	<u>9,258</u>
<b>Expenditure on:</b>						
Costs of fundraising	4	563	-	-	563	511
Costs of other activities (trading)	4	5,125	-	-	5,125	4,270
Charitable activities	4	4,470	922	34	5,426	4,161
<b>Total expenditure</b>		<u>10,158</u>	<u>922</u>	<u>34</u>	<u>11,114</u>	<u>8,942</u>
Net gains/(losses) on investments	11	9	138	235	382	1,559
<b>Net income/(expenditure)</b>		<u>515</u>	<u>(142)</u>	<u>246</u>	<u>619</u>	<u>1,875</u>
Transfers between funds	18,19	-	-	-	-	-
Other recognised gains/(losses)	18,19	-	-	369	369	-
<b>Net movement in funds</b>	18,19	<u>515</u>	<u>(142)</u>	<u>615</u>	<u>988</u>	<u>1,875</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	7,865	8,506	41,474	57,845	55,970
<b>Total funds carried forward</b>	18,19	<u><b>8,380</b></u>	<u><b>8,364</b></u>	<u><b>42,089</b></u>	<u><b>58,833</b></u>	<u><b>57,845</b></u>

The notes on pages 23 to 43 form part of these financial statements. All income relates to continuing operations.

**CONSOLIDATED AND CHARITY BALANCE SHEETS**

Company registration number: 980281

Charity registration number: 261383

AS AT 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
<b>Fixed assets</b>					
Intangible assets	8	1	2	1	2
Tangible assets	9	25,501	25,454	24,911	25,017
Heritage assets	10	20,883	20,541	20,883	20,541
Investments	11	7,176	7,274	9,105	9,187
		<u>53,561</u>	<u>53,271</u>	<u>54,900</u>	<u>54,747</u>
<b>Current assets</b>					
Stocks	13	543	485	-	-
Debtors	14	2,493	2,342	2,232	2,524
Cash at bank and in hand		3,592	4,908	2,571	3,697
		<u>6,628</u>	<u>7,735</u>	<u>4,803</u>	<u>6,221</u>
<b>Creditors: amounts falling due within one year</b>	15	1,741	2,160	1,100	1,323
<b>Net current assets</b>		<u>4,887</u>	<u>5,575</u>	<u>3,703</u>	<u>4,898</u>
<b>Total assets less current liabilities</b>		58,448	58,846	58,603	59,645
<b>Creditors: amounts falling due after more than one year</b>	15	9	13	6	6
<b>Net assets</b>	20	<u><u>58,439</u></u>	<u><u>58,833</u></u>	<u><u>58,597</u></u>	<u><u>59,639</u></u>
<b>The funds of the Group and Charity</b>					
Unrestricted funds	18	8,043	8,380	8,201	9,186
Restricted funds	18	8,132	8,364	8,132	8,364
Endowment funds	19	42,264	42,089	42,264	42,089
<b>Total funds</b>	20	<u><u>58,439</u></u>	<u><u>58,833</u></u>	<u><u>58,597</u></u>	<u><u>59,639</u></u>

Net outgoing resources for the Charity were £1,042,000 (2022: incoming £690,000). A separate Statement of Financial Activities is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the companies Act 2006.

Approved by the Trustees, authorised for issue and signed on their behalf on 9 October 2023.

DocuSigned by:  
  
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 Sir Simon Robey  
 Chair

The notes on pages 23 to 43 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000
<b>a) Cash flows from operating activities:</b>			
<b>Net cash (used in)/provided by operating activities</b>	b	(794)	2,005
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		281	251
Purchase of fixed assets		(303)	(164)
Purchase of investments		(500)	-
Proceeds from sale of investments		-	22
<b>Net cash (used in)/generated by investing activities</b>		(522)	109
<b>Cash flows from financing activities:</b>			
Repayment of borrowing		-	-
<b>Net cash (used in)/provided by financing activities</b>		-	-
<b>Change in cash and cash equivalents in the reporting period</b>			
		(1,316)	2,114
<b>Cash and cash equivalents at the beginning of the reporting period</b>	c	4,908	2,794
<b>Cash and cash equivalents at the end of the reporting period</b>	c	3,592	4,908
<b>b) Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>			
<b>Net income/(expenditure) for the reporting period</b>		(394)	988
<b>Adjustments for:</b>			
Depreciation and amortisation charges		252	233
(Gains)/losses on heritage assets		(342)	(369)
(Gains)/losses on investments revaluation		198	(382)
(Gains)/losses on disposal of investments		19	-
Dividends, interest and rents from investments		(296)	(251)
(Increase)/decrease in stocks		(58)	(69)
Decrease/(increase) in debtors		250	549
Increase/(decrease) in creditors		(423)	1,306
<b>Net cash (used in)/provided by operating activities</b>		(794)	2,005
<b>c) Analysis of Cash and Cash Equivalents</b>			
Cash in hand		3,592	4,908
<b>Total cash and cash equivalents</b>	24	3,592	4,908

The notes on pages 23 to 43 form part of these financial statements.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2023

#### 1 ACCOUNTING POLICIES

##### **Basis of accounting**

Britten Pears Arts is a charitable company domiciled and registered in England and Wales. The principal accounting policies adopted in the preparation of the financial statements are set out below. Britten Pears Arts meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared under the historical cost convention as modified by the recognition of certain financial assets measured at fair value in accordance with generally accepted accounting principles, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in Sterling, which is the functional currency of the Charity. Monetary amounts are rounded to the nearest £'000.

##### **Basis of consolidation**

The Group's financial statements comprise the financial statements of Britten Pears Arts, its subsidiary undertakings Snape Maltings Trading Limited, Aldeburgh Music Endowment Fund (dormant from 31 March 2021), Britten Estate Limited, and their respective subsidiaries.

##### **Reduced disclosure**

The Charitable Company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

##### **Significant judgements, estimates and uncertainties recognised in the financial statements**

The Charity's aims, objectives and strategies are identified in the Trustees' Report on page 4. Preparation of the financial statements requires the directors to make estimates and judgements. The areas in the financial statements where these estimates and judgements have been made include:

##### Valuation of Property

Freehold land and buildings represent a significant proportion of the organisation's balance sheet and therefore the estimates and assumptions made to determine the carrying value and related depreciation (Note 9) are important to Britten Pears Arts's reported financial position and total expenditure. In deciding the expected useful life of tangible fixed assets, the organisation's experience is considered together with generally accepted best practice. Consideration is also given as to the likelihood of impairment.

##### Valuation of heritage assets

Heritage assets represent a significant proportion of the organisation's balance sheet and therefore the estimates and assumptions made to determine the carrying value (Note 10) are important to BPA's reported financial position.

##### Royalty Revenue

Determining the amounts to be accrued for Royalty revenue received post year end, relating to the 2022/23 financial year.

##### Trading Inventories

Reviewing the inventories held at year end, in particular for the provision of slow or obsolete stock.

## NOTES TO THE ACCOUNTS (*continued*)

### 1 ACCOUNTING POLICIES (*continued*)

#### Going concern

When compared to many other arts organisations our customer numbers attending performances were relatively strong during 2022/23, continuing a trend which started post-Covid, during 2021/22. However, ticket revenue still fell below budget in 2022/23 and the impact of the exceptionally warm summer was felt most acutely by our trading subsidiary, Snape Maltings Trading Ltd. Trading sales were significantly down year on year and a full reforecast was undertaken in August 2023.

The Group and Charity have performed financial modelling for the period to 31 March 2025 which takes into consideration the impact of the current cost of living challenges on the forecast position. The key assumptions used include the continuation of a two-week Aldeburgh Festival and a full programme of artistic activity. The festival in 2023, is a week shorter than 2022, however with investment in our marketing team and a focus on developing our audience reach the aim is to maximise potential revenue, both in terms of box office receipts and wider trading revenue.

Britten Pears Arts has provided letters of support to its subsidiary companies, Snape Maltings Trading Limited and Elm Property Investments (Snape Maltings) Limited confirming that it is willing to provide any necessary financial support to ensure they are able to continue to meet their liabilities as they fall due. This includes but is not limited to not seeking repayment of any Group creditors should it be required for at least 12 months from the date of signing the financial statements. Financial projections of Britten Pears Arts support the ability of the Charity to provide this support.

Having considered all the factors noted above, the Trustees are satisfied that there are no material uncertainties in respect of going concern and that there is a reasonable expectation that the Group and Charity have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Income

Income from grants and donations is recognised once entitlement to the funds has been confirmed, it is probable the resources will be received, and the monetary value can be measured with sufficient reliability. Income is deferred where a donor has imposed performance conditions that must be met before there is unconditional entitlement to the funds. Legacy income is recognised when there is legal entitlement (from date of probate, or from receipt if earlier), receipt is probable (there are no material uncertainties on the estate), and the amount can be measured reliably (financial information in respect of the estate has been received). Income is not recognised for legacies subject to a life interest.

Grants and donations received of a capital nature are held in a restricted fund, or otherwise depending on the donor's conditions, and depreciation of the relevant assets is charged to the appropriate fund. Donations of property are professionally valued and accounted for at the time ownership passes to the Charity. Donations or legacies in the form of tradable securities are recognised at market value on the date control is passed.

Income generated from the sale of concert tickets, admissions, goods and services is stated net of Value Added Tax. Box office receipts and other income received in advance of the date of performance is deferred where it does not meet the income recognition criteria noted under the Charities SORP (FRS 102).

Royalty income is accounted for when receipt may be anticipated with reasonable probability. Rental income accounted for under other trading activities relates to income earned from letting properties that are also utilised by the Charity in delivering charitable activities. Investment income is accounted for on an accruals basis.

#### Government grants

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charitable Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.

#### Expenditure

Expenditure is included on an accruals basis and allocated, along with any associated irrecoverable Value Added Tax, to the appropriate heading in the accounts.

#### Costs of fundraising

This is the cost of Britten Pears Arts' fundraising team, who generate income from trusts and foundations, individuals and the business sector.

## NOTES TO THE ACCOUNTS *(continued)*

### 1 ACCOUNTING POLICIES *(continued)*

#### Costs of other activities (trading):

This includes retail and catering expenditure incurred by Snape Maltings Trading Limited, and also service charges, repairs and legal fees associated with the creation and agreement of leases with shop tenants.

#### Charitable activities:

Expenditure incurred to meet charitable aims and objectives, including artistic activity within the Concert Hall, the Red House and the archive and other venues, artistic development through the Britten–Pears Young Artist Programme, Aldeburgh Residencies, Aldeburgh Young Musicians and Learning and Inclusion’s outreach into the community.

#### Support costs:

Support costs represent the central services of the Group, including human resources, finance and information technology, and costs of maintaining facilities such as repairs, insurance, business rates and utilities. Support costs have been allocated across the Charity’s activities as indicated in Note 4.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure on a straight-line basis over the length of the lease.

#### **Deferred tax**

Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date.

Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Deferred tax assets are recognised to the extent that the Directors consider it probable that they will be recovered by the reversal of deferred tax liabilities or other taxable profits generated in future periods.

#### **Intangible fixed assets**

Intangible assets comprise capitalised computer software and goodwill. Capitalised computer software is amortised over its useful life, which is usually three to five years.

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition and is now fully amortised.

#### **Tangible fixed assets**

Tangible fixed assets costing up to £500 are not capitalised and are written off in the year of purchase. Works of art are not subject to regular professional valuation due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creator changes from one period to another.

#### **Depreciation**

Tangible fixed assets are stated at historic or deemed cost following the adoption of FRS 102, less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over the period of their expected useful life as follows:

Land	No depreciation.
Freehold property	50 years straight-line basis, down to residual value.
Freehold property improvements	Up to 50 years straight-line basis depending on the expected life of the asset, down to residual value.
Long leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease, down to residual value.
Short leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease.
Motor vehicles	Two to four years straight-line basis.
Office furniture and computers	4% to 50% per annum straight-line basis.
Plant and equipment	10% to 20% per annum straight-line basis.
Musical instruments	No depreciation is provided where, in the opinion of the Trustees, the estimated residual value is in excess of the net book value. Otherwise: 10 years straight-line basis.
Works of art	No depreciation as their residual valuation is considered to be at least equal to their holding value.

A revised estimate of the residual value of freehold and long leasehold property was made in 2019/20 and this has been set at 80% of cost, given the conservation requirements placed upon the Charity’s buildings.

## **NOTES TO THE ACCOUNTS (continued)**

### **1 ACCOUNTING POLICIES (continued)**

#### **Impairment reviews**

Impairment reviews are undertaken when indicators highlight that such reviews are required. Where an asset's holding value is considered to be impaired, the loss is taken through the Statement of Financial Activities.

#### **Heritage assets**

Previously acquired heritage assets are recorded in the financial statements at market value. Additions to heritage assets since the last valuation are recorded at cost. The Trustees have adopted a policy of revaluation and as such the value of heritage assets is considered by the Trustees annually and is subject to a full professional valuation every five years. The Trustees consider that the depreciation charge and accumulated depreciation on manuscripts and other archival material is immaterial due to the extended useful economic life of these assets.

#### **Investment properties**

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Trustees consider that, because investment properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view of the Charity's financial position. As such these properties are carried at market value at each reporting date. Market value is assessed at regular intervals, or sooner in volatile economic circumstances, using a professional valuer. Surpluses or deficits arising on revaluation are charged or credited through the Statement of Financial Activities.

#### **Listed investments**

Listed investments are valued at bid price. Differences arising on market value are taken to the Statement of Financial Activities. Realised gains and losses are recognised when the investment is disposed of, unrealised gains and losses are recognised annually.

#### **Investments in subsidiaries**

Investments in subsidiaries are held in the accounts of parent entities at the value of purchased share capital and are eliminated on consolidation.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Obsolete items carry a corresponding provision.

#### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Trade, Group and other debtors**

Trade, Group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

#### **Trade, Group and other creditors**

Trade, Group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

**NOTES TO THE ACCOUNTS (continued)****2 INCOME AND ENDOWMENTS**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b><i>Donations and legacies:</i></b>		
Arts Council England core grant	1,429	1,429
Arts Council England project grant	-	442
Local authority, public and EU grants	115	115
Trusts and foundations	1,461	464
Corporate	4	6
Private individuals	991	796
Gift Aid recovered on private individual donations	221	174
Membership subscriptions	62	76
Legacies	86	52
	<u>4,369</u>	<u>3,554</u>
<b><i>Charitable activities:</i></b>		
Box Office and admissions	918	603
Box Office commission and processing charges	14	1
Co-production income	7	-
Course and audition fees	98	93
Hire, recording and other site use for artistic purposes	87	68
Theatre and Orchestra Tax Relief	200	30
Programme books and other	149	59
	<u>1,473</u>	<u>854</u>
<b><i>Other trading activities:</i></b>		
Trading turnover, including retail, catering, advertising and sponsorship	5,365	5,601
Royalties	1,277	1,050
	<u>6,642</u>	<u>6,651</u>
<b><i>Investments:</i></b>		
Dividends and interest received on bank deposits and investments	197	133
Rents received including service charges	99	118
	<u>296</u>	<u>251</u>
<b><i>Other income:</i></b>		
Government grants for Covid-19	-	41
	<u>-</u>	<u>41</u>
<b>Total income and endowments</b>	<u><u>12,780</u></u>	<u><u>11,351</u></u>

**NOTES TO THE ACCOUNTS (continued)****3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES**

The Charity has two active wholly owned trading subsidiaries which are consolidated into the Group's accounts, Snape Maltings Trading Limited (Company Number 1519527) and Britten Estate Limited (Company Number 2063909). The principal activities of both companies are highlighted on page 8.

A summary of Snape Maltings Trading Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a loss before taxation of £52,000 (2022: profit of £301,000). The Company does not have distributable reserves meaning that there was no Gift Aid distribution to Britten Pears Arts (2022: nil).

	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	5,480	5,691
Cost of sales	<u>(2,506)</u>	<u>(2,579)</u>
Gross profit	2,974	3,112
Administrative costs excluding amortisation of goodwill	(3,046)	(2,857)
Other operating income	20	46
(Loss)/profit before taxation	<u>(52)</u>	<u>301</u>
Tax on (loss)/profit	700	-
Profit after taxation and retained profit for the period	<u>648</u>	<u>301</u>

A summary of Britten Estate Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a profit before taxation of £1,204,000 (2022: £974,000). In 2022/23 £700,000 of the company's profit was paid to Snape Maltings Trading Limited in return for the surrender of Snape Maltings Trading Limited's tax losses. A Gift Aid distribution to Britten Pears Arts was made for the profit after taxation of £504,000 (2022: £974,000).

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	1,238	1,013
Cost of sales	<u>-</u>	<u>-</u>
Gross profit	1,238	1,013
Administrative costs	(34)	(39)
Profit before taxation	<u>1,204</u>	<u>974</u>
Tax on profit	(700)	-
Profit after taxation and retained profit for the period	<u>504</u>	<u>974</u>

**NOTES TO THE ACCOUNTS (continued)****4 EXPENDITURE**

	<b>Direct costs £'000</b>	<b>Support costs £'000</b>	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
<b>Costs of fundraising</b>	349	195	544	563
<b>Costs of other activities (trading)</b>	4,926	346	5,272	5,125
<b>Charitable activities:</b>				
Artistic activities	2,968	1,574	4,542	2,826
Artistic development	1,102	602	1,704	1,385
Archive, Exhibitions and The Red House	298	156	454	526
Community	509	274	783	689
	<u>4,877</u>	<u>2,606</u>	<u>7,483</u>	<u>5,426</u>
<b>Total resources expended</b>	<u>10,152</u>	<u>3,147</u>	<u>13,299</u>	<u>11,114</u>

Direct costs relate to expenditure required to undertake fundraising and charitable activities and include staff costs for the relevant teams and directly attributable expenditure such as trading cost of sales and overheads.

**Analysis of support costs:**

<b>Type of cost:</b>	<b>Basis of allocation</b>	<b>Charitable activities £'000</b>	<b>Costs of fundraising £'000</b>	<b>Costs of other activities £'000</b>	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
Operations and site running	Direct costs/time spent	1,562	117	83	1,762	1,487
Administration, IT and finance	Direct costs/time spent	991	74	263	1,328	1,298
Governance	Direct costs/time spent	53	4	-	57	62
		<u>2,606</u>	<u>195</u>	<u>346</u>	<u>3,147</u>	<u>2,847</u>

**5 NET INCOME FOR THE PERIOD**

	<b>2022 £'000</b>	<b>2022 £'000</b>
This is stated after charging/(crediting):		
Government grants	-	(41)
Stock provisions	15	6
Depreciation	251	232
Amortisation of intangible fixed assets	1	1
Auditors' remuneration – statutory audit (Charity only)	38	35
– statutory audit (other Group entities)	17	15
– tax compliance	13	19
– tax and other advisory services	13	8
Rentals paid under operating leases	5	-
Loss on disposal of fixed assets	5	-

The Charity was grateful to receive the assistance of 209 volunteer supporters who undertook a range of duties including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. Volunteers, many of whom are long serving, play an important part in the smooth running of events held on site and at external locations.

**NOTES TO THE ACCOUNTS (continued)****6 STAFF COSTS**

	Raising Funds			Support	Total	Total
	Fund-raising	Trading	Charitable	Costs	2023	2022
	£'000	Activities	Activities	£'000	£'000	£'000
Wages and salaries	295	1,631	1,257	1,430	4,613	3,915
Social security costs	33	102	118	148	401	332
Pension contributions	9	33	46	56	144	134
Other benefits	2	7	3	80	92	76
	<u>339</u>	<u>1,773</u>	<u>1,424</u>	<u>1,714</u>	<u>5,250</u>	<u>4,457</u>

Termination payments in the year amounted to £18,457 (2022: £16,636). No funding was received relating to the payments.

<b>Average number of employees during the year:</b>	<b>2023</b>	<b>2022</b>
Raising funds, including fundraising and trading activities	129	116
Directly involved in furtherance of the Charity's activities	61	44
Operations and administrative support	43	33
	<u>233</u>	<u>193</u>
Average number of full-time equivalent employees during the year	<u>166</u>	<u>144</u>

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	<b>2023</b>	<b>2022</b>
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1
£90,001 to £100,000	2	2
£170,001 to £180,000	-	1
£180,001 to £190,000	1	-
	<u>1</u>	<u>-</u>

**7 CHIEF EXECUTIVE, KEY MANAGEMENT PERSONNEL AND TRUSTEE EMOLUMENTS**

	<b>2023</b>	<b>2022</b>
	£'000	£'000
Chief Executive:		
Salary	189	178
Pension	13	11
Total	<u>202</u>	<u>189</u>
Business expenses	<u>£14,414</u>	<u>£9,651</u>

The authority to make payments to Trustees is contained within the Charity's Articles of Association. The power to appoint the Chief Executive as a Trustee was confirmed by the Charity Commission. Key management personnel for the year are identified on page 12 of the Trustees' Report. Remuneration and benefits, which include salary, pension and employer's National Insurance, received by key management personnel for the year totalled £576,000 (2022: £512,000). Other than the Chief Executive, who received remuneration and reimbursement of his business expenses, no expenses were paid by the Charity to its Trustees during the year (2022: £nil).

**NOTES TO THE ACCOUNTS (continued)****8 INTANGIBLE FIXED ASSETS**

	<b>Goodwill £'000</b>	<b>Group Software £'000</b>	<b>Total £'000</b>	<b>Charity Software £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
At 1 April 2022	2,113	75	2,188	75	75
Additions	-	-	-	-	-
At 31 March 2023	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
<b>Amortisation:</b>					
At 1 April 2022	2,113	73	2,186	73	73
Charge	-	1	1	1	1
At 31 March 2023	<u>2,113</u>	<u>74</u>	<u>2,187</u>	<u>74</u>	<u>74</u>
<b>Net book value:</b>					
At 31 March 2023	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
At 31 March 2022	<u>-</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**9 TANGIBLE FIXED ASSETS****GROUP**

	<b>Freehold land and buildings £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instruments and works of art £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
1 April 2022	30,048	94	586	2,177	32,905
Additions	117	-	-	186	303
Disposals	-	(20)	-	-	(20)
31 March 2023	<u>30,165</u>	<u>74</u>	<u>586</u>	<u>2,363</u>	<u>33,188</u>
<b>Depreciation:</b>					
1 April 2022	5,300	79	274	1,798	7,451
Charge	61	7	3	180	251
Disposals	-	(15)	-	-	(15)
31 March 2023	<u>5,361</u>	<u>71</u>	<u>277</u>	<u>1,978</u>	<u>7,687</u>
<b>Net book value:</b>					
31 March 2023	<u>24,804</u>	<u>3</u>	<u>309</u>	<u>385</u>	<u>25,501</u>
31 March 2022	<u>24,748</u>	<u>15</u>	<u>312</u>	<u>379</u>	<u>25,454</u>

**NOTES TO THE ACCOUNTS (continued)****9 TANGIBLE FIXED ASSETS (continued)****CHARITY**

	<b>Freehold Property £'000</b>	<b>Leasehold Property Improve'ts £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instrum'ts £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>						
1 April 2022	29,259	409	71	586	1,865	32,190
Additions	20	-	-	-	33	53
Disposals	-	-	(8)	-	-	(8)
31 March 2023	<u>29,279</u>	<u>409</u>	<u>63</u>	<u>586</u>	<u>1,898</u>	<u>32,235</u>
<b>Depreciation:</b>						
1 April 2022	5,211	28	71	274	1,589	7,173
Charge	41	1	-	3	114	159
Disposals	-	-	(8)	-	-	(8)
31 March 2023	<u>5,252</u>	<u>29</u>	<u>63</u>	<u>277</u>	<u>1,703</u>	<u>7,324</u>
<b>Net book value:</b>						
31 March 2023	<u>24,027</u>	<u>380</u>	<u>-</u>	<u>309</u>	<u>195</u>	<u>24,911</u>
31 March 2022	<u>24,048</u>	<u>381</u>	<u>-</u>	<u>312</u>	<u>276</u>	<u>25,017</u>

All fixed assets are used in the furtherance of the Group's activities.

The value of land within freehold land and buildings not depreciated at 31 March 2023 was £2,811,286 (2022: £2,811,286).

Musical instruments and works of art include some assets which could be considered to be of historical or artistic significance. However, these are not maintained principally for their contribution to knowledge and culture and therefore have not been classified as heritage assets.

Under FRS 102 transition arrangements, the Trustees considered it appropriate to regard the valuation of works of art by Bonhams in 2005 as the deemed cost for these assets. Due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creators changes, the Trustees consider it to be inappropriate to undertake a policy to revalue these assets.

As a requirement of receiving grant funding from Arts Council England in support of the Snape Maltings Development Plan and the purchase of freehold land and buildings at Snape Maltings, the Trustees have entered into a guarantee and legal charge over its land and a fixed and floating security over its assets.

Included within freehold land and buildings are assets under the course of construction of £260,302 including costs incurred in relation to site flood defences. Following a delay, regional funding has now been allocated and the project is due to commence in 2024.

Following an examination of the Group's tangible fixed assets, which included consideration of the use of land and buildings available to Group members, the Trustees found no indicators that require a review for impairment.

**NOTES TO THE ACCOUNTS (continued)****10 HERITAGE ASSETS****GROUP AND CHARITY**

	Land and buildings £'000	Art Objects £'000	Red House Contents £'000	Archives £'000	Total £'000
Carrying amount at 1 April 2022	3,950	6,207	399	9,985	20,541
Revaluation	-	342	-	-	342
Carrying amount at 31 March 2023	<u>3,950</u>	<u>6,549</u>	<u>399</u>	<u>9,985</u>	<u>20,883</u>

**Revaluation of assets**

Heritage Assets were professionally valued as follows:

Date of valuation	Asset Class	Valuer	Value £
January 2023	Art Objects	Nicholas Skeaping - VMS Grosvenor Ltd	6,549,140
January 2022	Archives	Francesca Franchi	9,985,142
31 March 2020	Red House Contents	Gary Barfoot for Clarke and Simpson	399,096
28 February 2018	Land and buildings	Peter Watson FRICS Flick & Son, Chartered Surveyors	3,950,000

The historical cost of heritage assets as at 31 March 2023 is as follows:

	2023 £'000	2022 £'000
Land and buildings	3,329	3,329
Art Objects	1,631	1,631
Red House Contents	78	78
Archives	<u>4,548</u>	<u>4,548</u>
	<u>9,586</u>	<u>9,586</u>

**Heritage assets are held for the following purposes:**

- to sustain the activities of the archive: to maintain and, when appropriate, to extend its priceless collection of Britten autograph manuscripts, together with other manuscripts, books, scores and works of art, and to encourage public use of the archive as a resource for educational, scholarly and relevant commercial purposes.
- to maintain and to preserve the integrity of The Red House, Britten's home, as a heritage property of national importance, whilst ensuring that the property is used to further the Charity's objectives in a constructive way.

**Five year financial summary of heritage asset transactions**

	31/03/23 £	31/03/22 £	31/03/21 £	31/03/20 £	31/03/19 £
<b>Purchases and donations</b>					
Archives	-	-	-	167,000	10,050

There have been no disposals in any period covered by the table above. There have been no further purchases or donations other than those detailed above.

**NOTES TO THE ACCOUNTS (continued)****11 INVESTMENTS**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Market value at beginning of year	7,274	6,914	7,056	6,696
Additions	500	-	500	-
Disposals	(400)	(22)	(284)	(22)
Unrealised (loss)/gain on revaluation	(198)	382	(198)	382
Market value at end of year	<u>7,176</u>	<u>7,274</u>	<u>7,074</u>	<u>7,056</u>
Investment in subsidiary undertakings at cost	-	-	2,031	2,131
	<u>7,176</u>	<u>7,274</u>	<u>9,105</u>	<u>9,187</u>
Historic or deemed historic cost at end of year	<u>4,069</u>	<u>3,969</u>	<u>6,216</u>	<u>6,100</u>
	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Investments are represented by:				
Equities and other market investments	5,141	4,839	5,141	4,839
Properties	2,035	2,435	1,933	2,217
Subsidiary undertakings	-	-	2,031	2,131
Market value or cost at end of year	<u>7,176</u>	<u>7,274</u>	<u>9,105</u>	<u>9,187</u>
Equities and other market investments	2,904	2,404	2,904	2,404
Properties	1,165	1,565	1,281	1,565
Subsidiary undertakings	-	-	2,031	2,131
Historic or deemed historic cost at end of year	<u>4,069</u>	<u>3,969</u>	<u>6,216</u>	<u>6,100</u>

The Trustees hold market and property investments for the long-term and whilst there are no plans to liquidate these assets, during the year the leases on 22 freehold properties were extended. The freehold of the properties has been retained but the resulting discounted value of these assets is insignificant and as such has been disposed of in these accounts. In March 2021, investment properties at Snape Maltings were valued by Fenn Wright, Chartered Surveyors, the previous valuation was in August 2016 and assigned a value as at the date of transition to FRS102, 1 April 2014.

## Subsidiary undertakings:

The Charity is supported by its subsidiary undertakings, holding all the issued share capital of those companies in the form of Ordinary shares and Redeemable preference shares:

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Snape Maltings Trading Limited (Company Number 1519527)	<u>100</u>	<u>811</u>

Snape Maltings Trading Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Britten Estate Limited (Company Number 2063909)	<u>100</u>	<u>21</u>

Britten Estate Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objectives. The company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

**NOTES TO THE ACCOUNTS (continued)****12 FINANCIAL INSTRUMENTS**

The carrying amount of the Group's and Charity's financial instruments at 31 March were:

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Financial assets measured at fair value	<u>5,141</u>	<u>4,839</u>	<u>5,141</u>	<u>4,839</u>

**13 STOCKS**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Goods held for resale	538	472	-	-
Fuel	<u>5</u>	<u>13</u>	<u>-</u>	<u>-</u>
	<u>543</u>	<u>485</u>	<u>-</u>	<u>-</u>

**14 DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	79	344	21	177
Amounts due from Group undertakings	-	-	362	848
Prepayments and accrued income	2,380	1,970	1,823	1,474
Other current debtors	<u>34</u>	<u>28</u>	<u>26</u>	<u>25</u>
	<u>2,493</u>	<u>2,342</u>	<u>2,232</u>	<u>2,524</u>

**15 CREDITORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>				
Trade creditors	450	553	234	318
Other taxes and Social Security	283	216	96	47
Other creditors	136	223	141	216
Accruals and deferred income	<u>872</u>	<u>1,168</u>	<u>629</u>	<u>742</u>
	<u>1,741</u>	<u>2,160</u>	<u>1,100</u>	<u>1,323</u>

Included within other creditors are amounts held as agent of £24,947 (2022: £34,545) which is means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development. Funds are held by the Charity in a separate balance sheet control account, are subject to an annual internal review and are available for examination by the Department for Education.

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due after more than one year:</b>				
Rent deposit held as security	6	6	6	6
Deferred tax	<u>3</u>	<u>7</u>	<u>-</u>	<u>-</u>
	<u>9</u>	<u>13</u>	<u>6</u>	<u>6</u>

**NOTES TO THE ACCOUNTS (continued)**

<b>16 DEFERRED TAX</b>	<b>Group 2022 £'000</b>	<b>Group 2022 £'000</b>	<b>Charity 2022 £'000</b>	<b>Charity 2022 £'000</b>
Provision for deferred tax has been made as follows:				
Deferred tax liabilities	3	7	-	-
Deferred tax assets	-	-	-	-
Net position	<u>3</u>	<u>7</u>	<u>-</u>	<u>-</u>
Movements in the year:				
Balance at 1 April	7		-	
Additional provisions made in year	(4)		-	
Balance at 31 March	<u>3</u>		<u>-</u>	
Deferred tax is comprised as follows:				
Capital gains	3	7	-	-
Fixed asset timing differences	62	42	-	-
Short-term timing differences	(1)	(2)	-	-
Losses and other deductions	(61)	(40)	-	-
	<u>3</u>	<u>7</u>	<u>-</u>	<u>-</u>

Deferred tax is not recognised in respect of losses and other deductions of £44,681 (2022: £202,253) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**17 TAXATION**

Snape Maltings Trading Limited currently has a retained deficit due to the amortisation of goodwill and therefore has no liability to pay UK Corporation Tax. Other members of the Group have no, or minimal, liability for UK taxation due to their charitable status or lack of retained profits.

**18 UNRESTRICTED AND RESTRICTED FUNDS**

<b>GROUP CURRENT YEAR</b>	<b>Balance 1 April 2022 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2023 £'000</b>
<b>Unrestricted funds:</b>						
General	3,344	11,372	(11,152)	(14)	(607)	2,943
Designated Artist Fund	175	-	(175)	-	-	-
Designated Opera and Comm'n Fund	160	-	(160)	-	-	-
Designated fixed assets	3,729	-	(208)	-	297	3,818
Securing the Future fund	872	-	-	-	85	957
Other designated funds	100	-	-	-	225	325
Total designated funds	<u>5,036</u>	<u>-</u>	<u>(543)</u>	<u>-</u>	<u>607</u>	<u>5,100</u>
Total unrestricted funds	<u>8,380</u>	<u>11,372</u>	<u>(11,695)</u>	<u>(14)</u>	<u>-</u>	<u>8,043</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,704	42	(343)	(61)	-	1,342
Other income reserves	538	1,274	(891)	-	-	921
BPYAP and other activities	396	92	(308)	(4)	-	176
Restricted fixed assets	5,726	-	(33)	-	-	5,693
Total restricted funds	<u>8,364</u>	<u>1,408</u>	<u>(1,575)</u>	<u>(65)</u>	<u>-</u>	<u>8,132</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

<b>GROUP PRIOR YEAR</b>	<b>Balance 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2022 £'000</b>
<b>Unrestricted funds:</b>						
General	2,802	10,659	(9,969)	9	(157)	3,344
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	3,761	-	(189)	-	157	3,729
Securing the Future fund	867	5	-	-	-	872
Other designated funds	100	-	-	-	-	100
Total designated funds	<u>5,063</u>	<u>5</u>	<u>(189)</u>	<u>-</u>	<u>157</u>	<u>5,036</u>
Total unrestricted funds	<u>7,865</u>	<u>10,664</u>	<u>(10,158)</u>	<u>9</u>	<u>-</u>	<u>8,380</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,546	40	-	118	-	1,704
Other income reserves	667	499	(628)	-	-	538
BPYAP and other activities	536	100	(260)	20	-	396
Restricted fixed assets	5,757	3	(34)	-	-	5,726
Total restricted funds	<u>8,506</u>	<u>642</u>	<u>(922)</u>	<u>138</u>	<u>-</u>	<u>8,364</u>

<b>CHARITY CURRENT YEAR</b>	<b>Balance 1 April 2022 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2023 £'000</b>
<b>Unrestricted funds:</b>						
General	4,586	5,959	(6,479)	(11)	(364)	3,691
Designated Artist Fund	175	-	(175)	-	-	-
Designated Opera and Commission Fund	160	-	(160)	-	-	-
Designated fixed assets	3,293	-	(119)	-	54	3,228
Securing the Future fund	872	-	-	-	85	957
Other designated income funds	100	-	-	-	225	325
Total designated funds	<u>4,600</u>	<u>-</u>	<u>(454)</u>	<u>-</u>	<u>364</u>	<u>4,510</u>
Total unrestricted funds	<u>9,186</u>	<u>5,959</u>	<u>(6,933)</u>	<u>(11)</u>	<u>-</u>	<u>8,201</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,704	42	(343)	(61)	-	1,342
Other income reserves	538	1,274	(891)	-	-	921
Britten-Pears Young Artist Programme	396	92	(308)	(4)	-	176
Restricted fixed assets	5,726	-	(33)	-	-	5,693
Total restricted funds	<u>8,364</u>	<u>1,408</u>	<u>(1,575)</u>	<u>(65)</u>	<u>-</u>	<u>8,132</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

CHARITY PRIOR YEAR	Balance		Investm't			Balance
	1 April	Income	Expend.	Gains/	Transfers	31 March
	2021	2021	2021	(losses)	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General	4,341	5,665	(5,335)	9	(94)	4,586
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	-	160
Designated fixed assets	3,326	-	(127)	-	94	3,293
Securing the Future fund	867	5	-	-	-	872
Other designated income funds	100	-	-	-	-	100
Total designated funds	<u>4,628</u>	<u>5</u>	<u>(127)</u>	<u>-</u>	<u>94</u>	<u>4,600</u>
Total unrestricted funds	<u>8,969</u>	<u>5,670</u>	<u>(5,462)</u>	<u>9</u>	<u>-</u>	<u>9,186</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,546	40	-	118	-	1,704
Other income reserves	667	499	(628)	-	-	538
Britten–Pears Young Artist Programme	536	100	(260)	20	-	396
Restricted fixed assets	<u>5,757</u>	<u>3</u>	<u>(34)</u>	<u>-</u>	<u>-</u>	<u>5,726</u>
Total restricted funds	<u>8,506</u>	<u>642</u>	<u>(922)</u>	<u>138</u>	<u>-</u>	<u>8,364</u>

General unrestricted funds are available for use as Trustees consider appropriate. The transfer out of £607,000 represents the transfer to the designated fixed asset fund to reflect the net book value of tangible fixed assets not represented by restricted or endowment funds, unrestricted legacy income transferred to the Securing the Future fund and unrestricted funding designated to support the Aldeburgh Young Musicians and Music Makers Programme.

The designated Artist Fund was created to underpin the expansion in artist development. Having reached its target of £175,000 this fund was utilised during the year ended 31 March 2023.

The designated Opera and Commission Fund provides support for the development of opera, an area noted for high production costs. Again, this fund was utilised in the year ended 31 March 2023.

The designated fixed asset funds represent the net book value of non-heritage fixed assets and investment properties, formerly held by the Britten Pears Foundation, at the end of the year.

The Securing the Future fund is being built in anticipation of the time at which royalty income will fall away, but also provides security against the potential reduction in other key income sources. £85,000 of unrestricted legacies were transferred into this fund during the year.

Other designated funds represent a £100,000 capital fund, to maintain the fabric at the Red House site. A further £225,000 was transferred in during the year to support the Aldeburgh Young Musicians and Music Makers Programme.

Restricted funds represent grants, donations and legacies which must be used as donors have directed.

- The Basil Coleman Memorial Fund provides funding in support of fully staged operas (particularly those of Benjamin Britten) performed by students of the Britten–Pears Young Artist Programme upon completion of opera courses.
- Other income reserves represent amounts recognised in advance of associated project delivery and include funding in support of developing the creative health initiative.
- Funds held in the BPYAP and other activities reserve support specific activities including the Britten–Pears Young Artist Programme.
- Restricted fixed assets reflect the balance of grants and donations received, less depreciation charges, in support of the purchase of land and buildings, site redevelopment and some works of art.

**NOTES TO THE ACCOUNTS (continued)****19 ENDOWMENT FUNDS**

GROUP	Balance 1 April		Invest				Other	Balance 31 March
	2022 £'000	Income £'000	Expend. £'000	Gains £'000	Transfers £'000	Gains £'000	2023 £'000	
Expendable – Designated	15,162	-	(26)	-	-	-	15,136	
Expendable – Catalyst	3,097	-	-	(129)	-	-	2,968	
Total expendable endowment	18,259	-	(26)	(129)	-	-	18,104	
Permanent endowment	23,830	-	(3)	(9)	-	342	24,160	
Total Endowment Funds	42,089	-	(29)	(138)	-	342	42,264	

	Balance 1 April		Invest				Other	Balance 31 March
	2021 £'000	Income £'000	Expend. £'000	Gains £'000	Transfers £'000	Gains £'000	2022 £'000	
Expendable – Designated	15,148	45	(31)	-	-	-	15,162	
Expendable – Catalyst	2,879	-	-	218	-	-	3,097	
Total expendable endowment	18,027	45	(31)	218	-	-	18,259	
Permanent endowment	23,447	-	(3)	17	-	369	23,830	
Total Endowment Funds	41,474	45	(34)	235	-	369	42,089	

CHARITY	Balance 1 April		Invest				Other	Balance 31 March
	2022 £'000	Income £'000	Expend £'000	Gains £'000	Transfers £'000	Gains £'000	2023 £'000	
Expendable – Designated	15,162	-	(26)	-	-	-	15,136	
Expendable – Catalyst	3,097	-	-	(129)	-	-	2,968	
Total expendable endowment	18,259	-	(26)	(129)	-	-	18,104	
Permanent endowment	23,830	-	(3)	(9)	-	342	24,160	
Total Endowment Funds	42,089	-	(29)	(138)	-	342	42,264	

	Balance 1 April		Invest				Other	Balance 31 March
	2021 £'000	Income £'000	Expend £'000	Gains £'000	Transfers £'000	Gains £'000	2022 £'000	
Expendable – Designated	15,148	45	(31)	-	-	-	15,162	
Expendable – Catalyst	2,879	-	-	218	-	-	3,097	
Total expendable endowment	18,027	45	(31)	218	-	-	18,259	
Permanent endowment	23,447	-	(3)	17	-	369	23,830	
Total Endowment Funds	41,474	45	(34)	235	-	369	42,089	

## NOTES TO THE ACCOUNTS *(continued)*

### 19 ENDOWMENT FUNDS *(continued)*

#### Expendable – Designated

- Britten–Pears Young Artist Programme Funds provide financial support to the Charity to enable students from around the world to attend masterclasses held as part of the Britten–Pears Young Artist Programme.
- Britten–Pears and Events Funds provide funding in support of the Britten–Pears Young Artist Programme and events at Snape Maltings Concert Hall.
- The Replacement and Renewals Fund of £850,000 exists to meet significant ongoing repairs and improvements to the Group’s sites, including the Concert Hall and its infrastructure.
- The Contingency Reserve of £944,000 marginally below £950,000 target. The reserve is intended to cover known and likely costs payable over a notional 12 to 24-month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders.
- The heritage asset and fixed asset funds amount to £13.7m and represent the net book value of specific assets which are not held as legally endowed or restricted at the year end.

#### Expendable – Catalyst

In 2012 Arts Council England awarded a grant under the Catalyst Arts: endowments scheme. New funds totalling £1,000,000 were matched-funded by Arts Council England to create a new endowment. The grant was made subject to various conditions, including the Trustees signing a Declaration of Trust which includes a provision that the capital will be invested for a minimum of 25 years, after which it will become unrestricted.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Britten Pears Arts for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

#### Permanent endowment

Permanent endowment reserves are comprised of funds, predominantly heritage assets, whose capital may not be spent. The heritage asset funds represent the net book value of the assets at the end of the year, and comprise of The Archive Collection, The Red House and Outbuildings, The Red House Collection and the Snape Maltings Concert Hall.

**NOTES TO THE ACCOUNTS (continued)****20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2023 are represented by:				
Intangible assets	1	-	-	1
Tangible assets	3,818	4,956	16,727	25,501
Heritage assets	-	-	20,883	20,883
Investments	1,252	2,209	3,715	7,176
Net current assets	2,981	967	939	4,887
Creditors falling due after more than one year	(9)	-	-	(9)
	<u>8,043</u>	<u>8,132</u>	<u>42,264</u>	<u>58,439</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2022 are represented by:				
Intangible assets	2	-	-	2
Tangible assets	3,729	4,989	16,736	25,454
Heritage assets	-	-	20,541	20,541
Investments	1,482	2,479	3,313	7,274
Net current assets	3,180	896	1,499	5,575
Creditors falling due after more than one year	(13)	-	-	(13)
	<u>8,380</u>	<u>8,364</u>	<u>42,089</u>	<u>58,833</u>

**ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	1	-	-	1
Tangible fixed assets	3,228	4,956	16,727	24,911
Heritage assets	-	-	20,883	20,883
Investments	2,581	2,209	3,715	8,505
Net current assets	1,797	967	939	3,703
Long term asset	600	-	-	600
Creditors falling due after more than one year	(6)	-	-	(6)
	<u>8,201</u>	<u>8,132</u>	<u>42,264</u>	<u>58,597</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2022 are represented by:				
Intangible fixed assets	2	-	-	2
Tangible fixed assets	3,292	4,989	16,736	25,017
Heritage assets	-	-	20,541	20,541
Investments	2,698	2,476	3,313	8,487
Net current assets	2,500	899	1,499	4,898
Long term asset	700	-	-	700
Creditors falling due after more than one year	(6)	-	-	(6)
	<u>9,186</u>	<u>8,364</u>	<u>42,089</u>	<u>59,639</u>

**21 PENSION COMMITMENTS**

The Group operates separate defined contribution group personal pension schemes for the Charity and its subsidiary, Snape Maltings Trading Limited. The assets are held in an independently administered fund. Contributions paid during the period amounted to £143,329 (2022: £134,011).

Outstanding pension contributions, which are included within other creditors at 31 March 2023, totalled £19,389 (2022: £11,108).

**22 CAPITAL COMMITMENTS**

At 31 March, there were no capital commitments (2022: £nil).

**NOTES TO THE ACCOUNTS (continued)****23 RELATED PARTY TRANSACTIONS**

Due to the nature of the Group's operations and the composition of Trustees, transactions sometimes take place with non-Group organisations in which a Trustee will have an interest. All commercial transactions involving Trustees are conducted in accordance with normal purchasing procedures.

During the year, the Group recognised donations from Trustees, other family members and closely associated charitable trusts totalling £711,050 including Gift Aid (2022: £329,138), of which £100,000 is within debtors at year end (2022: £nil).

Transactions between the Charity and Group members during the current and prior periods were as follows:

	<b>Snape Maltings Trading Limited £</b>	<b>Britten Estate Limited £</b>	<b>Elm Property Investments (Snape Maltings) Limited £</b>
<b><u>Current year</u></b>			
<b>Balance at 31 March 2023</b>	255,154	106,558	-
<b>Income</b>			
Management charges	354,486	26,113	7,761
Rent	244,000	-	-
Interest on loan	28,000	-	-
Utility, accommodation and other income	22,296	-	-
Gift aid distribution	-	503,610	-
	<u>648,782</u>	<u>529,723</u>	<u>7,761</u>
<b>Expenditure</b>			
Management charges	11,434	-	-
Catering, car parking and other charges	163,549	-	-
Rent	-	-	300
	<u>174,983</u>	<u>-</u>	<u>300</u>
<b><u>Prior year</u></b>			
<b>Balance at 31 March 2022</b>	155,193	474,641	4,433
<b>Income</b>			
Grants	341,730	25,542	8,058
Management charges	239,831	-	-
Interest on loan	43,069	-	-
Utility, accommodation and other income	31,282	-	-
Gift aid distribution	-	974,394	-
	<u>655,912</u>	<u>999,936</u>	<u>8,058</u>
<b>Expenditure</b>			
Management charges	10,995	-	-
Catering, car parking and other charges	91,278	-	-
Rent	-	-	300
	<u>102,273</u>	<u>-</u>	<u>300</u>

The organisational structure of the Group and the relationship between each Group member is highlighted on page 10 of the Trustees Report. All Group members have their registered office at Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP.

**NOTES TO THE ACCOUNTS (continued)****24 ANALYSIS OF CHANGES IN NET DEBT**

Group	1 April 2022 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2023 £'000
<b>Cash and cash equivalents</b>				
Cash	4,908	(1,316)	-	3,592
	<u>4,908</u>	<u>(1,316)</u>	<u>-</u>	<u>3,592</u>

**25 CONTINGENT LIABILITY**

The Charity and its wholly owned subsidiaries, Snape Maltings Trading Limited and Britten Estate Limited, share the same registration for VAT purposes, reducing administration and imposing joint and several liabilities on each party. At 31 March 2023, the net joint VAT liability was £160,243 (2022: £147,242). Of this liability, £nil (2022: £nil) is represented by the Charity, £55,120 (2022: £57,327) by Snape Maltings Trading Limited and £105,123 (2022: £89,916) by Britten Estate Limited.

**26 OPERATING LEASE COMMITMENTS**

Besides low value commitments to hire equipment for activities, the Charity and Snape Maltings Trading Limited occupy premises at Snape Maltings and Aldeburgh which were leased from Elm Property Investments (Snape Maltings) Limited. Related income and expenditure are eliminated on consolidation.

The total future minimum lease payments under non-cancellable operating leases are as follows:

Amounts due:	2023 £'000	2022 £'000
Within one year	7	-
Between one and five years	24	-
	<u>31</u>	<u>-</u>

**27 GUARANTEE**

The Charity is a company limited by guarantee. In the event of any winding up, each member would be required to contribute £1 towards the liabilities of the company. As at 31 March 2023 there were 11 such members (2022: 13).

**Britten Pears Arts**

England & Wales - Charity number 261383

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# Accounts

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# **BRITTEN PEARS ARTS**

**Company Registration Number: 980281**

**Registered Charity Number: 261383**

## **ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2022**

# **BRITTEN PEARS ARTS**

## **ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022**

### **INDEX**

#### **PAGE NO:**

<b>1</b>	<b>LEGAL AND ADMINISTRATIVE DETAILS</b>
<b>2</b>	<b>INTRODUCTION FROM CHAIR OF BRITTEN PEARS ARTS</b>
<b>3 – 16</b>	<b>TRUSTEES' REPORT INCLUDING STATEMENT OF TRUSTEES' RESPONSIBILITIES</b>
<b>17 – 19</b>	<b>INDEPENDENT AUDITORS' REPORT</b>
<b>20</b>	<b>CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>21</b>	<b>CONSOLIDATED AND CHARITY BALANCE SHEETS</b>
<b>22</b>	<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>
<b>23 – 43</b>	<b>NOTES TO THE CONSOLIDATED ACCOUNTS</b>

**LEGAL AND ADMINISTRATIVE DETAILS**

<b>NAME</b>	Britten Pears Arts
<b>LEGAL STRUCTURE</b>	The Charity is a company limited by guarantee and incorporated in England and Wales, registered number: 980281
<b>CHARITY REGISTRATION NUMBER</b>	261383
<b>TRUSTEES</b>	Sir Simon Robey (Co-Chair to 14 May 2021, Chair from 10 December 2021) Sir Vernon Ellis (Co-Chair to 14 May 2021, Chair from 14 May 2021 to 10 December 2021) Sarah Faulder Dr Scot McKendrick Angela Mallinson Jamie Njoku-Goodwin Garth Pollard David Robbie Janis Susskind Alasdair Tait Laura Wade-Gery Roger Wright Sarah Zins
<b>HONORARY PRESIDENTS</b>	The Lord Stevenson of Coddenham Colin Matthews
<b>HONORARY VICE PRESIDENT</b>	The Lord Geddes
<b>CHIEF EXECUTIVE</b>	Roger Wright
<b>PRINCIPAL AND REGISTERED OFFICE</b>	Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP
<b>AUDITORS</b>	RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk IP33 3SB
<b>COMMERCIAL BANKERS</b>	Barclays Bank Plc, Suffolk Coastal Group, 4 Church Street, Woodbridge, Suffolk IP12 1DJ
<b>INVESTMENT MANAGERS AND ADVISORS</b>	CCLA Investment Management Limited, 85 Queen Victoria Street, London EC4V 4ET
<b>LEGAL ADVISORS</b>	Prettys Solicitors, 25 Elm Street, Ipswich IP1 2AD
<b>INVESTMENT PROPERTY ADVISORS</b>	Fenn Wright Limited, 1 Buttermarket, Ipswich IP1 1BA

## **Introduction**

During another exceptional year Britten Pears Arts has strived to ensure that music, arts and heritage continue to transform people's lives, bring communities together and enhance daily life. We continue to aim for the arts to effect powerful positive change in, and for society, and making the arts "useful." We are internationally recognised yet firmly rooted in our local community and Suffolk countryside. During the year we have offered innovative learning and training in music and heritage and worked with freelance musicians and artists to deliver outstanding experiences.

After a 5-month period of restrictions in May 2021 Britten Pears Arts was amongst the vanguard of organisations that brought back live public performance, as it had done after the initial lockdowns of 2020. For the second year in a row we were unable to hold the Aldeburgh Festival however there was a series of socially distanced performances over 4 June weekends. In August we built an outdoor stage structure on which we presented 29 free concerts. The Dome Stage became an instant success and for 40% of the audience was the first time they have attended a performance at Snape Maltings. We opened The Red House, archive and grounds and continued our lively series of online events and digital engagement.

We celebrate the commitment and determination of staff and artists who brought back live music for audiences, ensured that our sites were open and welcoming to all and maintained and developed the amazing programmes and training we ran for musicians, composers, young people, those in later life, emerging professionals and those working in creative health settings. The resilience of the staff team, led by Roger Wright, has been inspirational.

None of this could have been achieved without the incredibly generous, important and continued support of the Arts Council England and Department for Digital, Culture, Media and Sport through the second Culture Recovery Fund grant and our ongoing National Portfolio Organisation status. We are especially thankful to all our supporters, individuals, companies and public bodies, Trusts and Foundations who gave us vital support during the year. The support via our trading arm is also an important factor in ensuring that we are able to fulfil our charitable objectives and my appreciation goes to all the staff and directors of Snape Maltings Trading Limited.

Many thanks to the board of trustees who were enormously supportive with their time and advice during a continuing challenging and unprecedented period. I particularly want to thank Sir Vernon Ellis, who stepped down as Co-Chair of Britten Pears Arts during the year, for his invaluable work. Finally, my renewed gratitude goes to our supporters, audiences, visitors, participants, volunteers and artists for all that they do for Britten Pears Arts.

Sir Simon Robey  
Chair  
Britten Pears Arts

## **TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)**

The Trustees present their report along with the Charity's and Group's financial statements for the year ended 31 March 2022.

The Charity aims to promote and encourage the knowledge, study, teaching and practice of the arts in all their forms throughout the world and advance education in matters related to peace for the benefit of the public; promote and encourage any other charitable object or purpose and to engage in any field of charitable grant making activity permitted by English Law.

Britten Pears Arts was founded on 1 April 2020 when Snape Maltings and the Britten-Pears Foundation merged. It exists to ensure that the legacies of Benjamin Britten and Peter Pears continue to be enjoyed worldwide. Their legacy includes the Aldeburgh Festival, their archive, a cutting-edge programme of creative health work, the Britten-Pears Young Artist Programme, the house where they lived and extensive learning and inclusion work throughout Suffolk and beyond. Their legacy also incorporates their attitude, values and belief in helping communities, the disadvantaged in society and those who don't have access to music or culture.

Britten Pears Arts uses music to change and enrich thousands of lives every year, from nurturing young emerging artists to supporting people in challenging conditions, all whilst bringing world-class music to Suffolk. Inspired by Benjamin Britten's founding vision, it provides a place where artists at all stages of their career are given the time and space to develop. It is also home to life-changing community projects, making the most of music's ability to help in the most difficult of circumstances. It maintains, conserves and develops The Red House as a major heritage site and uses it to encourage visitors to learn more about the life and work of Benjamin Britten and Peter Pears. It holds a unique archive of manuscripts, documents, artworks, and multimedia materials for the public. It provides access to the collections and disseminates them as widely as possible, both physically and virtually.

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Charity meets the definition of a public benefit entity under the Charities SORP (FRS 102).

The information given on page 1 forms part of this report.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **STATUS AND GOVERNING INSTRUMENT**

Britten Pears Arts is a registered charity and a company limited by guarantee and the organisation is governed by its Articles of Association.

#### **MEMBERS OF THE BOARD**

The governing body of Britten Pears Arts is its Board of Directors which has responsibility to ensure the Charity is properly managed. As Britten Pears Arts is a charity, each Director is more usually referred to as a Trustee. New Trustees are appointed following a selection process, a central feature of which is our commitment to equality, diversity and inclusion. Confirmation of appointment is undertaken at the subsequent Annual General Meeting.

Trustees are provided with an induction programme involving all aspects and activities of the organisation, including its relationship with its subsidiary undertakings, Snape Maltings Trading Limited and Britten Estate Limited. The Trustees recognise the need to maintain an up-to-date skillset which is applicable to today's changing charity environment.

#### **ORGANISATIONAL STRUCTURE**

Besides the Charity, the Group's main entities consist of Snape Maltings Trading Limited (company registration: 1519527), and Britten Estate Limited (company registration: 2063909). The remaining assets and liabilities of the former operating (now dormant) subsidiary Aldeburgh Music Endowment Fund were transferred to Britten Pears Arts on 31 March 2021. The financial statements for Britten Pears Arts consolidate the Charity's results with those of other Group members including their subsidiaries. Transactions between Group members are eliminated as part of the consolidation process.

Snape Maltings Trading Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. It undertakes retail and catering activities at Snape Maltings through the operation of shops, galleries and catering outlets. The company also manages the hiring of the sites' facilities for weddings, conferences and other non-artistic events, and operates a holiday lettings business. Its financial results are summarised in Note 3.

## **TRUSTEES' REPORT (continued)**

Britten Estate Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. The company promotes the music of Benjamin Britten and receives income in the form of royalties, and its financial results are summarised in Note 3.

Snape Maltings Trading Limited has a wholly owned subsidiary, Elm Property Management (Snape Maltings) Limited (company registration: 6371788), which undertakes the care and management of residential properties at Snape Maltings on behalf of the leaseholders. For statutory purposes, this company was dormant for the year.

Elm Property Investments (Snape Maltings) Limited (company registration: 9641832), is a wholly owned subsidiary of Snape Maltings Trading Limited, which owns the freehold of a number of properties at Snape Maltings and receives an annual ground rent from the leaseholders.

The Leadership Team are responsible for the day to day operational management across the group of companies. The team meet weekly and report through committees to Board on all aspects of governance, financial performance and risk management.

### **GOVERNANCE**

#### **Trustee Board**

The activities of Britten Pears Arts are ultimately controlled by its trustee board which holds regular meetings throughout the year and is committed to the principles of the Charity Governance Code. By providing a range of experience and skills, it helps the operational management team to achieve artistic success with stable finances. The Trustees provide guidance and knowledge across the organisation's activities, specifically in areas including artistic, financial and risk management, strategy, logistics, human resources, marketing, property and investments. They also support the organisation in maintaining a wide network of stakeholders, including existing and potential funders.

#### **Ability to hold office**

Prior to appointment, Trustees are required to confirm they are not barred from holding office as a Trustee or Director.

#### **Declaration of interests**

In order to ensure that decision-making is transparent, all Trustees and senior managers of the Group are required to sign a Declaration of Interests and a standing agenda item requires Trustees and others present to declare any interests that may arise in the course of each board meeting.

#### **Audit Committee**

The Audit Committee is chaired by David Robbie and includes board member Sarah Faulder and former trustees Christopher Higgins and Oliver Rivers. Any trustee may attend meetings. The Audit Committee monitors the integrity of the statutory financial statements, ensures the effectiveness of the systems of internal and risk control and manages the effectiveness, performance and objectivity of the external auditors.

The Audit Committee meets at least twice each year with at least one meeting including the Group's external auditors. The performance and re-appointment of the auditors is reviewed each year and the Audit Committee Chairman makes an appropriate recommendation to the Trustees ahead of the Annual General Meeting.

#### **Finance Committee**

A separate Finance Committee assists the board in monitoring its management accounts, budgets and forecasts and overall financial performance and in recommending the strategy, policies and procedures for the Group's investments and estate assets. The Finance Committee is chaired by David Robbie and includes board members Garth Pollard and Sarah Zins and former trustees Christopher Howes, Andrew Staff (resigned 4 May 2022) and Stephen Swift.

#### **Remuneration and Nominations Committee**

As at 31 March 2022 the Remuneration Committee comprised Sir Vernon Ellis, David Robbie, Sir Simon Robey, Janis Susskind and Sarah Zins. The Committee meets as necessary to review and make recommendations relating to changes to employees' salaries and benefits, including that of the Chief Executive. The Committee is also responsible for making recommendations to the Board on the appointment of new Trustees.

## TRUSTEES' REPORT *(continued)*

### KEY MANAGEMENT PERSONNEL

All Trustees and non-executive directors of Group subsidiaries, together with Roger Wright (Chief Executive Officer), Sarah Bardwell (Executive Director), Harry Young (Chief Operating Officer), and Stephen Pugh (Chief Financial Officer, retired 10 August 2022) are considered to be the Group's key management personnel.

Remuneration levels for key management employees are set within the context of budgets and plans which are approved by the board before implementation and include, where appropriate, recommendations from the Remuneration Committee. Details of payments to key management personnel are provided in Note 7.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees undertake a formal process to review risks and risk management strategies proposed by the leadership team. A risk register is reviewed twice a year to identify the financial, reputational and organisational risks the Group faces. The scale of the risks is assessed in terms of potential impact, likelihood of occurrence and means of mitigation. Management have clearly defined responsibilities in relation to their responsibility for and the management of all risks.

Britten Pears Arts carefully planned their response to the easing of restrictions in April and May 2021, so that trading and performances could start up again as soon as it was legally possible.

The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating risk and uncertainties to the extent reasonably achievable. The Trustees have considered the adequacy of the Group's internal controls and have put measures in place to further improve, including a review of the budgeting process and new Financial Regulations.

#### Principal Risks and Uncertainties

At the start of the 2021/22 business year the evaluation of risk within the risk register reflected the fact that there was an easing of restrictions and trading could once again commence. During 2021/22 the operating environment changed considerably, with a highly buoyant Q1 and Q2 but then with a deteriorating economic outlook after Christmas and then the war in Ukraine.

SUMMARY OF CONSEQUENCES	SUMMARY OF MEASURES IN PLACE
<b>Key Risk - Impact on long term financial model of decline in royalties</b>	
Royalties currently account for a considerable proportion of annual income. This source of revenue will disappear in 2046. Robust plans need to be put in place to ensure that the long-term business viability is not impacted by this loss of revenue.	<ul style="list-style-type: none"> <li>• Maintain cash reserves.</li> <li>• Build a £15m endowment.</li> <li>• Increase philanthropic income and legacies.</li> <li>• Tangible assets kept in good condition.</li> <li>• Maintain good relationships with publishers</li> <li>• Maintain a strong fundraising team that can grow year on year income.</li> <li>• Develop other income streams from other areas of the organisation that can contribute to the future financial position.</li> </ul>
<b>Key Risk – Political and economic uncertainty</b>	
Changes in the global and national economic environment such as interest rates, inflation and house prices could have an adverse impact on financial long term viability.	<ul style="list-style-type: none"> <li>• Maintaining strong fundraising team.</li> <li>• Regular review of financial performance and KPI's.</li> <li>• Stress testing of financial plans.</li> <li>• Exploration of new ventures.</li> <li>• Political networking to ensure that the organisation can respond to changes as quickly as possible.</li> <li>• Monitoring of cash flow forecasts.</li> <li>• Retail Buyers regularly feeding back to management on changes in costs (including shipping costs).</li> </ul>
<b>Key Risk – Operational capacity / stretch (through era of change)</b>	

<p>The organisation has changed considerably following the merger in 2021 and during the post pandemic recovery. There is a risk in how the organisation is resourced to respond to the operational delivery.</p>	<ul style="list-style-type: none"> <li>• Investment in management training.</li> <li>• Continuous review of the operating structure to ensure that it is fit for purpose.</li> <li>• Investment in new systems and processes.</li> <li>• Pay benchmarking.</li> <li>• Good internal communications and the development of a strong and supportive work culture to ensure key personnel are retained.</li> </ul>
<b>Key Risk – Nationally Significant Infrastructure Projects</b>	
<p>With Sizewell C having now been granted Development Consent, there is a risk that if the project goes ahead visitors may be put off coming to the area for fear of traffic congestion. Furthermore, we may struggle to recruit i.e. cleaners and hospitality staff.</p>	<ul style="list-style-type: none"> <li>• Keep informed of details of the programme.</li> <li>• Sub Committee established to work through the impact and response in detail.</li> <li>• Close liaison with developers and local authorities.</li> <li>• Close liaison with opposition groups.</li> <li>• Through tourism connections, influence tourism mitigation fund.</li> </ul>
<b>Key Risk – Covid-19 Pandemic</b>	
<p>The impact of the pandemic stabilised during the course of 2021/22, with audiences being confident with the measures that BPA put in place. There is an ongoing risk that the pandemic could return, and the organisation needs to be ready to respond to all future challenges.</p>	<ul style="list-style-type: none"> <li>• Dynamic programming and creative enterprise.</li> <li>• Regular board contact.</li> <li>• Good communications plan (external and internal).</li> <li>• Close contact with Arts Council England (ACE) and Department of Media Culture and Sport (DCMS) group.</li> <li>• Diligence in learning and adhering to guidelines.</li> <li>• Be prepared to programme outdoor concerts.</li> </ul>
<b>Key Risk – Boiler / plant failure</b>	
<p>There is the intention to replace the current concert hall heating system, however there is a risk that the boiler and associated plant equipment could fail prior to the replacement taking place. This would severely impact our operations.</p>	<ul style="list-style-type: none"> <li>• New capital project to include the renewal of existing plant.</li> <li>• Additional efforts to maintain biomass boiler.</li> </ul>
<b>Key Risk – Unexpected / Unbudgeted Expense</b>	
<p>There is a risk that significant unbudgeted expenditure could arise during the course of the year owing to rising inflation and global economic uncertainty.</p>	<ul style="list-style-type: none"> <li>• Maintain adequate reserves.</li> <li>• Robust budgeting process.</li> <li>• Strong financial controls.</li> </ul>
<b>Key Risk – Deterioration of liquid reserves</b>	
<p>A downturn in trading and in box office receipts has the potential to significantly impact cash receipts</p>	<ul style="list-style-type: none"> <li>• Adequate reserves policy.</li> <li>• Increase philanthropic income.</li> <li>• Regular review of investments.</li> <li>• SMTL board and management team to create contingency plans.</li> </ul>

## **TRUSTEES' REPORT (*continued*)**

### **OBJECTIVES AND ACTIVITIES**

The Charity is established to promote and assist the advancement of education in the arts and crafts including music, drama, dancing, mime, painting, sculpture, graphic and other visual arts, literature, poetry and digital arts, and to extend and increase the appreciation, knowledge and understanding of the arts and crafts in all their forms. The Charity has extended the breadth of its offering over the past year, responding to opportunities and learning from past experience as to how to maximise the impact from the available resources. The most notable change has been the increase in community work.

### **AIMS AND OBJECTIVES**

#### **Objectives for the coming year**

The main objectives for the 2022-2023 year are:

- make our organisation even more inclusive, open and accessible;
- make new voices heard within the organisation;
- focus on our data management and processes to help transform our effectiveness;
- use technology to improve audience, participant, customer, and visitor experiences;
- working with other organisations, play our important role in the region's cultural leadership;
- make world class music in a regional community;
- recognise the impact our activities and all our many stakeholders are having on the environment and understand and lead the need for action and change.

#### **Achieving Objectives**

The Charity's activities and achievements in pursuit of its objectives for the past year are highlighted in the Strategic Report and in this year in particular they include the challenges of recovering from the Covid-19 pandemic. The Charity remains well placed to achieve its ongoing objectives through:

- critically acclaimed artistic leadership, acknowledged internationally with creative input from key stakeholders and partners;
- world class events including Festival performances and artist development masterclasses and courses throughout the year;
- a leading archive and heritage site;
- maintaining a focus on activity in schools, prisons and the local community, developing its groundbreaking work in Lowestoft and Ipswich and the expansion of work in the area of creative health;
- ongoing professional and focus group work on branding and marketing, public relations and programming to widen and grow the audience base;
- continue to establish and develop the Britten Pears Arts brand and how it works together with the existing brands within the organisation.

### **STRATEGIC REPORT**

#### **ACHIEVEMENTS AND PERFORMANCE**

In line with the aims and objectives of the organisation, Britten Pears Arts continues to build on the success of its reputation as a leading international creative campus across two sites, renowned as a performance centre, an artist development hub, critically acclaimed for its learning and inclusion work, unique archive and heritage house and museum offer, and developing its growing reputation as a distinctive leader in the area of creative health with music.

## **TRUSTEES' REPORT (*continued*)**

### **Artistic Activities**

#### **Performance programme**

For the second year in a row the Aldeburgh Festival in its normal format was not able to go ahead. But in May 2021 after a 5-month hiatus we welcomed socially-distanced audiences back to the concert hall for a performance by members of BBC Symphony Orchestra under Ryan Wigglesworth. In June we presented a series of shorter, repeated Festival type concerts over four weekends. Highlights included a weekend curated by tenor, Allan Clayton, whose solo recital included the premiere of *Silenced* by Mark-Anthony Turnage, he also performed in another concert in the series including Britten's *Serenade for Tenor, Horn and Strings* with Aurora Orchestra. There were performances of all five Britten Canticles with Roderick Williams and Feargal Mostyn-Williams and Britten *Sinfonia* staged two programmes including premieres of works by Tansy Davies, John Woolrich and the late Sir John Tavener, the latter with oboist Nicholas Daniel and countertenor Andrew Watts. New productions included Juliet Fraser's solo performances in Samuel Beckett's *Not I* and Morton Feldman's *Three Voices*. The Kaleidoscope Collective, led by Tom Poster gave their concert hall debut with American tenor, Karim Suleyman. Colin Matthews' new arrangement of Britten's *Double Concerto* was given its premiere by Royal Academy of Music Strings conducted by John Wilson.

Summer at Snape saw the opening of the Dome Stage in late July, a free outdoor performance space supported by the Arts Council's Cultural Recovery Fund. It featured a diverse-range of artists including Abel Selacoe, Alice Zawadzki, The Fontanas, Eliza Carthy and Ayanna Witter-Johnson. Despite the odd heavy downpour, audiences were undeterred, enjoying the informal atmosphere on the Henry Moore Lawn. There was a month of 30 concerts during August including the London Symphony Orchestra and the Royal Philharmonic Concert Orchestra, Snape debuts from Rufus Wainwright and Mica Paris and returning groups included The London Community Gospel Choir and Tango Siempre.

Autumn programming featured Mitsuko Uchida, The Shires, Nicola Benedetti and Aurora Orchestra and John Wilson and the Sinfonia of London over the Britten weekend. There was a variety of concerts including Bryn Terfel, Tenebrae's *Messiah*, London Gay Men's Chorus and *The Snowman*. In addition, English Touring Opera (ETO) performed Handel's *Amadigi*, and the Co-op Juniors Christmas Spectacular and various hires all returned to the Hall during the year.

#### **Britten Pears Young Artist Programme (BPYAP)**

The Britten Pears Young Artist Programme was remodelled during the year and a single cohort of 22 young artists were recruited to take part. They received a year-round artist development offer, focussed on masterclasses and coaching, working with a variety of tutors, mentoring, performances and industry relevant opportunities. The individual bespoke development available for the artists was extremely well received as the young professional musicians at different career stages emerged from the pandemic.

#### **Aldeburgh Young Musicians (AYM)**

With the support of the Department for Education as a National Centre for Advanced Training, AYM transitioned from the vibrant online programme established during the pandemic back to an in-person programme with residential opportunities for musicians aged 10-18 years old with a variety of weekend and weeklong sessions. These included 41 AYMs who took part in study groups, small ensembles and performance coaching in a masterclass style setting, larger vocal groups for 31 AYMs including a Blues session and 17 AYMs took part in an Open Session on Arabic Music. The programme has allowed the young people to explore, create and perform a diverse selection of musical styles alongside inspirational and empowering artists.

#### **Digital Public Engagement**

Public engagement was mainly delivered through a continuation of digital activity, until the gradual re-emergence into face-to-face events in the early summer. Four short informational films were created to provide context and background for the Concert Hall programming, two focused on Dennis Brain, one on Imogen Holst and one on Britten's Canticles. In total these were viewed more than 1250 times. A third podcast season was created with guests including composer Tansy Davies, performers Lana Bode and Samantha Crawford, and Music Director Joseph McHardy. In addition, there was a series of Live from the Archive talks throughout the year, broadcast in the evenings from rooms in The Red House and other spaces on the site.

There was no Festival Book for 2020 or 2021, so a variety of essays were commissioned in relation to the cancelled 2020 Festival including a centenary tribute to Dennis Brain and gathered in one publication called "Interlude:2020-2021."

## **TRUSTEES' REPORT (continued)**

A dedicated digital producer was appointed to focus on capturing some of the residency and BPYAP work, including films Faye MacCalman, Shruthi Rajasekar & Reylon Yount and Join the Din Residency films; a film outlining the structure of the BPYAP course and a film about the BPYAP and community collaboration project.

### **The Red House**

During the open period of the year over 6,000 visitors enjoyed The Red House and gardens over 98 days. Volunteers were crucial in enabling the site to be open and their contribution has totalled 1,375 hours of commitment. In addition to public visitors live events at The Red House resumed, including talks, concerts and study days. Over 200 people visited for Heritage Open Days which featured Britten Pears artists Lotte Betts-Dean and Harry Rylance performing in the garden. Britten and Ghosts, a Halloween event in the House with archival material on display and a study morning relating to the programme of British music in the concert hall. Scratch Choir also performed a 'Ceremony of Carols' day in Aldeburgh Church in December. The garden was also opened for two days as part of the National Gardens Scheme. Various Archive and Red House displays took place over Britten Birthday weekend celebration, in addition to the Peter Pears Portraits and Christian Rohlf exhibitions.

### **Community**

Re-engagement with schools in-person began with regular visits to The Red House for school groups who took part in sessions exploring the curriculum through our collection.

A new group of Friday Afternoons songs by Russell Hepplewhite and Michael Rosen was launched and premiered online by 10 groups from across the UK and Ireland and then rolled out across the country.

Group A, our young person's singing group, worked online as well as performing in person at Snape Maltings in collaboration with Stratford Circus' New Young Voice Collective (NewYVC) and at the First Light Festival.

We held Celebration, the annual festival showcasing the diverse music made by young people in the area. This year it included 28 schools and 5 community groups, as well as Group A and members of AYM totalling approximately 1,190 young people across the week.

Participate, our strand of work for older people and those who are isolated or vulnerable in our local community began again in person in Leiston, Saxmundham and Aldeburgh and included a Garden Party at The Red House and a Tea Dance at Snape Maltings.

We held weekly free to attend music sessions in the garden of The Red House attracting 25-30 families and their 0-5 year-olds per week.

We partnered with Spitalfields' Trainee Music Leader Scheme alongside organisations including Welsh National Opera and The Multi-Story Orchestra to develop training for local musicians who have then delivered activity for Britten Pears Arts.

We resumed in-person activity at HMP Warren Hill towards the end of the period and created an interactive tapestry that visually, but anonymously, reflected participants recording their music.

### **Creative Health**

Work has developed around a multi-year strategy for our Creative Health work and its impact & use across the Music Programme, working towards the further inclusion of Creative Health across the organisation and connecting national conversations with local activities. As part of this we ran a Collaborative Course for Musicians and Music Therapists that took place in partnership with Anglia Ruskin University, Sing To Beat Parkinson's continued their app development project on-site, MOT for artists working in challenging circumstances and we led various ThinkTanks including one about Young Musicians Health & Wellbeing.

## **TRUSTEES' REPORT (*continued*)**

### **Residencies**

Residencies and creative retreats returned to Snape and The Red House and it was clear that artists were keen to recommence this type of work again and appreciated the opportunity to be creative without being overly pressured. There were 89 residencies and 24 creative retreats, some of which were in partnership with Cheltenham Jazz Festival and Sage Gateshead. Artists undertook postponed residences and it was necessary to adapt the engagement with the artists to suit their needs. Examples of activity include cellist Matthew Barley, who created a film with emerging composer Nouria Bah. Nadine Benjamin had a two-week residency/production period of her opera BEAM culminating in two performances with plans to take the work elsewhere. Faye MacCalman, Shruthi Rajasekar and Reylon Yount, and Join the Din undertook residencies. In September Festival of New took place as a live event and a number of exciting new projects were shared with an appreciative audience. The Festival was filmed and shared afterwards as a digital event, primarily to reach industry colleagues who were unable to be there in person.

### **Archive**

The Archive was back to normal public activities by the end of June 2021. In the course of the year it hosted 686 drop-in visitors as part of the Red House public offer, and 274 visitors to the exhibitions during the Festival and other special events. There were 127 reader research visits, studying a wide variety of sources. Volunteer cataloguing also resumed, with 651 volunteer hours worked. 63 new accessions entered the collection, the most significant being the Paul Campion collection of material on Kathleen Ferrier. 1,665 records were added to the catalogue; material catalogued included the papers of Heather Harper (helped by a Dundee University archive student placement), programmes from the Paul Campion Ferrier collection, and Festival photographs. The team answered 431 remote enquiries, the vast majority (94%) within the target time of five working days. The commonest types of enquirer were arts professionals (166) and academics (43); 300 (69.5%) were based in the UK, with Europe and North America equal second place with 54 (12.5%).

## **FINANCIAL REVIEW**

### **GROUP FINANCIAL OVERVIEW FOR THE YEAR**

In a second year dominated by the Covid-19 pandemic, and with the help of the generosity of its donors, Britten Pears Arts achieved a broadly break-even financial result, excluding asset revaluations. The Charity was the fortunate beneficiary of a £442,000 grant from the Arts Council as part of the second-round grants from the Culture Recovery Fund. This fund has supported many arts organisations across the country and has allowed the Charity to keep artistic activity alive despite lockdowns and the natural caution of audiences at in-person events. The Charity saw a positive movement in funds as a result of the revaluation of some of its assets. The Statement of Financial Activities on page 20 indicates an increase in total Group reserves of £988,000.

The total income for Britten Pears Arts increased by £2,093K, in the year to the end of March 2022, which was an increase of 22.6% on the £9,258K of income reported for the year to March 2021. The strong performance by Snape Maltings Trading Limited resulted in an increase in group trading income of £3,037K, this combined with £244K higher royalty revenue; was offset by a reduction in the Arts Council Covid Recovery Fund grant, a reduction in income legacies and a reduction in government grants for Covid-19. The income generated by charitable activities also increased by £579K in the year.

Britten Pears Arts holds a share investment portfolio which rose in value in the year to 31 March 2022, though it has fallen since, and its heritage assets in the Archive at the Red House also yielded a revaluation surplus. The Charity's equity portfolio is held for the long term and the Charity sees its income from that portfolio as being the dividend return that it accrues. Particular years may show positive or negative revaluation surpluses. Whilst accounting regulations require that these are recognised in its accounts, they are not cash amounts (as the assets have not been sold) and the Group does not treat them as being part of their income for the year. The Charity revalues its heritage assets on a rolling basis and is required to recognise revaluation differences in its Statement of Financial Activities, but these assets are held on an indefinite basis and any surplus is not available for other use.

Though generous grants were made available to Arts organisations in the first two years of the pandemic, it is clear that the pandemic's impact is continuing beyond those two years as audiences slowly acclimatise to a post-pandemic world, in which we have to accept that continuing pandemic-related grants are unlikely to be forthcoming.

## TRUSTEES' REPORT (continued)

Table 1 summarises Group income for the year from Note 2 and is stated in line with accounting requirements under the Charities SORP (FRS 102). It includes amounts relating to future periods while excluding grants and donations received in previous years for activities undertaken in 2021/22.

Table 1 – Group income	2022	2022	2021	2021
	£'000	%	£'000	%
Arts Council England core grant	1,429	12.6%	1,429	15.4%
Arts Council England project grant	442	3.9%	950	10.3%
Trusts and Foundations	464	4.1%	310	3.4%
Private, including memberships and Gift Aid	1,046	9.2%	550	5.9%
Legacies	52	0.5%	918	9.9%
Local authority and corporate donations	121	1.1%	175	1.9%
Box Office and admissions	604	5.3%	152	1.6%
Theatre and Orchestra Tax Relief	30	0.3%	-	-
Other charitable activities, including course fees	220	1.9%	123	1.3%
Trading activities, including retail and catering	5,601	49.3%	2,564	27.7%
Royalties	1,050	9.2%	806	8.7%
Investments, including interest, dividends and rent	251	2.2%	228	2.5%
Other income, including government grants for Covid-19	41	0.4%	1,053	11.4%
<b>Total income and endowments</b>	<b>11,351</b>	<b>100.0%</b>	<b>9,258</b>	<b>100.0%</b>

Table 2 highlights Group expenditure for the year and includes costs associated with activities undertaken during 2021/22 only. More information can be found in Note 4.

Table 2 – Group expenditure	2022	2022	2021	2021
	£'000	%	£'000	%
Fundraising	327	2.9%	253	2.8%
Trading, including retail and catering	4,797	43.2%	4,000	44.7%
Artistic activities	1,641	14.8%	1,200	13.4%
Artistic development	794	7.1%	577	6.4%
Archive, Exhibitions and The Red House	307	2.8%	246	2.8%
Community	401	3.6%	203	2.3%
Operations	1,487	13.3%	1,075	12.0%
Administration, including IT and Finance	1,298	11.7%	1,328	14.9%
Governance, including audit fees and legal advice	62	0.6%	60	0.7%
Other expenditure, incl. loss on disposal of fixed assets	-	-	-	-
<b>Total expenditure</b>	<b>11,114</b>	<b>100.0%</b>	<b>8,942</b>	<b>100.0%</b>

Table 3 summarises Group reserves at year end. Greater levels of detail will be found in the Statement of Financial Activities on page 20, the Balance Sheets on page 21 and notes to the accounts from page 23.

Table 3 – Group reserves	2022	2022	2021	2021
	£'000	%	£'000	%
Unrestricted	8,380	14.3%	7,865	13.6%
Restricted	8,364	14.2%	8,506	14.7%
Endowment	42,089	71.5%	41,474	71.7%
<b>Total reserves/net assets</b>	<b>58,833</b>	<b>100.0%</b>	<b>57,845</b>	<b>100.0%</b>

The Group's net assets of £58,833,000 are mainly comprised of fixed assets to the value of £53,271,000, which includes £25,454,000 of tangible fixed assets and £20,541,000 of heritage assets. £2,000 of intangible fixed assets reflects software used in the organisation. The remaining £7,274,000 represents income-generating investments designed to provide funding stability for the long-term.

## **TRUSTEES' REPORT (continued)**

Unrestricted reserves increased by £515,000 which is predominantly due to the positive net impact of future funding offset by depreciation of £189,000.

Restricted reserves decreased by £142,000, predominantly due to the negative net impact of future funding of £246,000, depreciation of £34,000 offset by £138,000 revaluation gain on investments.

Endowment funds increased by £615,000, which is again represented predominantly by £235,000 revaluation gain on investments and £369,000 revaluation gain on heritage assets.

Further detail in respect of the impact of the current cost of living challenges is covered in Note 1 and the ongoing impact of the current economic environment is recognised in future forecasts, the Group and parent charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **BRITTEN PEARS ARTS**

As a standalone entity, Britten Pears Arts' total reserves rose £690,000 to close at £59,639,000. Unrestricted funds increased by £217,000, predominantly as a result of net positive impact of future funding of £319,000 offset by depreciation of £127,000. Restricted reserves decreased by £142,000, again largely due to the negative net impact of future funding of £246,000, depreciation of £34,000 offset by £138,000 revaluation gain on investments. Whilst as noted above endowment funds increased by £615,000 due to the revaluation gains on investments and heritage assets.

### **ALDEBURGH MUSIC ENDOWMENT FUND**

Aldeburgh Music Endowment Fund (AMEF), a separate charity, completed the transfer of its assets and liabilities to Britten Pears Arts on 31 March 2021, and was dormant during the year to 31 March 2022. Britten Pears Arts became the sole trustee of AMEF with effect from 30 June 2022 as the previous five individual trustees tendered their resignations.

### **SNAPE MALTINGS TRADING LIMITED**

The company, which delivers a wide range of retail and catering activities was badly affected by periods of lockdown and enforced closure in the prior year but traded well when restrictions were lifted. Turnover increased to £5,690,785 (2021: £2,564,785). The company acquired its trading businesses in 2015 and the residual balance of the goodwill created at that time was written off at 31 March 2021. The goodwill write-off has left the Company with negative reserves and whilst there was a surplus during the year the company was unable to make a distribution to Britten Pears Arts (2021: £nil).

The Company has share capital of £1,000,100 from its parent company, Britten Pears Arts, £1,000,000 of which represents preference shares. Further parent company finance is provided in the form of a loan, which stood at £1,200,000 at 31 March 2021. The Company made taxable losses in the prior year, particularly because of the write-off of the residual goodwill, and at the same time its fellow trading subsidiary, Britten Estate Limited, made profits. The Group agreed that the Company should be paid by Britten Estate Limited for use of those losses to offset that company's taxable income. This receipt allowed £500,000 of the loan balance to Britten Pears Arts be repaid during the year and the loan stood at £700,000 at 31 March 2022.

### **BRITTEN ESTATE LIMITED**

The company continued to promote the music of Benjamin Britten and receive income in the form of royalties. Turnover increased to £1,013,134 (2021: £794,742), with profit increasing to £974,394 (2021: £758,809). The profit generated was fully distributed to Britten Pears Arts.

### **FUNDS HELD AS CUSTODIAN TRUSTEE**

Creditors include £34,545 (2021: £27,574) of means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development.

### **PRINCIPAL FUNDING SOURCES**

In this pandemic year Britten Pears Arts and its subsidiary companies have again benefitted greatly from public body grants that have helped arts organisations, and organisations more generally, to survive whilst activity has been locked down and audiences have been hugely reduced. The importance of grant funding and in particular the Arts Council's Culture Recovery Fund is noted above and the Group is enormously grateful.

## **TRUSTEES' REPORT (continued)**

Aside from the exceptional support from the Arts Council's Culture Recovery Fund, Britten Pears Arts continued to benefit from annual core funding from Arts Council England. In June 2017, the Charity received confirmation that it had been successful with its application to receive continued core funding of £1,403,019 per annum from Arts Council England for the years 2018/19 to 2021/22. This was uplifted to £1,428,835 in 2020/21 and 2021/22. The grant was made following their prior agreement of a four-year business plan and the Trustees are enormously grateful to Arts Council England for its continued support. 2022/23 is a transition year and further long-term funding is being offered by the Arts Council from 2023/24. The Charity is very grateful to the Arts Council for continuing its funding during the transition year 2022/23. In November 2022, the Charity received confirmation that it has been successful in securing future funding of £1,428,835 for the years 2023/24 to 2025/26.

Besides revenue generated by retail and catering operations, box office and project fees, a considerable proportion of the Group's income is philanthropic and derives from grants and private sources, including legacies. The Trustees are indebted to many generous individuals and organisations for their support of artistic activities, including: Department for Education, £75k.

The Trustees gratefully acknowledge the receipt of donations and legacies from its supporters. Approaching £1 million was notified to the charity as legacy income in the year to 31 March 2021, but as an illustration of the volatility of this income, notifications in the current year were at the much lower level of £52,000.

### **FUTURE PLANS**

Britten Pears Arts have plans over the next twelve to eighteen months to move forward with the planning and preparation for a range of capital and maintenance works on their site at Snape, some of which were put on hold owing to the pandemic but will bring energy efficiencies and opportunities for future revenue generation. The organisation will continue to look at ways to achieve its strategic objectives, whilst remaining financially robust, within a challenging operating environment.

### **FINANCIAL POLICIES**

#### ***Reserves Policy***

In 2020/21, following the merger of Snape Maltings and the Britten Pears Foundation, the Trustees agreed a new reserves policy for the merged organisation. The Trustees concluded that they would aim that unrestricted and undesignated (free) reserves, not backed by fixed assets, should cover six months of projected charitable costs. This is a number of about £3.6m and compares to actual free reserves of £3,344,000. Although we have fallen slightly short of the target at the end of 2022, the business is actively working towards ensuring that the target is met and during the early months of 2022/23 has seen an increase in unrestricted undesignated funds.

#### **Unrestricted General Reserves**

These reserves stood at £2,802,000 at the start of the year and grew to £3,355,000 at 31 March 2022. £701,000 as a result of the impact of future funding offset by £157,000 transfer of fixed assets to the designated fixed asset fund.

#### **Unrestricted Designated Reserves**

The Trustees designate certain funds for specific use, including an Artist Fund which underpins the expansion in artist development and an Opera and Commission Fund to provide support for the development of opera, an area noted for high production costs and needing long-term planning. A designated fund is also retained for fixed assets. Further to this, a designated reserve is held for "Securing the Future". The prime motivation for this reserve is acknowledgement of the fact that royalty income is time-limited, and provision should be made for the point at which it will start to fall away. The reserve also provides security against the potential reduction in other key income sources. This reserve will be built over a period of years, noting that the largest drop in royalty income will happen seventy years after Benjamin Britten's death in 1976. The aim has been set to build a reserve of £15 million. At 31 March 2022 it stood at £872,000.

#### **Restricted and Endowment Reserves**

Certain reserves bear restrictions on their use imposed by donors, with some of these limiting, or barring, access to the donated capital. Details of restricted and endowment funds, including those of a permanent endowment nature, are provided in Notes 18 and 19.

#### ***Investments***

The Trustees are responsible for setting the Fund's investment policy and strategy and are authorised to make any investment they consider to be beneficial. The Trustees confirm they have remained within this power and continue to keep their investment policy and strategy under review.

## **TRUSTEES' REPORT (*continued*)**

### Investment Properties

The Trustees consider it appropriate to invest in commercial property where there is a strategic fit with the activities of the Group and such action provides a rate of return in excess of 5% of investment cost after the deduction of operational expenses. When vacant periods arise, local agents are appointed to manage new tenancy advertising and to provide advice regarding rent levels.

### Market Investments

Meetings are held with investment advisors at least once during the year to monitor performance and review strategy. Key aspects of the investment policy include the achievement, within acceptable levels of risk, of at least market-rate income whilst taking a long-term view regarding capital growth. The current income target is to achieve a yield in excess of the FTSE All-Share Index yield after the deduction of management charges and for capital growth to outperform the FTSE All-Share Index over the long-term, a period defined as being not less than ten years. There is also an investment fund invested in an interest-bearing cash account with Scottish Widows.

### Investment Performance

All investment properties were tenanted during the year. The target income yield of above 5% of cost was met.

## **KEY PERFORMANCE INDICATORS**

Britten Pears Arts and its Group entities measure progress against a number of indicators set out in annual budgets and plans. It has been following SMART objectives agreed with Arts Council England particularly focussed on the Creative Case for Diversity. Non-financial indicators include public engagement and reach, the number of Festival commissions and targeting a rise in international collaborations. The main financial indicators include royalty income, box office performance, fundraising income, retail sales and investment returns. The Board reviews key performance indicators at its meetings during the year through receiving summary papers and within the Group's management accounts.

## **PUBLIC BENEFIT**

The Charity Commission has distilled a number of principles of public benefit which must be addressed by charities. Any benefit arising from an organisation's activities must be to the public or a section of the public, in respect of which the opportunity to benefit must not be unduly restricted by ability to pay any fees charged; and that people in poverty must not be excluded from the opportunity to benefit.

In setting the level of ticket prices, fees, charges and concessions, the Trustees give careful consideration to the accessibility of concerts and other projects to those on low incomes. Britten Pears Arts' pricing reflects its aim of enabling all members within our community, whatever their means, to take part in its activities. Ticket pricing is generally dependent on event costs and seat location. Ensuring wide access is a priority, resulting in ticket prices for many events starting below £10. Concessionary prices are available at most concerts.

Some events, such as Bandstand on Aldeburgh beach as part of past Aldeburgh Festivals, and Dome stage events in 2021 and 2022 are undertaken to generate public interest in the Charity's activities and are free to all. We are fortunate to have a loyal supporter base of Friends and other supporters who are able to access a priority booking period. However, a number of tickets are held back to allow the general public the opportunity of purchasing seats at an otherwise sold-out concert.

Activities led by the Learning and Inclusion team, including working in care homes with people with dementia, are making a positive difference to the physical and mental wellbeing of the public. Some projects undertaken by the Charity require participants to pay for their travel and other costs. Financial support is made available to those in need such that, in appropriate circumstances, all costs are waived.

The Snape Maltings and Red House sites are steeped in history and are amongst Suffolk's most visited tourist venues. The Maltings has open access and is available to the public for recreational use such as walking, although it is anticipated that visitors will also enjoy the site's performance, catering and shopping facilities.

## **TRUSTEES' REPORT (*continued*)**

### **VOLUNTEERS**

Britten Pears Arts is grateful to have the support of a body of unpaid volunteers who perform important duties at events including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. During the year, we were pleased to have 138 volunteers (2021: 164) who worked a total of approximately 6,425 hours (2021: 3,120 hours) and which would otherwise have cost an estimated minimum wage of £57,247 (2021: £27,000). Without the loyalty and dedication of these people, the organisation would be forced to reduce its programme of events or increase concert prices.

### **FUNDRAISING**

Sections 13 and 14 of the Charities Act 2016 address public concern about how charities raise funds. The Charity Commission has issued guidance requiring trustees to confirm that fundraising activities are compliant with standards set out in the Code of Fundraising Practice as well as those required under other guidelines and legislation covering areas such as data protection.

#### ***Monitoring fundraising activities***

The Director of Development for Britten Pears Arts monitors activities undertaken by this department across all Group entities. Regular reports are provided to the Chief Executive and each Board meeting of Britten Pears Arts includes a review of activities undertaken by the Fundraising team. During the year all fundraising activities were performed by Britten Pears Arts' staff. No professional fundraisers were used to carry out fundraising activities on behalf of the Charity or any Group entity. Consequently, no fees or commission was paid to professional fundraisers (2021: £nil).

#### ***Voluntary self-regulation***

The Fundraising Regulator is an independent regulator of charitable fundraising, established to strengthen the system of regulation and preserve public trust in the not-for-profit sector. The Charity has voluntarily registered with the Fundraising Regulator and supports the aims and objectives of this organisation.

#### ***Compliance with standards***

The Charity's fundraising activity complies with all relevant legislation and regulation, including the General Data Protection Regulation, and the Privacy and Electronic Communications Regulations 2003. The Trustees are not aware of any breaches of the Code of Fundraising Practice or other standards.

#### ***Complaints relating to fundraising activities***

The Charity has a policy regarding complaints received in relation to its fundraising activities. No complaints were received in the year (2021: none).

#### ***Vulnerable people, unreasonable behaviour and undue pressure***

The Charity has never used telephone or doorstep methods to induce donations from members of the public and stopped sharing its data with other organisations. Existing supporters and potential donors are required to provide their prior consent to the use of their data, particularly in relation to receiving communications about future events. The Charity's website and printed brochures encourage members of the public to participate in a number of supporter schemes or to consider leaving a legacy in their Wills. The Charity does not send unsolicited mail or use other methods of contact that are not initiated first by the prospective supporter.

### **EQUALITY, DIVERSITY AND INCLUSION**

Britten Pears Arts has published its Equality, Diversity and Inclusion Statement and Action Plan. This work is embedded across the organisation with leadership driven by the Equality, Diversity and Inclusion working group that meets regularly, by the Executive Director and by a board trustee champion. The Group aims to continue developing accessibility and diversity in all areas, whether it be for staff, volunteers, audiences, customers, performers or participants. Its mission is to make new voices heard within the organisation, including at board level. To this end a clear programme of targets and actions has been developed, training undertaken, and the voices of those with protected characteristics listened to, taking the particular challenges of the region into account.

The programme presented by the Charity on its various stages continues to represent an extremely wide range of genres and styles delivered by a diverse group of musicians and performers. New recruitment methods have been used with the aim of diversifying the workforce. The Group is an equal opportunities employer and has appropriate policies in place. Partners include Suffolk Refugee Support, Diversity Dashboard, Inc Arts and Black Lives in Music. In addition, first interviews are offered online, together with help with travel costs for interviews in person. The Group is working to improve access to the site and to ensure access to all is extended. It is exploring how the barriers of geographical limitation, the demographic of the region and the remote locations of our sites can be overcome.

## **TRUSTEES' REPORT (*continued*)**

### **ENVIRONMENT**

Britten Pears Arts recognises the importance of preserving and protecting the environment and endeavours to take all reasonable steps to reduce the environmental impact of its actions. Examples of initiatives include a biomass boiler and a rainwater harvesting system which reduces the amount of mains water used in the Hoffmann Building by up to 20%. Photovoltaic panels are housed in inconspicuous positions on the Snape Maltings site, reducing the amount of electricity the organisation needs to purchase by approximately 5% while providing an income stream of approximately £7,000 each year through the Feed-in-Tariff scheme.

A number of projects are currently in the planning stage and will be built into the financial plans over the next couple of years. These include, looking at an alternative way to heat the concert hall and insulating the concert hall roof. There are also plans to move the concert hall lighting to low energy, LED alternatives. Britten Pears Arts is on a mission to reduce the number of cars being used, by promoting car sharing and the use of electric cars.

### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

### **AUDITORS**

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the Directors of Britten Pears Arts for the purpose of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

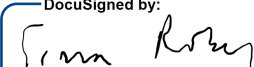
Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year. In preparing those financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Trustees and signed on their behalf on 12 December 2022.

DocuSigned by:  
  
 Sir Simon Robey  
 Chair

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS**

### **Opinion**

We have audited the financial statements of Britten Pears Arts (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The group audit engagement team identified the risk of management override of controls and completeness of certain income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business and performing tests of detail in relation to the completeness of income.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Sutherland (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

Date

Britten Pears Arts Financial Statements 2021/22

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,005	504	45	3,554	4,332
Charitable activities	2	854	-	-	854	275
Other trading activities	2	6,651	-	-	6,651	3,370
Investments	2	113	138	-	251	228
Other income	2	41	-	-	41	1,053
<b>Total income and endowments</b>		<u>10,664</u>	<u>642</u>	<u>45</u>	<u>11,351</u>	<u>9,258</u>
<b>Expenditure on:</b>						
Costs of fundraising	4	563	-	-	563	511
Costs of other activities (trading)	4	5,125	-	-	5,125	4,270
Charitable activities	4	4,470	922	34	5,426	4,161
Other expenditure		-	-	-	-	-
<b>Total expenditure</b>		<u>10,158</u>	<u>922</u>	<u>34</u>	<u>11,114</u>	<u>8,942</u>
Net gains/(losses) on investments	11	9	138	235	382	1,559
<b>Net income/(expenditure)</b>		<u>515</u>	<u>(142)</u>	<u>246</u>	<u>619</u>	<u>1,875</u>
Transfers between funds	18,19	-	-	-	-	-
Other recognised gains/(losses)	18,19	-	-	369	369	-
<b>Net movement in funds</b>	18,19	<u>515</u>	<u>(142)</u>	<u>615</u>	<u>988</u>	<u>1,875</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	7,865	8,506	41,474	57,845	55,970
<b>Total funds carried forward</b>	18,19	<u>8,380</u>	<u>8,364</u>	<u>42,089</u>	<u>58,833</u>	<u>57,845</u>

**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,072	387	873	4,332	3,828
Charitable activities	2	275	-	-	275	1,527
Other trading activities	2	3,370	-	-	3,370	6,897
Investments	2	25	133	70	228	279
Other income	2	1,053	-	-	1,053	110
<b>Total income and endowments</b>		<u>7,795</u>	<u>520</u>	<u>943</u>	<u>9,258</u>	<u>12,641</u>
<b>Expenditure on:</b>						
Costs of fundraising	4	511	-	-	511	383
Costs of other activities (trading)	4	4,154	-	116	4,270	5,393
Charitable activities	4	3,409	431	321	4,161	6,162
Other expenditure		-	-	-	-	11
<b>Total expenditure</b>		<u>8,074</u>	<u>431</u>	<u>437</u>	<u>8,942</u>	<u>11,949</u>
Net gains/(losses) on investments	11	300	454	805	1,559	(64)
<b>Net income/(expenditure)</b>		<u>21</u>	<u>543</u>	<u>1,311</u>	<u>1,875</u>	<u>628</u>
Transfers between funds	18,19	2,354	(11,443)	9,089	-	-
Other recognised gains/(losses)	18,19	-	-	-	-	99
<b>Net movement in funds</b>	18,19	<u>2,375</u>	<u>(10,900)</u>	<u>10,400</u>	<u>1,875</u>	<u>727</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	5,490	19,406	31,074	55,970	55,243
<b>Total funds carried forward</b>	18,19	<u>7,865</u>	<u>8,506</u>	<u>41,474</u>	<u>57,845</u>	<u>55,970</u>

The notes on pages 23 to 43 form part of these financial statements. All income relates to continuing operations.

**CONSOLIDATED AND CHARITY BALANCE SHEETS**

Company registration number: 980281

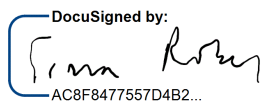
Charity registration number: 261383

**AS AT 31 MARCH 2022**

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Fixed assets</b>					
Intangible assets	8	2	3	2	3
Tangible assets	9	25,454	25,522	25,017	25,087
Heritage assets	10	20,541	20,172	20,541	20,172
Investments	11	7,274	6,914	9,187	9,327
		<u>53,271</u>	<u>52,611</u>	<u>54,747</u>	<u>54,589</u>
<b>Current assets</b>					
Stocks	13	485	416	-	-
Debtors	14	2,342	2,891	2,524	2,563
Cash at bank and in hand		4,908	2,794	3,697	2,319
		<u>7,735</u>	<u>6,101</u>	<u>6,221</u>	<u>4,882</u>
<b>Creditors: amounts falling due within one year</b>	15	2,160	856	1,323	516
<b>Net current assets</b>		<u>5,575</u>	<u>5,245</u>	<u>4,898</u>	<u>4,366</u>
<b>Total assets less current liabilities</b>		58,846	57,856	59,645	58,955
<b>Creditors: amounts falling due after more than one year</b>	15	13	11	6	6
<b>Net assets</b>	20	<u><u>58,833</u></u>	<u><u>57,845</u></u>	<u><u>59,639</u></u>	<u><u>58,949</u></u>
<b>The funds of the Group and Charity</b>					
Unrestricted funds	18	8,380	7,865	9,186	8,969
Restricted funds	18	8,364	8,506	8,364	8,506
Endowment funds	19	42,089	41,474	42,089	41,474
<b>Total funds</b>	20	<u><u>58,833</u></u>	<u><u>57,845</u></u>	<u><u>59,639</u></u>	<u><u>58,949</u></u>

Net incoming resources for the Charity were £690,000 (2021: £16,623,000). A separate Statement of Financial Activities is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the companies Act 2006.

Approved by the Trustees, authorised for issue and signed on their behalf on 12 December 2022.

DocuSigned by:  
  
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Sir Simon Robey  
Chair

The notes on pages 23 to 43 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	Group 2022 £'000	Group 2021 £'000
<b>a) Cash flows from operating activities:</b>			
<b>Net cash (used in)/provided by operating activities</b>	b	2,005	471
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		251	228
Purchase of fixed assets		(164)	(256)
Purchase of investments		-	(14)
Proceeds from sale of investments		22	-
<b>Net cash (used in)/generated by investing activities</b>		109	(42)
<b>Cash flows from financing activities:</b>			
Repayment of borrowing		-	(783)
<b>Net cash (used in)/provided by financing activities</b>		-	(783)
<b>Change in cash and cash equivalents in the reporting period</b>			
		2,114	(354)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	c	2,794	3,148
<b>Cash and cash equivalents at the end of the reporting period</b>	c	4,908	2,794
<b>b) Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>			
<b>Net income/(expenditure) for the reporting period</b>		988	1,875
<b>Adjustments for:</b>			
Depreciation and amortisation charges		233	1,311
(Gains)/losses on heritage assets		(369)	-
(Gains)/losses on investments		(382)	(1,559)
Dividends, interest and rents from investments		(251)	(228)
(Increase)/decrease in stocks		(69)	120
Decrease/(increase) in debtors		549	91
Increase/(decrease) in creditors		1,306	(1,139)
<b>Net cash (used in)/provided by operating activities</b>		2,005	471
<b>c) Analysis of Cash and Cash Equivalents</b>			
Cash in hand		4,908	2,794
<b>Total cash and cash equivalents</b>	24	4,908	2,794

The notes on pages 23 to 43 form part of these financial statements.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2022

#### 1 ACCOUNTING POLICIES

##### **Basis of accounting**

Britten Pears Arts is a charitable company domiciled and registered in England and Wales. The principal accounting policies adopted in the preparation of the financial statements are set out below. Britten Pears Arts meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared under the historical cost convention as modified by the recognition of certain financial assets measured at fair value in accordance with generally accepted accounting principles, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in Sterling, which is the functional currency of the Charity. Monetary amounts are rounded to the nearest £'000.

##### **Basis of consolidation**

The Group's financial statements comprise the financial statements of Britten Pears Arts, its subsidiary undertakings Snape Maltings Trading Limited, Aldeburgh Music Endowment Fund (dormant from 31 March 2021), Britten Estate Limited, and their respective subsidiaries.

##### **Reduced disclosure**

The Charitable Company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost, loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

##### **Significant judgements, estimates and uncertainties recognised in the financial statements**

The Charity's aims, objectives and strategies are identified in the Trustees' Report on page 7. The notes to these financial statements contain information relating to judgements made by the Trustees including accounting policies such as the amortisation of goodwill and depreciation of tangible fixed assets.

At 31 March 2021 Snape Maltings Trading Limited, a subsidiary of Britten Pears Arts, impaired its residual balance of goodwill amounting to £633,815 having considered the continuing uncertainties around the impact of Covid-19 on its trading business.

The Trustees review their financial plans on a regular basis and manage risks through a number of means including a risk register, budgeting, forecasting and investment planning. The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating uncertainties to the extent reasonably achievable.

## NOTES TO THE ACCOUNTS *(continued)*

### 1 ACCOUNTING POLICIES *(continued)*

#### Going concern

The business responded well to the easing of lock down in March 2021, with customer demand relatively buoyant and a positive response to the measures put in place by the organisation to ensure that performances could take place again, with appropriate safety measures in place. During the course of 2021/22 the business benefited from the restructuring of the trading offer which was undertaken in 2020/21 and from a range of innovations, including an outdoor performing space which was used to attract visitors back to the site.

The Group and Charity have performed financial modelling for the period to 31 March 2024 which takes into consideration the impact of the current cost of living challenges on the forecast position. The key assumptions used are the return to a two week Aldeburgh Festival, rather than the three week festival, which was held in June 2022 and continuing of a full programme of artistic activity. Despite the shorter festival, a range of actions will be implemented in order to maximise the revenue from the festival, both in terms of box office receipts and wider trading revenue.

Britten Pears Arts has provided letters of support to its subsidiary companies, Snape Maltings Trading Limited and Elm Property Investments (Snape Maltings) Limited confirming that it is willing to provide any necessary financial support to ensure they are able to continue to meet their liabilities as they fall due. This includes but is not limited to not seeking repayment of any Group creditors should it be required for at least 12 months from the date of signing the financial statements. Britten Pears Arts have also confirmed that further amounts can be drawn against the £500,000 facility granted to Snape Maltings Trading Limited in April 2020. Financial projections of Britten Pears Arts support the ability of the Charity to provide this support.

Having considered all the factors noted above, the Trustees are satisfied that there are no material uncertainties in respect of going concern and that there is a reasonable expectation that the Group and Charity have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Income

Income from grants and donations is recognised once entitlement to the funds has been confirmed, it is probable the resources will be received, and the monetary value can be measured with sufficient reliability.

Income is deferred where a donor has imposed performance conditions that must be met before there is unconditional entitlement to the funds. Income is not recognised for legacies subject to a life interest.

Grants and donations received of a capital nature are held in a restricted fund, or otherwise depending on the donor's conditions, and depreciation of the relevant assets is charged to the appropriate fund. Donations of property are professionally valued and accounted for at the time ownership passes to the Charity. Donations or legacies in the form of tradable securities are recognised at market value on the date control is passed.

Income generated from the sale of concert tickets, admissions, goods and services is stated net of Value Added Tax. Box office receipts and other income received in advance of the date of performance is deferred where it does not meet the income recognition criteria noted under the Charities SORP (FRS 102).

Royalty income is accounted for when receipt may be anticipated with reasonable probability. Rental income accounted for under other trading activities relates to income earned from letting properties that are also utilised by the Charity in delivering charitable activities. Investment income is accounted for on an accruals basis.

#### Government grants

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charitable Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.

#### Expenditure

Expenditure is included on an accruals basis and allocated, along with any associated irrecoverable Value Added Tax, to the appropriate heading in the accounts.

#### Costs of fundraising

This is the cost of Britten Pears Arts' fundraising team, who generate income from trusts and foundations, individuals and the business sector.

## NOTES TO THE ACCOUNTS *(continued)*

### 1 ACCOUNTING POLICIES *(continued)*

#### Costs of other activities (trading):

This includes retail and catering expenditure incurred by Snape Maltings Trading Limited, and also service charges, repairs and legal fees associated with the creation and agreement of leases with shop tenants.

#### Charitable activities:

Expenditure incurred to meet charitable aims and objectives, including artistic activity within the Concert Hall, the Red House and the archive and other venues, artistic development through the Britten–Pears Young Artist Programme, Aldeburgh Residencies, Aldeburgh Young Musicians and Learning and Inclusion's outreach into the community.

#### Support costs:

Support costs represent the central services of the Group, including human resources, finance and information technology, and costs of maintaining facilities such as repairs, insurance, business rates and utilities. Support costs have been allocated across the Charity's activities as indicated in Note 4.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure on a straight-line basis over the length of the lease.

#### **Intangible fixed assets**

Intangible assets comprise capitalised computer software and goodwill. Capitalised computer software is amortised over its useful life, which is usually three to five years.

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition. The useful economic life was initially assessed as 10 years from the date of acquisition, which was supported by projected earnings over that period. During the prior year, the Trustees reviewed the carrying value of goodwill and its remaining useful economic life, and determined that the remaining balance should be written off as at 31 March 2021 given the impact of the pandemic.

#### **Tangible fixed assets**

Tangible fixed assets costing up to £500 are not capitalised and are written off in the year of purchase. Works of art are not subject to regular professional valuation due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creator changes from one period to another.

#### **Depreciation**

Tangible fixed assets are stated at historic or deemed cost following the adoption of FRS 102, less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over the period of their expected useful life as follows:

Land	No depreciation.
Freehold property	50 years straight-line basis, down to residual value.
Freehold property improvements	Up to 50 years straight-line basis depending on the expected life of the asset, down to residual value.
Long leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease, down to residual value.
Short leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease.
Motor vehicles	Two to four years straight-line basis.
Office furniture and computers	4% to 50% per annum straight-line basis.
Plant and equipment	10% to 20% per annum straight-line basis.
Musical instruments	No depreciation is provided where, in the opinion of the Trustees, the estimated residual value is in excess of the net book value. Otherwise: 10 years straight-line basis.
Works of art	No depreciation as their residual valuation is considered to be at least equal to their holding value.

A revised estimate of the residual value of freehold and long leasehold property was made in 2019/20 and this has been set at 80% of cost, given the conservation requirements placed upon the Charity's buildings.

#### **Impairment reviews**

Impairment reviews are undertaken when indicators highlight that such reviews are required. Where an asset's holding value is considered to be impaired, the loss is taken through the Statement of Financial Activities.

## NOTES TO THE ACCOUNTS (*continued*)

### 1 ACCOUNTING POLICIES (*continued*)

#### **Heritage assets**

Previously acquired heritage assets are recorded in the financial statements at market value. Additions to heritage assets since the last valuation are recorded at cost. The Trustees have adopted a policy of revaluation and as such the value of heritage assets is considered by the Trustees annually and is subject to a full professional valuation every five years. The Trustees consider that the depreciation charge and accumulated depreciation on manuscripts and other archival material is immaterial due to the extended useful economic life of these assets.

#### **Investment properties**

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Trustees consider that, because investment properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view of the Charity's financial position. As such these properties are carried at market value at each reporting date. Market value is assessed at regular intervals, or sooner in volatile economic circumstances, using a professional valuer. Surpluses or deficits arising on revaluation are charged or credited through the Statement of Financial Activities.

#### **Listed investments**

Listed investments are valued at bid price. Differences arising on market value are taken to the Statement of Financial Activities. Realised gains and losses are recognised when the investment is disposed of, unrealised gains and losses are recognised annually.

#### **Investments in subsidiaries**

Investments in subsidiaries are held in the accounts of parent entities at the value of purchased share capital and are eliminated on consolidation.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Obsolete items carry a corresponding provision.

#### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Trade, Group and other debtors

Trade, Group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

#### Trade, Group and other creditors

Trade, Group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

**NOTES TO THE ACCOUNTS (continued)****2 INCOME AND ENDOWMENTS**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Donations and legacies:</b>		
Arts Council England core grant	1,429	1,429
Arts Council England project grant	442	950
Local authority, public and EU grants	115	144
Trusts and foundations	464	310
Corporate	6	32
Private individuals	796	372
Gift Aid recovered on private individual donations	174	97
Membership subscriptions	76	81
Legacies	52	917
	<u>3,554</u>	<u>4,332</u>
<b>Charitable activities:</b>		
Box Office and admissions	603	152
Box Office commission and processing charges	1	-
Co-production income	-	4
Course and audition fees	93	70
Hire, recording and other site use for artistic purposes	68	4
Theatre and Orchestra Tax Relief	30	-
Programme books and other	59	45
	<u>854</u>	<u>275</u>
<b>Other trading activities:</b>		
Trading turnover, including retail, catering, advertising and sponsorship	5,601	2,564
Royalties	1,050	806
	<u>6,651</u>	<u>3,370</u>
<b>Investments:</b>		
Dividends and interest received on bank deposits and investments	133	129
Rents received including service charges	118	99
	<u>251</u>	<u>228</u>
<b>Other income:</b>		
Government grants for Covid-19	41	1,053
	<u>41</u>	<u>1,053</u>
<b>Total income and endowments</b>	<u>11,351</u>	<u>9,258</u>

**NOTES TO THE ACCOUNTS (continued)****3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES**

The Charity has two active wholly owned trading subsidiaries which are consolidated into the Group's accounts, Snape Maltings Trading Limited (Company Number 1519527) and Britten Estate Limited (Company Number 2063909). The principal activities of both companies are highlighted on page 4.

A summary of Snape Maltings Trading Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a profit before the amortisation of goodwill of £301,000 (2021: loss of £142,000). The Company does not have distributable reserves meaning that there was no Gift Aid distribution to Britten Pears Arts (2021: nil).

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	5,691	2,565
Cost of sales	<u>(2,579)</u>	<u>(1,162)</u>
Gross profit	3,112	1,403
Administrative costs excluding amortisation of goodwill	(2,857)	(2,224)
Other operating income	46	679
Profit/(loss) before amortisation of goodwill	<u>301</u>	<u>(142)</u>
Amortisation of goodwill	-	(792)
Profit/(loss) before taxation	<u>301</u>	<u>(934)</u>
Tax on profit/(loss)	-	664
Profit/(loss) after taxation and retained profit/(loss) for the period	<u><u>301</u></u>	<u><u>(270)</u></u>

A summary of Britten Estate Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a profit before taxation of £974,000 (2021: £759,000). A Gift Aid distribution to Britten Pears Arts was made for this amount. In 2020/21 the company's profit was paid to Snape Maltings Trading Limited in return for surrender of Snape Maltings Trading Limited's tax losses.

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	1,013	795
Cost of sales	<u>-</u>	<u>-</u>
Gross profit	1,013	795
Administrative costs	(39)	(36)
Profit before taxation	<u>974</u>	<u>759</u>
Tax on profit	-	(759)
Profit after taxation and retained profit for the period	<u><u>974</u></u>	<u><u>-</u></u>

**NOTES TO THE ACCOUNTS (continued)****4 EXPENDITURE**

	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Costs of fundraising</b>	327	236	563	511
<b>Costs of other activities (trading)</b>	4,797	328	5,125	4,270
<b>Charitable activities:</b>				
Artistic activities	1,641	1,185	2,826	2,205
Artistic development	794	591	1,385	1,064
Archive, Exhibitions and The Red House	307	219	526	498
Community	401	288	689	394
	<u>3,143</u>	<u>2,283</u>	<u>5,426</u>	<u>4,161</u>
<b>Total resources expended</b>	<u>8,267</u>	<u>2,847</u>	<u>11,114</u>	<u>8,942</u>

Direct costs relate to expenditure required to undertake fundraising and charitable activities and include staff costs for the relevant teams and directly attributable expenditure such as trading cost of sales and overheads.

**Analysis of support costs:**

<b>Type of cost:</b>	<b>Basis of allocation</b>	<b>Charitable activities</b>	<b>Costs of fundraising</b>	<b>Costs of other activities</b>	<b>Total 2022</b>	<b>Total 2021</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operations and site running	Direct costs/time spent	1,276	132	79	1,487	1,075
Administration, IT and finance	Direct costs/time spent	951	98	249	1,298	1,328
Governance	Direct costs/time spent	56	6	-	62	60
		<u>2,283</u>	<u>236</u>	<u>328</u>	<u>2,847</u>	<u>2,463</u>

**5 NET INCOME FOR THE PERIOD**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
This is stated after (crediting)/charging:		
Government grants	(41)	(1,053)
Stock provisions	6	(7)
Depreciation	232	512
Amortisation of intangible fixed assets	1	799
Auditors' remuneration – statutory audit (Charity only)	35	31
– statutory audit (other Group entities)	15	18
– tax compliance	19	11
– tax and other advisory services	8	28
Rentals paid under operating leases	-	7
Loss on disposal of fixed assets	-	-

The Charity was grateful to receive the assistance of 138 volunteer supporters who undertook a range of duties including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. Volunteers, many of whom are long serving, play an important part in the smooth running of events held on site and at external locations.

**NOTES TO THE ACCOUNTS (continued)****6 STAFF COSTS**

	Raising Funds				Total 2022 £'000	Total 2021 £'000
	Fund- raising £'000	Trading Activities £'000	Charitable Activities £'000	Support Costs £'000		
	Wages and salaries	271	1,448	960		
Social security costs	29	89	90	124	332	293
Pension contributions	9	28	40	57	134	146
Other benefits	1	14	1	60	76	42
	<u>310</u>	<u>1,579</u>	<u>1,091</u>	<u>1,477</u>	<u>4,457</u>	<u>4,111</u>

Termination payments in the year amounted to £16,636 (2021: £193,634). No funding was received relating to the payments.

<b>Average number of employees during the year:</b>	2022	2021
Raising funds, including fundraising and trading activities	116	114
Directly involved in furtherance of the Charity's activities	44	42
Operations and administrative support	33	30
	<u>193</u>	<u>186</u>

Average number of full-time equivalent employees during the year	<u>144</u>	<u>132</u>
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The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2022	2021
£60,001 to £70,000	1	-
£70,001 to £80,000	1	3
£90,001 to £100,000	2	2
£170,001 to £180,000	1	-
£190,001 to £200,000	-	1
	<u>-</u>	<u>1</u>

**7 CHIEF EXECUTIVE, KEY MANAGEMENT PERSONNEL AND TRUSTEE EMOLUMENTS**

	2022 £'000	2021 £'000
Chief Executive:		
Salary	178	173
Pension	11	10
Total	<u>189</u>	<u>183</u>
Business expenses	<u>£9,651</u>	<u>£611</u>

The authority to make payments to Trustees is contained within the Charity's Articles of Association. The power to appoint the Chief Executive as a Trustee was confirmed by the Charity Commission. Key management personnel for the year are identified on page 5 of the Trustees' Report. Remuneration and benefits, which include salary, pension and employer's National Insurance, received by key management personnel for the year totalled £512,000 (2021: £495,000). Other than the Chief Executive, who received remuneration and reimbursement of his business expenses, no expenses were paid by the Charity to its Trustees during the year (2021: £nil).

**NOTES TO THE ACCOUNTS (continued)****8 INTANGIBLE FIXED ASSETS**

	<b>Goodwill £'000</b>	<b>Group Software £'000</b>	<b>Total £'000</b>	<b>Charity Software £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
At 1 April 2021	2,113	75	2,188	75	75
Additions	-	-	-	-	-
At 31 March 2022	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
<b>Amortisation:</b>					
At 1 April 2021	2,113	72	2,185	72	72
Charge	-	1	1	1	1
At 31 March 2022	<u>2,113</u>	<u>73</u>	<u>2,186</u>	<u>73</u>	<u>73</u>
<b>Net book value:</b>					
At 31 March 2022	<u>-</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
At 31 March 2021	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

**9 TANGIBLE FIXED ASSETS****GROUP**

	<b>Freehold land and buildings £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instruments and works of art £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
1 April 2021	30,023	83	579	2,056	32,741
Additions	25	11	7	121	164
Disposals	-	-	-	-	-
31 March 2022	<u>30,048</u>	<u>94</u>	<u>586</u>	<u>2,177</u>	<u>32,905</u>
<b>Depreciation:</b>					
1 April 2021	5,241	73	268	1,637	7,219
Charge	59	6	6	161	232
Disposals	-	-	-	-	-
31 March 2022	<u>5,300</u>	<u>79</u>	<u>274</u>	<u>1,798</u>	<u>7,451</u>
<b>Net book value:</b>					
31 March 2022	<u>24,748</u>	<u>15</u>	<u>312</u>	<u>379</u>	<u>25,454</u>
31 March 2021	<u>24,782</u>	<u>10</u>	<u>311</u>	<u>419</u>	<u>25,522</u>

**NOTES TO THE ACCOUNTS (continued)****9 TANGIBLE FIXED ASSETS (continued)****CHARITY**

	<b>Freehold Property £'000</b>	<b>Leasehold Property Improve'ts £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instrum'ts £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>						
1 April 2021	29,254	409	71	579	1,776	32,089
Additions	5	-	-	7	89	101
Disposals	-	-	-	-	-	-
31 March 2022	<u>29,259</u>	<u>409</u>	<u>71</u>	<u>586</u>	<u>1,865</u>	<u>32,190</u>
<b>Depreciation:</b>						
1 April 2021	5,180	12	68	268	1,474	7,002
Charge	31	16	3	6	115	171
Disposals	-	-	-	-	-	-
31 March 2022	<u>5,211</u>	<u>28</u>	<u>71</u>	<u>274</u>	<u>1,589</u>	<u>7,173</u>
<b>Net book value:</b>						
31 March 2022	<u>24,048</u>	<u>381</u>	<u>-</u>	<u>312</u>	<u>276</u>	<u>25,017</u>
31 March 2021	<u>24,074</u>	<u>397</u>	<u>3</u>	<u>311</u>	<u>302</u>	<u>25,087</u>

All fixed assets are used in the furtherance of the Group's activities.

The value of land within freehold land and buildings not depreciated at 31 March 2022 was £2,811,286 (2021: £2,811,286).

In September 2016, Aldeburgh Music Endowment Fund purchased the freehold of Bridge House, Snape, and approximately one-fifth of an acre of floodplain grazing marsh land on the north bank of the River Alde at Snape Maltings. The acquisition of Bridge House, which is located immediately adjacent to the Snape Maltings complex, allows Britten Pears Arts' artist accommodation costs to reduce while increasing Snape Maltings Trading Limited's opportunity to earn holiday rental income.

Musical instruments and works of art include some assets which could be considered to be of historical or artistic significance. However, these are not maintained principally for their contribution to knowledge and culture and therefore have not been classified as heritage assets.

Under FRS 102 transition arrangements, the Trustees considered it appropriate to regard the valuation of works of art by Bonhams in 2005 as the deemed cost for these assets. Due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creators changes, the Trustees consider it to be inappropriate to undertake a policy to revalue these assets.

As a requirement of receiving grant funding from Arts Council England in support of the Snape Maltings Development Plan and the purchase of freehold land and buildings at Snape Maltings, the Trustees have entered into a guarantee and legal charge over its land and a fixed and floating security over its assets.

Following an examination of the Group's tangible fixed assets, which included consideration of the use of land and buildings available to Group members, the Trustees found no indicators that require a review for impairment.

**NOTES TO THE ACCOUNTS (continued)****10 HERITAGE ASSETS****GROUP AND CHARITY**

	Land and buildings £'000	Art Objects £'000	Red House Contents £'000	Archives £'000	Total £'000
Carrying amount at 1 April 2021	3,950	6,207	399	9,616	20,172
Additions	-	-	-	-	-
Revaluation	-	-	-	369	369
Carrying amount at 31 March 2022	<u>3,950</u>	<u>6,207</u>	<u>399</u>	<u>9,985</u>	<u>20,541</u>

**Revaluation of assets**

Heritage Assets were professionally valued as follows:

Date of valuation	Asset Class	Valuer	Value £
January 2022	Archives	Francesca Franchi	9,985,142
28 February 2018	Land and buildings	Peter Watson FRICS Flick & Son, Chartered Surveyors	3,950,000
27 March 2015	Art Objects	Rohan McCulloch – St Georges Valuations	6,206,890
31 March 2020	Red House Contents	Gary Barfoot for Clarke and Simpson	399,096

The historical cost of heritage assets as at 31 March 2022 is as follows:

	2022 £'000	2021 £'000
Land and buildings	3,329	3,329
Art Objects	1,631	1,631
Red House Contents	78	78
Archives	<u>4,548</u>	<u>4,548</u>
	<u>9,586</u>	<u>9,586</u>

**Heritage assets are held for the following purposes:**

- to sustain the activities of the archive: to maintain and, when appropriate, to extend its priceless collection of Britten autograph manuscripts, together with other manuscripts, books, scores and works of art, and to encourage public use of the archive as a resource for educational, scholarly and relevant commercial purposes.
- to maintain and to preserve the integrity of The Red House, Britten's home, as a heritage property of national importance, whilst ensuring that the property is used to further the Charity's objectives in a constructive way.

**Five year financial summary of heritage asset transactions**

	31/03/22 £	31/03/21 £	31/03/20 £	31/03/19 £	31/03/18 £
<b>Purchases and donations</b>					
Archives	-	-	167,000	10,050	7,000

There have been no disposals in any period covered by the table above. There have been no further purchases or donations other than those detailed above.

**NOTES TO THE ACCOUNTS (continued)****11 INVESTMENTS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Market value at beginning of year	6,914	5,341	6,696	851
Additions	-	14	-	-
AMEF donation	-	-	-	5,545
Disposals	(22)	-	(22)	-
Unrealised gain/(loss) on revaluation	382	1,559	382	300
Market value at end of year	<u>7,274</u>	<u>6,914</u>	<u>7,056</u>	<u>6,696</u>
Investment in subsidiary undertakings at cost	<u>-</u>	<u>-</u>	<u>2,131</u>	<u>2,631</u>
	<u>7,274</u>	<u>6,914</u>	<u>9,187</u>	<u>9,327</u>
Historic or deemed historic cost at end of year	<u>3,969</u>	<u>3,991</u>	<u>6,100</u>	<u>6,622</u>

Investments are represented by:	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Equities and other market investments	4,839	4,479	4,839	4,479
Properties	2,435	2,435	2,217	2,217
Subsidiary undertakings	-	-	2,131	2,631
Market value or cost at end of year	<u>7,274</u>	<u>6,914</u>	<u>9,187</u>	<u>9,327</u>
Equities and other market investments	2,404	2,426	2,404	2,426
Properties	1,565	1,565	1,565	1,565
Subsidiary undertakings	-	-	2,131	2,631
Historic or deemed historic cost at end of year	<u>3,969</u>	<u>3,991</u>	<u>6,100</u>	<u>6,622</u>

The Trustees hold market and property investments for the long-term and have no plans to liquidate these assets. In March 2021, investment properties at Snape Maltings were valued by Fenn Wright, Chartered Surveyors, the previous valuation was in August 2016 and assigned a value as at the date of transition to FRS102, 1 April 2014.

## Subsidiary undertakings:

The Charity is supported by its subsidiary undertakings, holding all the issued share capital of those companies in the form of Ordinary shares and Redeemable preference shares:

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Snape Maltings Trading Limited (Company Number 1519527)	<u>100</u>	<u>162</u>

Snape Maltings Trading Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Britten Estate Limited (Company Number 2063909)	<u>100</u>	<u>21</u>

Britten Estate Limited is incorporated in England and Wales. In 2021/22 the Company donated any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objectives. In 2020/21 the Company used its distributable profits to pay its fellow subsidiary, Snape Maltings Trading Limited, for use of that company's taxable losses. The company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

**NOTES TO THE ACCOUNTS (continued)****12 FINANCIAL INSTRUMENTS**

The carrying amount of the Group's and Charity's financial instruments at 31 March were:

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Financial assets measured at fair value	<u>4,839</u>	<u>4,479</u>	<u>4,839</u>	<u>4,479</u>

**13 STOCKS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Goods held for resale	472	403	-	-
Fuel	<u>13</u>	<u>13</u>	<u>-</u>	<u>-</u>
	<u>485</u>	<u>416</u>	<u>-</u>	<u>-</u>

**14 DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	344	224	177	83
Amounts due from Group undertakings	-	-	848	460
Prepayments and accrued income	1,970	2,343	1,474	1,712
Other current debtors	<u>28</u>	<u>324</u>	<u>25</u>	<u>308</u>
	<u>2,342</u>	<u>2,891</u>	<u>2,524</u>	<u>2,563</u>

**15 CREDITORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>				
Trade creditors	553	112	318	80
Other taxes and Social Security	216	81	47	63
Other creditors	223	185	216	185
Accruals and deferred income	<u>1,168</u>	<u>478</u>	<u>742</u>	<u>188</u>
	<u>2,160</u>	<u>856</u>	<u>1,323</u>	<u>516</u>

Included within other creditors are amounts held as agent of £34,545 (2021: £27,574) which is means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development. Funds are held by the Charity in a separate balance sheet control account, are subject to an annual internal review and are available for examination by the Department for Education.

	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due after more than one year:</b>				
Rent deposit held as security	6	6	6	6
Deferred tax	<u>7</u>	<u>5</u>	<u>-</u>	<u>-</u>
	<u>13</u>	<u>11</u>	<u>6</u>	<u>6</u>

**NOTES TO THE ACCOUNTS (continued)**

<b>16 DEFERRED TAX</b>	<b>Group 2022 £'000</b>	<b>Group 2021 £'000</b>	<b>Charity 2022 £'000</b>	<b>Charity 2021 £'000</b>
Provision for deferred tax has been made as follows:				
Deferred tax liabilities	7	5	-	-
Deferred tax assets	-	-	-	-
Net position	<u>7</u>	<u>5</u>	<u>-</u>	<u>-</u>
Movements in the year:				
Balance at 1 April	5		-	
Additional provisions made in year	<u>2</u>		<u>-</u>	
Balance at 31 March	<u>7</u>		<u>-</u>	
Deferred tax is comprised as follows:				
Capital gains	<u>7</u>	<u>5</u>	<u>-</u>	<u>-</u>

Deferred tax is not recognised in respect of losses and other deductions of £202,253 (2021: £213,429) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**17 TAXATION**

Snape Maltings Trading Limited currently has a retained deficit due to the amortisation of goodwill and therefore has no liability to pay UK Corporation Tax. Other members of the Group have no, or minimal, liability for UK taxation due to their charitable status or lack of retained profits.

**18 UNRESTRICTED AND RESTRICTED FUNDS**

<b>GROUP CURRENT YEAR</b>	<b>Balance 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2022 £'000</b>
<b>Unrestricted funds:</b>						
General	2,802	10,659	(9,969)	9	(157)	3,344
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	3,761	-	(189)	-	157	3,729
Securing the Future fund	867	5	-	-	-	872
Other designated funds	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100</u>
Total designated funds	<u>5,063</u>	<u>5</u>	<u>(189)</u>	<u>-</u>	<u>157</u>	<u>5,036</u>
Total unrestricted funds	<u>7,865</u>	<u>10,664</u>	<u>(10,158)</u>	<u>9</u>	<u>-</u>	<u>8,380</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,546	40	-	118	-	1,704
Other income reserves	667	499	(628)	-	-	538
BPYAP and other activities	536	100	(260)	20	-	396
Restricted fixed assets	<u>5,757</u>	<u>3</u>	<u>(34)</u>	<u>-</u>	<u>-</u>	<u>5,726</u>
Total restricted funds	<u>8,506</u>	<u>642</u>	<u>(922)</u>	<u>138</u>	<u>-</u>	<u>8,364</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

<b>GROUP PRIOR YEAR</b>	<b>Balance 1 April 2020 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2021 £'000</b>
<b>Unrestricted funds:</b>						
General	2,771	7,795	(8,074)	-	310	2,802
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	1,417	-	-	300	2,044	3,761
Securing the Future fund	867	-	-	-	-	867
Other designated funds	100	-	-	-	-	100
Total designated funds	<u>2,719</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>2,044</u>	<u>5,063</u>
Total unrestricted funds	<u>5,490</u>	<u>7,795</u>	<u>(8,074)</u>	<u>300</u>	<u>2,354</u>	<u>7,865</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,232	40	-	274	-	1,546
Other income reserves	970	240	(391)	-	(152)	667
BPYAP and other activities	364	137	-	35	-	536
Restricted fixed assets	16,840	103	(40)	145	(11,291)	5,757
Total restricted funds	<u>19,406</u>	<u>520</u>	<u>(431)</u>	<u>454</u>	<u>(11,443)</u>	<u>8,506</u>

Transfers between funds in the prior year represent consolidation adjustments required following the differing treatment of funds between Group entities.

<b>CHARITY CURRENT YEAR</b>	<b>Balance 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2022 £'000</b>
<b>Unrestricted funds:</b>						
General	4,341	5,665	(5,335)	9	(94)	4,586
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	-	160
Designated fixed assets	3,326	-	(127)	-	94	3,293
Securing the Future fund	867	5	-	-	-	872
Other designated income funds	100	-	-	-	-	100
Total designated funds	<u>4,628</u>	<u>5</u>	<u>(127)</u>	<u>-</u>	<u>94</u>	<u>4,600</u>
Total unrestricted funds	<u>8,969</u>	<u>5,670</u>	<u>(5,462)</u>	<u>9</u>	<u>-</u>	<u>9,186</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,546	40	-	118	-	1,704
Other income reserves	667	499	(628)	-	-	538
Britten-Pears Young Artist Programme	535	100	(260)	20	-	395
Restricted fixed assets	5,758	3	(34)	-	-	5,727
Total restricted funds	<u>8,506</u>	<u>642</u>	<u>(922)</u>	<u>138</u>	<u>-</u>	<u>8,364</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

CHARITY PRIOR YEAR	Balance		Investm't			Balance
	1 April	Income	Expend.	Gains/	Transfers	31 March
	2020			(losses)		2021
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General	3,640	6,700	(4,283)	-	(1,716)	4,341
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	-	160
Designated fixed assets	1,417	-	-	300	1,609	3,326
Securing the Future fund	867	-	-	-	-	867
Other designated income funds	100	-	-	-	-	100
Total designated funds	<u>2,719</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>1,609</u>	<u>4,628</u>
Total unrestricted funds	<u>6,359</u>	<u>6,700</u>	<u>(4,283)</u>	<u>300</u>	<u>(107)</u>	<u>8,969</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	-	1,546	-	-	-	1,546
Other income reserves	970	240	(390)	-	(153)	667
Britten-Pears Young Artist Programme	209	326	-	-	-	535
Restricted fixed assets	<u>11,431</u>	<u>5,637</u>	<u>(20)</u>	<u>-</u>	<u>(11,290)</u>	<u>5,758</u>
Total restricted funds	<u>12,610</u>	<u>7,749</u>	<u>(410)</u>	<u>-</u>	<u>(11,443)</u>	<u>8,506</u>

General unrestricted funds are available for use as Trustees consider appropriate. Transfer out of £157,000 represents the transfer to the designated fixed asset fund to reflect the net book value of tangible fixed assets not represented by restricted or endowment funds. In the prior year transfers in of £310,000 predominantly represents the transfer in of £2,521,000 from the general expendable endowment reserve within Aldeburgh Music Endowment Fund on its transfer to Britten Pears Arts to align the treatment of unrestricted reserves offset by £2,044,000 of transfers to the designated fixed asset fund to reflect the net book value of tangible fixed assets not represented by restricted or endowment funds.

The designated Artist Fund was created to underpin the expansion in artist development. With £175,000 already in this reserve the Trustees believe it holds sufficient funds to meet its aims.

The designated Opera and Commission Fund provides support for the development of opera, an area noted for high production costs. The target amount for this reserve is £200,000.

The designated fixed asset funds represent the net book value of non-heritage fixed assets and investment properties, formerly held by the Britten Pears Foundation, at the end of the year.

The Securing the Future fund is being built in anticipation of the time at which royalty income will fall away, but also provides security against the potential reduction in other key income sources.

Other designated funds represent a £100,000 capital fund, to maintain the fabric at the Red House site.

Restricted funds represent grants, donations and legacies which must be used as donors have directed.

- The Basil Coleman Memorial Fund provides funding in support of fully staged operas (particularly those of Benjamin Britten) performed by students of the Britten-Pears Young Artist Programme upon completion of opera courses.
- Other income reserves represent amounts recognised in advance of associated project delivery and include funding in support of developing the creative health initiative.
- Funds held in the BPYAP and other activities reserve support specific activities including the Britten-Pears Young Artist Programme.
- Restricted fixed assets reflect the balance of grants and donations received, less depreciation charges, in support of the purchase of land and buildings, site redevelopment and some works of art. The Snape Maltings Concert Hall, Hoffman Building and Britten Pears Buildings were transferred to the designated and permanent endowment funds during 2020/21 on transfer from Aldeburgh Music Endowment Fund to Britten Pears Arts as part of the group reorganisation.

**NOTES TO THE ACCOUNTS (continued)****19 ENDOWMENT FUNDS**

<b>GROUP</b>	<b>Balance 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Invest. Gains £'000</b>	<b>Transfers £'000</b>	<b>Other Gains £'000</b>	<b>Balance 31 March 2022 £'000</b>
Expendable – Designated	15,148	45	(31)	-	-	-	15,162
Expendable – Catalyst	2,879	-	-	218	-	-	3,097
Total expendable endowment	18,027	45	(31)	218	-	-	18,259
Permanent endowment	23,447	-	(3)	17	-	369	23,830
Total Endowment Funds	41,474	45	(34)	235	-	369	42,089

	<b>Balance 1 April 2020 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Invest. Gains £'000</b>	<b>Transfers £'000</b>	<b>Other Gains £'000</b>	<b>Balance 31 March 2021 £'000</b>
Expendable – General	2,761	70	(431)	61	(2,461)	-	-
Expendable – Designated	7,050	873	(6)	8	7,223	-	15,148
Expendable – Catalyst	2,181	-	-	698	-	-	2,879
Total expendable endowment	11,992	943	(437)	767	4,762	-	18,027
Permanent endowment	19,082	-	-	38	4,327	-	23,447
Total Endowment Funds	31,074	943	(437)	805	9,089	-	41,474

<b>CHARITY</b>	<b>Balance 1 April 2021 £'000</b>	<b>Income £'000</b>	<b>Expend £'000</b>	<b>Invest. Gains £'000</b>	<b>Transfers £'000</b>	<b>Other Gains £'000</b>	<b>Balance 31 March 2022 £'000</b>
Expendable – Designated	15,148	45	(31)	-	-	-	15,162
Expendable – Catalyst	2,879	-	-	218	-	-	3,097
Total expendable endowment	18,027	45	(31)	218	-	-	18,259
Permanent endowment	23,447	-	(3)	17	-	369	23,830
Total Endowment Funds	41,474	45	(34)	235	-	369	42,089

	<b>Balance 1 April 2020 £'000</b>	<b>Income £'000</b>	<b>Expend £'000</b>	<b>Invest. Gains £'000</b>	<b>Transfers £'000</b>	<b>Other Gains £'000</b>	<b>Balance 31 March 2021 £'000</b>
Expendable – Designated	4,435	3,490	-	-	7,223	-	15,148
Expendable – Catalyst	-	2,879	-	-	-	-	2,879
Total expendable endowment	4,435	6,369	-	-	7,223	-	18,027
Permanent endowment	18,922	198	-	-	4,327	-	23,447
Total Endowment Funds	23,357	6,567	-	-	11,550	-	41,474

## NOTES TO THE ACCOUNTS *(continued)*

### 19 ENDOWMENT FUNDS *(continued)*

#### **Expendable – Designated**

- Britten–Pears Young Artist Programme Funds provide financial support to the Charity to enable students from around the world to attend masterclasses held as part of the Britten–Pears Young Artist Programme.
- Britten–Pears and Events Funds provide funding in support of the Britten–Pears Young Artist Programme and events at Snape Maltings Concert Hall.
- The Replacement and Renewals Fund of £853,000 exists to meet significant ongoing repairs and improvements to the Group’s sites, including the Concert Hall and its infrastructure.
- The Contingency Reserve of £946,000 marginally below £950,000 target. The reserve is intended to cover known and likely costs payable over a notional 12 to 24-month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders.
- The heritage asset and fixed asset funds amount to £13m and represent the net book value of specific assets which are not held as legally endowed or restricted at the year end.

The £7,223,000 transfer into this reserve in 2020/21 represents the cost of the Britten Pears and Hoffman buildings, previously held as restricted fixed assets, which have been added to expendable endowment on transfer from Aldeburgh Music Endowment Fund to Britten Pears Arts as part of the group reorganisation.

#### **Expendable – Catalyst**

In 2012 Arts Council England awarded a grant under the Catalyst Arts: endowments scheme. New funds totalling £1,000,000 were matched-funded by Arts Council England to create a new endowment. The grant was made subject to various conditions, including the Trustees signing a Declaration of Trust which includes a provision that the capital will be invested for a minimum of 25 years, after which it will become unrestricted.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Britten Pears Arts for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

#### **Permanent endowment**

Permanent endowment reserves are comprised of funds, predominantly heritage assets, whose capital may not be spent. The heritage asset funds represent the net book value of the assets at the end of the year, and comprise of The Archive Collection, The Red House and Outbuildings, The Red House Collection and the Snape Maltings Concert Hall.

**NOTES TO THE ACCOUNTS (continued)****20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2022 are represented by:				
Intangible assets	2	-	-	2
Tangible assets	3,729	4,989	16,736	25,454
Heritage assets	-	-	20,541	20,541
Investments	1,482	2,479	3,313	7,274
Net current assets	3,180	896	1,499	5,575
Creditors falling due after more than one year	(13)	-	-	(13)
	<u>8,380</u>	<u>8,364</u>	<u>42,089</u>	<u>58,833</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2021 are represented by:				
Intangible assets	3	-	-	3
Tangible assets	3,761	5,016	16,745	25,522
Heritage assets	-	-	20,172	20,172
Investments	1,475	2,339	3,100	6,914
Net current assets	2,631	1,157	1,457	5,245
Creditors falling due after more than one year	(5)	(6)	-	(11)
	<u>7,865</u>	<u>8,506</u>	<u>41,474</u>	<u>57,845</u>

**ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2022 are represented by:				
Intangible fixed assets	2	-	-	2
Tangible fixed assets	3,292	4,989	16,736	25,017
Heritage assets	-	-	20,541	20,541
Investments	2,698	2,476	3,313	8,487
Net current assets	2,500	899	1,499	4,898
Long term asset	700	-	-	700
Creditors falling due after more than one year	(6)	-	-	(6)
	<u>9,186</u>	<u>8,364</u>	<u>42,089</u>	<u>59,639</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2021 are represented by:				
Intangible fixed assets	3	-	-	3
Tangible fixed assets	3,326	5,016	16,745	25,087
Heritage assets	-	-	20,172	20,172
Investments	2,688	2,339	3,100	8,127
Net current assets	1,752	1,157	1,457	4,366
Long term asset	1,200	-	-	1,200
Creditors falling due after more than one year	-	(6)	-	(6)
	<u>8,969</u>	<u>8,506</u>	<u>41,474</u>	<u>58,949</u>

**21 PENSION COMMITMENTS**

The Group operates separate defined contribution group personal pension schemes for the Charity and its subsidiary, Snape Maltings Trading Limited. The assets are held in an independently administered fund. Contributions paid during the period amounted to £134,011 (2021: £145,945), of which £27,167 (2021: £25,565) related to higher paid staff within the income bands highlighted in Note 6.

Outstanding pension contributions, which are included within other creditors at 31 March 2022, totalled £11,108 (2021: £14,083).

**22 CAPITAL COMMITMENTS**

At 31 March, there were no capital commitments (2021: £nil).

**NOTES TO THE ACCOUNTS (continued)****23 RELATED PARTY TRANSACTIONS**

Due to the nature of the Group's operations and the composition of Trustees, transactions sometimes take place with non-Group organisations in which a Trustee will have an interest.

During the year, the Group recognised donations from Trustees and other family members totalling £329,138 including Gift Aid (2021: £99,563), of which £nil is within debtors at year end (2021: £nil).

Transactions between the Charity and Group members during the current and prior periods were as follows:

	<b>Snape Maltings Trading Limited £</b>	<b>Britten Estate Limited £</b>	<b>Aldeburgh Music Endowment Fund £</b>	<b>Elm Property Investments (Snape Maltings) Limited £</b>
<b><u>Current year</u></b>				
<b>Balance at 31 March 2022</b>	155,193	474,641	-	4,433
<b>Income</b>				
Management charges	341,730	25,542	-	8,058
Rent	239,831	-	-	-
Interest on loan	43,069	-	-	-
Utility, accommodation and other income	31,282	-	-	-
Gift aid distribution	-	974,394	-	-
	<u>655,912</u>	<u>999,936</u>	<u>-</u>	<u>8,058</u>
<b>Expenditure</b>				
<b>Management charges</b>	10,995			
Catering, car parking and other charges	91,278	-	-	-
Rent	-	-	-	300
	<u>102,273</u>	<u>-</u>	<u>-</u>	<u>300</u>
<b><u>Prior year</u></b>				
<b>Balance at 31 March 2021</b>	450,164	9,937	-	-
<b>Income</b>				
Grants	-	-	47,890	-
Management charges	181,892	29,283	84,428	7,208
Interest on loan	46,734	-	-	-
Utility, accommodation and other income	11,963	-	2,153	-
Donations – transfer on group reorganisation	-	-	16,598,027	-
	<u>240,589</u>	<u>29,283</u>	<u>16,732,498</u>	<u>7,208</u>
<b>Expenditure</b>				
Catering, car parking and other charges	12,073	-	-	-
Rent	-	-	81,560	-
	<u>12,073</u>	<u>-</u>	<u>81,560</u>	<u>-</u>

The organisational structure of the Group and the relationship between each Group member is highlighted on page 3 of the Trustees Report. All Group members have their registered office at Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP.

**NOTES TO THE ACCOUNTS (continued)****24 ANALYSIS OF CHANGES IN NET DEBT**

Group	1 April 2021 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2022 £'000
<b>Cash and cash equivalents</b>				
Cash	2,794	2,114	-	4,908
	<u>2,794</u>	<u>2,114</u>	<u>-</u>	<u>4,908</u>

**25 CONTINGENT LIABILITY**

The Charity and its wholly owned subsidiaries, Snape Maltings Trading Limited and Britten Estate Limited, share the same registration for VAT purposes, reducing administration and imposing joint and several liabilities on each party. At 31 March 2022, the net joint VAT liability was £147,242 (2021: £4,912). Of this liability, £nil (2021: £nil) is represented by the Charity, £57,327 (2021: £nil) by Snape Maltings Trading Limited and £89,916 (2021: £4,912) by Britten Estate Limited.

**26 OPERATING LEASE COMMITMENTS**

Besides low value commitments to hire equipment for activities, the Charity and Snape Maltings Trading Limited occupy premises at Snape Maltings and Aldeburgh which were leased from Aldeburgh Music Endowment Fund and from Elm Property Investments (Snape Maltings) Limited and in the prior year, Aldeburgh Music Endowment Fund. Related income and expenditure are eliminated on consolidation. The property leased from Aldeburgh Music Endowment Fund to the Charity was transferred by Aldeburgh Music Endowment Fund to the Charity on 31 March 2021.

The total future minimum lease payments under non-cancellable operating leases are as follows:

Amounts due:	2022 £'000	2021 £'000
Within one year	-	26
Between one and five years	-	14
	<u>-</u>	<u>40</u>

**27 GUARANTEE**

The Charity is a company limited by guarantee. In the event of any winding up, each member would be required to contribute £1 towards the liabilities of the company. As at 31 March 2022 there were 13 such members (2021: 13).

**Britten Pears Arts**

England & Wales - Charity number 261383

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# Accounts

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**BRITTEN PEARS ARTS  
(FORMERLY SNAPE MALTINGS)**

**Company Registration Number: 980281**

**Registered Charity Number: 261383**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

# **BRITTEN PEARS ARTS**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

### **INDEX**

#### **PAGE NO:**

<b>1</b>	<b>LEGAL AND ADMINISTRATIVE DETAILS</b>
<b>2</b>	<b>INTRODUCTION FROM CO-CHAIRS OF BRITTEN PEARS ARTS</b>
<b>3 – 15</b>	<b>TRUSTEES' REPORT INCLUDING STATEMENT OF TRUSTEES' RESPONSIBILITIES</b>
<b>16 – 18</b>	<b>INDEPENDENT AUDITORS' REPORT</b>
<b>19</b>	<b>CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES</b>
<b>20</b>	<b>CONSOLIDATED AND CHARITY BALANCE SHEETS</b>
<b>21</b>	<b>CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS</b>
<b>22 – 46</b>	<b>NOTES TO THE CONSOLIDATED ACCOUNTS</b>

**LEGAL AND ADMINISTRATIVE DETAILS**

<b>NAME</b>	Britten Pears Arts (formerly Snape Maltings)
<b>LEGAL STRUCTURE</b>	The Charity is a company limited by guarantee and incorporated in England and Wales, registered number: 980281
<b>CHARITY REGISTRATION NUMBER</b>	261383
<b>TRUSTEES</b>	<p><b><i>Continuing Trustees:</i></b>  Sir Vernon Ellis (Appointed 1 April 2020, Co-Chair 1 April 2020 to 14 May 2021, Chair from 14 May 2021)  Sir Simon Robey (Co-Chair until 14 May 2021)  Sarah Faulder (appointed 1 April 2020)  Dr Scot McKendrick (appointed 1 April 2020)  Angela Mallinson (appointed 1 April 2020)  Jamie Njoku-Goodwin (appointed 20 January 2021)  Garth Pollard  David Robbie  Janis Susskind (appointed 1 April 2020)  Alasdair Tait  Laura Wade-Gery (appointed 1 April 2020)  Roger Wright  Sarah Zins</p> <p><b><i>Former Trustees:</i></b>  Jane Hay (appointed 1 April 2020, resigned 1 December 2020)  Penelope Heath (appointed 1 April 2020, resigned 1 February 2021)  Professor Christopher Higgins (appointed 1 April 2020, resigned 1 December 2020)  Sir Christopher Howes (appointed 1 April 2020, resigned 6 December 2020)  Miranda Kendall (resigned 30 November 2020)  William Kendall (appointed 1 April 2020, resigned 22 December 2020)  Oliver Rivers (appointed 1 April 2020, resigned 26 February 2021)  Clive Schlee (appointed 1 April 2020, resigned 16 December 2020)  Andrew Staff (appointed 1 April 2020, resigned 16 December 2020)  Patricia Swannell (resigned 16 December 2020)  Stephen Swift (appointed 1 April 2020, resigned 18 December 2020)</p>
<b>HONORARY PRESIDENTS</b>	The Lord Stevenson of Coddenham Colin Matthews
<b>HONORARY VICE PRESIDENT</b>	The Lord Geddes
<b>CHIEF EXECUTIVE</b>	Roger Wright
<b>PRINCIPAL AND REGISTERED OFFICE</b>	Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP
<b>AUDITORS</b>	RSM UK Audit LLP, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk IP33 3SB
<b>COMMERCIAL BANKERS</b>	Barclays Bank Plc, Suffolk Coastal Group, 4 Church Street, Woodbridge, Suffolk IP12 1DJ
<b>INVESTMENT MANAGERS AND ADVISORS</b>	CCLA Investment Management Limited, 85 Queen Victoria Street, London EC4V 4ET
<b>LEGAL ADVISORS</b>	Prettys Solicitors, 25 Elm Street, Ipswich IP1 2AD
<b>INVESTMENT PROPERTY ADVISORS</b>	Fenn Wright Limited, 1 Buttermarket, Ipswich IP1 1BA

## **Introduction**

Our first year as our newly merged organisation (Britten Pears Arts) has been challenging and unexpected. However, despite the impact of the pandemic and its attendant lockdowns we have found a way to continue to achieve our mission to make music, arts and heritage useful, and to enhance the lives of diverse audiences, musicians, young people and others at what has been an enormously challenging time for all of them.

Our unique business model with its diverse income streams means that dealing with the impact of the pandemic has been unusually complex, with each area of our activity adversely affected. It has been thanks to the significant support of Arts Council England and Department for Digital, Culture Media and Sport (DCMS) through the Cultural Recovery Fund that we have been able to continue our work. As we slowly move out of this period of such significant challenge, we can build on the lessons learnt during the pandemic. Whilst we were not able to present the annual Aldeburgh Festival in June 2020 and our performance programme was significantly impacted, with the vital support of the Cultural Recovery Fund we built an exciting and much appreciated programme from August to December. We complied with all of the various and continually changing Covid-19 related restrictions and guidelines during the year and were able safely to deliver 41 performances to 12,000 ticket buyers. We presented several free outdoor concerts and gave 2,250 visitors access to the Red House and grounds. We have engaged with audiences online and digitally in a wide variety of ways and we have reached around 500,000 listeners through our BBC broadcasts.

We were also able to deliver some community and artist development programmes digitally, offered residency and retreat opportunities and produced two virtual festivals. We played a leading role in the classical music sector in our determination to present events and provide employment to freelancers, even under the most demanding and uncertain circumstances. We have been nimble and resourceful, responding promptly to sudden changes and have taken advantage of thinking afresh about our offers and what our audiences, visitors and participants expect and need.

After extensive consultation during the year, we have developed and published our Equality, Diversity and Inclusion Action Plan which has been warmly welcomed. It is now being implemented and updated as a live document and delivery plan. In presenting all of this activity safely, we have supported our local and regional audiences and the freelance community of musicians, production and technical crews, contractors, workshop leaders and many others.

This year especially we owe a huge debt of gratitude to all our supporters, the public bodies which provide vital funding, notably Arts Council England and DCMS. We were very grateful for the government's coronavirus job retention (furlough) scheme which supported 176 jobs and was particularly valuable within our trading businesses. We are especially thankful to all our supporters who maintained their support during this year and our ticket buyers who so generously transferred their ticket purchases to donations. Trusts and Foundations remained key supporters during the year, many generously allowing us to reallocate or un-restrict their support.

Thank you to board colleagues throughout the year who have contributed so much at such a difficult time, particularly Jane Hay, Penny Heath, Christopher Higgins, Christopher Howes, Miranda Kendall, William Kendall, Oliver Rivers, Clive Schlee, Andrew Staff, Patricia Swannell and Stephen Swift who stepped down from the board during the year.

As Co-Chairs of Britten Pears Arts, and on behalf of our fellow trustees, we salute the dedication and resourcefulness of our staff, whether they had to deal with the uncertainty of furlough, or with the significant additional workload imposed by the absence of furloughed colleagues and the constraints and uncertainties that Covid-19 imposed. We thank them, and our supporters, our audiences, our visitors and our volunteers for all that they do to ensure the ongoing success of this unique organisation.

Sir Vernon Ellis and Sir Simon Robey  
Co-Chairs  
Britten Pears Arts

## **TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)**

The Trustees present their report along with the Charity's and Group's financial statements for the year ended 31 March 2021.

The Charity aims to promote and encourage the knowledge, study, teaching and practice of the arts in all their forms throughout the world and advance education in matters related to peace for the benefit of the public; promote and encourage any other charitable object or purpose and to engage in any field of charitable grant making activity permitted by English Law.

Britten Pears Arts was founded on 1 April 2020 when Snape Maltings and the Britten-Pears Foundation merged. It exists to ensure that the legacies of Benjamin Britten and Peter Pears continue to be enjoyed worldwide. Their legacy includes the Aldeburgh Festival, their archive, a cutting edge programme of creative health work, the Britten-Pears Young Artist Programme, the house where they lived and extensive learning and inclusion work throughout Suffolk and beyond. Their legacy also incorporates their attitude, values and belief in helping communities, the disadvantaged in society and those who don't have access to music or culture.

Britten Pears Arts uses music to change and enrich thousands of lives every year, from nurturing young emerging artists to supporting people in challenging conditions, all whilst bringing world-class music to Suffolk. Inspired by Benjamin Britten's founding vision, it provides a place where artists at all stages of their career are given the time and space to develop. It is also home to life-changing community projects, making the most of music's ability to help in the most difficult of circumstances. It maintains, conserves and develops The Red House as a major heritage site and uses it to encourage visitors to learn more about the life and work of Benjamin Britten and Peter Pears. It holds a unique archive of manuscripts, documents, artworks, and multimedia materials for the public. It provides access to the collections and disseminates them as widely as possible, both physically and virtually.

On 31 March 2021 a group reorganisation was completed when the assets and liabilities of the subsidiary charity, The Aldeburgh Music Endowment Fund, were transferred to Britten Pears Arts.

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Charity meets the definition of a public benefit entity under the Charities SORP (FRS 102).

The information given on page 1 forms part of this report.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **STATUS AND GOVERNING INSTRUMENT**

Britten Pears Arts is a registered charity and a company limited by guarantee and the organisation is governed by its Articles of Association.

#### **MEMBERS OF THE BOARD**

The governing body of Britten Pears Arts is its Board of Directors which has responsibility to ensure the Charity is properly managed. As Britten Pears Arts is a charity, each Director is more usually referred to as a Trustee. New Trustees are appointed following a selection process, a central feature of which is our commitment to equality diversity and inclusion. Confirmation of appointment is undertaken at the subsequent Annual General Meeting.

Trustees are provided with an induction programme involving all aspects and activities of the organisation, including its relationship with its subsidiary undertakings, Aldeburgh Music Endowment Fund (incorporated into Britten Pears Arts from 31 March 2021), Snape Maltings Trading Limited and Britten Estate Limited. The Trustees recognise the need to maintain an up-to-date skillset which is applicable to today's changing charity environment.

#### **ORGANISATIONAL STRUCTURE**

Besides the Charity, the Group's main entities consist of Snape Maltings Trading Limited (company registration: 1519527), Aldeburgh Music Endowment Fund (charity registration: 282610) and Britten Estate Limited (company registration: 2063909). The remaining assets and liabilities of Aldeburgh Music Endowment Fund were transferred to Britten Pears Arts on 31 March 2021. The financial statements for Britten Pears Arts consolidate the Charity's results with those of other Group members including their subsidiaries. Transactions between Group members are eliminated as part of the consolidation process.

## **TRUSTEES' REPORT (continued)**

Snape Maltings Trading Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. It undertakes retail and catering activities at Snape Maltings along with ancillary sponsorship and advertising through the operation of shops, galleries and catering outlets. The company also manages the hiring of the sites' facilities for weddings, conferences and other non-artistic events, and operates a holiday lettings business. Its financial results are summarised in Note 3.

Britten Estate Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. The company promotes the music of Benjamin Britten and receives income in the form of royalties, and its financial results are summarised in Note 3.

Snape Maltings Trading Limited has a wholly owned subsidiary, Elm Property Management (Snape Maltings) Limited (company registration: 6371788), which undertakes the care and management of residential properties at Snape Maltings on behalf of the leaseholders. For statutory purposes, this company was dormant for the year.

Aldeburgh Music Endowment Fund is an unincorporated charity established to hold endowment and revenue funds and property of which members of the Group are the principal beneficiaries. A process to incorporate the assets and liabilities of Aldeburgh Music Endowment Fund into Britten Pears Arts started during the year to 31 March 2020 and completed on 31 March 2021.

Aldeburgh Music Endowment Fund's wholly owned subsidiary, Elm Property Investments (Snape Maltings) Limited (company registration: 9641832), owns the freehold of a number of properties at Snape Maltings and receives an annual ground rent from the leaseholders. Elm Property Investments (Snape Maltings) Limited became a direct subsidiary of Britten Pears Arts with effect from 31 March 2021.

## **GOVERNANCE**

### **Trustee Board**

The activities of Britten Pears Arts are ultimately controlled by its trustee board which holds regular meetings throughout the year and is committed to the principles of the Charity Governance Code. By providing a range of experience and skills, it helps the operational management team to achieve artistic success with stable finances. The Trustees provide guidance and knowledge across the organisation's activities, specifically in areas including artistic, financial and risk management, strategy, logistics, human resources, marketing, property and investments. They also support the organisation in maintaining a wide network of stakeholders, including existing and potential funders.

### **Ability to hold office**

Prior to appointment, Trustees are required to confirm they are not barred from holding office as a Trustee or Director.

### **Declaration of interests**

In order to ensure that decision-making is transparent, all Trustees and senior managers of the Group are required to sign a Declaration of Interests and a standing agenda item requires Trustees and others present to declare any interests that may arise in the course of each board meeting.

### **Audit Committee**

The Audit Committee is chaired by David Robbie and includes board member Sarah Faulder and former trustees Christopher Higgins, Oliver Rivers, and Patricia Swannell (resigned November 2021). Any trustee may attend meetings. The Audit Committee monitors the integrity of the statutory financial statements, ensures the effectiveness of the systems of internal and risk control and manages the effectiveness, performance and objectivity of the external auditors.

The Audit Committee meets at least twice each year with at least one meeting including the Group's external auditors. The performance and re-appointment of the auditors is reviewed each year and the Audit Committee Chairman makes an appropriate recommendation to the Trustees ahead of the Annual General Meeting.

A separate Finance Committee was established in 2020 to assist the board in monitoring its management accounts, budgets and forecasts and overall financial performance and to recommend the strategy, policies and procedures for the Group's investments and estate assets. The Finance Committee is chaired by David Robbie and includes board members Garth Pollard and Sarah Zins and former trustees Christopher Howes, Andrew Staff and Stephen Swift.

## **TRUSTEES' REPORT (*continued*)**

### **Remuneration and Nominations Committee**

As at 31 March 2021 the Remuneration Committee comprised Sir Vernon Ellis, David Robbie, Sir Simon Robey, Janis Susskind and Sarah Zins. The Committee meets as necessary to review and make recommendations relating to changes to employees' salaries and benefits, including that of the Chief Executive. The Committee is also responsible for making recommendations to the Council on the appointment of new Trustees.

### **KEY MANAGEMENT PERSONNEL**

All Trustees and non-executive directors of Group subsidiaries, together with Roger Wright (Chief Executive Officer), Sarah Bardwell (Executive Director), Harry Young (Chief Operating Officer), Terry Comer (Head of Finance, retired 30 June 2020) and Stephen Pugh (Chief Finance Officer, appointed 22 July 2020) are considered to be the Group's key management personnel.

Remuneration levels for key management employees are set within the context of budgets and plans which are approved by the board before implementation and include, where appropriate, recommendations from the Remuneration Committee. Details of payments to key management personnel are provided in Note 7.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees undertake a formal process to review risks and risk management strategies proposed by the operational management team. A risk register is reviewed at least twice each year to identify the financial, reputational and organisational risks the Group faces and priority in terms of potential impact, likelihood of occurrence and means of mitigation.

The periodic closure of arts and retail activities as a result of the Covid-19 pandemic has presented a major challenge to the Group since March 2020 and there is continuing uncertainty regarding its longer-term impact.

The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating risk and uncertainties to the extent reasonably achievable. The Trustees have considered the adequacy of the Group's internal controls and believe them to be appropriate.

### **OBJECTIVES AND ACTIVITIES**

The Charity is established to promote and assist in the advancement of education in the arts and crafts including music, drama, dancing, mime, painting, sculpture, graphic and other visual arts, literature, poetry and digital arts, and to extend and increase the appreciation, knowledge and understanding of the arts and crafts in all their forms.

### **AIMS AND OBJECTIVES**

#### **Objectives for the coming year**

The main objectives for the 2021-2022 year are:

- effectively responding to the challenges presented by the Covid-19 pandemic;
- building on the success of previous artistic activities through maintaining the distinctiveness of the organisation's work, whilst building audience and public awareness;
- developing and expanding the archive at the Red House and further encouraging its wider use;
- developing the reputation and impact of the Britten–Pears Young Artist Programme and Residencies;
- delivering music-based learning and inclusion projects in the region with national and international dimensions and impact;
- developing and embedding a culture of Equality, Diversity and Inclusion across the whole organisation;
- continuing to give strategic priority to building philanthropic income and increasing the stability of the Group's long-term business model;
- continuing to establish and develop the Britten Pears Arts brand and refine its interaction with the existing brands within the organisation;

## **TRUSTEES' REPORT (*continued*)**

### **Achieving Objectives**

The Charity's activities and achievements in pursuit of its objectives for the past year are highlighted in the Strategic Report. The three key objectives set for 2020/21 were firstly, the successful completion of the merger between Snape Maltings and the Britten Pears Foundation, which took place on 31 March 2020, secondly the subsequent reorganisation to absorb the Aldeburgh Music Endowment Fund into Britten Pears Arts which happened on 31 March 2021 and thirdly managing the challenges of the Covid-19 pandemic, which led to rapid improvements in the Charity's abilities to deliver its work digitally. Further objectives were:

- building on the success of previous artistic activities through maintaining the distinctiveness of the organisation's work, whilst building audience and public awareness;
- developing and expanding the archive at the Red House and further encouraging its wider use;
- developing the reputation and impact of the Britten–Pears Young Artist Programme and Residencies;
- delivering music-based learning and inclusion projects in the region with national and international dimensions and impact;
- develop and embed a culture of Equality, Diversity and Inclusion across the whole organization;
- continue to give strategic priority to the fundraising department to build income and increase the stability of the Charity's long-term business model;
- continue to establish and develop the Britten Pears Arts brand and how it works together with the existing brands within the organisation;

The sections below explain the charity's progress in meeting these objectives.

## **STRATEGIC REPORT**

### **ACHIEVEMENTS AND PERFORMANCE**

In line with the aims and objectives of the organisation, Britten Pears Arts continues to build on the success of its reputation as a leading international creative campus across two main sites, renowned as a performance centre, an artist development hub, critically acclaimed for its learning and inclusion work, unique archive and heritage house and museum offer and developing its growing reputation as a distinctive leader in the area of creative health with music.

### **Artistic Activities**

#### **Performance programme**

Cancelling the 73<sup>rd</sup> Aldeburgh Festival was unprecedented in the Charity's history and so, when the festival should have taken place in June, it turned to its archives and took the opportunity to engage with current and new audiences through a 'Celebration of Aldeburgh Festivals.' The initiative included broadcasts with BBC Radio 3, BBC 4, BBC iPlayer and Classic FM, as well as sharing content on its YouTube channel. Among other things, its productions of 2016 "Les Illuminations", 2013 "Grimes on the Beach", 2014 "Aldeburgh MusiCircus", the BBC TV documentary "Britten on Camera" and an extensive memories project were presented. It also curated an 'on this day' series on social media for each day of what would have been the Festival and subsequently produced an Aldeburgh Festival of Music and the Arts publication called Interlude.

In August, a ground-breaking series of weekend socially-distanced concerts was launched which ran until the second November lockdown. We asked musicians to perform much shorter programmes of no longer than an hour twice a day. This allowed many people to hear the concerts, despite significantly reduced seating availability for safety reasons, and for preparation of the hall with cleaning between each performance. The events were hugely popular and enormously appreciated by performers and audiences alike. These performances helped give the wider sector the confidence to present events, and audiences the confidence to attend them. Performances included the Chineke! Ensemble, the London Philharmonic Orchestra, Nicola Benedetti and the Orchestra of the Age of Enlightenment, an English Touring Opera weekend featuring staging of song cycles and Julia Bullock with The Philharmonia conducted by Esa-Pekka Salonen. A Christmas series featured free-to-all outdoor light projections and various seasonal concerts with artists including The Swingles, Alex Mendham Orchestra, Chamber Choir of London, The King's Singers and Solus Trumpet Ensemble.

## **TRUSTEES' REPORT (*continued*)**

### **Digital Engagement**

A number of digital activities were presented during the Covid-19 lockdown period, ranging from an online Festival of New, live-streamed online meetings and events to provide opportunities for audiences to engage with the Charity remotely at a time that suited them. Festival of New online, was live-streamed in February. It included a round-table discussion about the challenges of the times, a series of discussions hosted by DJ Zakia Sewell concerning twelve projects. Artists shared films from residencies that had already happened and described their forthcoming plans.

Another initiative was called #BBOpus providing short bite-size content about each of Britten's opus numbers on twitter. This included a daily film, links to recordings, and to archival content. 20 podcasts were produced with a wide range of contributors, some with connections to Britten, including Matthew Rose, Juliet Fraser, Anna Lapwood and Reverend Richard Coles. Short films of performances in The Red House Library were made with artists including Sheku Kanneh-Mason, Lawrence Power, Jess Gillam and Imogen Cooper. A series of online events exploring aspects of the Red House and Britten's life there were live-streamed.

### **Community**

All the Charity's in-person work with the community came to an abrupt halt in March 2020 but, where possible, the team swiftly tilted towards online delivery. This enabled them to continue to offer support for the wellbeing of people across Suffolk and beyond, strengthening connections between individuals in a variety of settings. The Sing to Beat Parkinson's group – Skylarks – was able to meet once in person during the period as online activity was not possible. Group A, an un-auditioned vocal group of 8-18s in Lowestoft and Ipswich, were also unable to undertake online singing at first, but remained in close touch with the team. The group returned to in-person activity in August, with sessions running during the Autumn before the third lockdown, when the participants were able to undertake online song writing workshops.

The virtual tea dance for isolated adults and people in care homes was a huge success with over 600 people taking part remotely. The music was recorded on site in advance and the event itself took place live via Zoom in December in collaboration with Dance East, Suffolk Libraries and Creative Arts East. Resources and materials were created, including Christmas hampers for local care homes that were delivered by a team of volunteers.

Working in any prison setting was not practical during lockdowns and so a virtual exhibition was staged, celebrating artwork created by residents of HMP Warren Hill throughout 2020, including poetry, visual art and needlework, plus archive recordings of music created as part of Britten Pears Arts projects. This was hosted on the Charity's website. Further content was developed for sharing via WayOut TV to 50 prisons nationwide (including the local HMP Warren Hill).

Support for young people in the community, regionally and nationally, continued. Mini-Music sessions (weekly, 30-minute song participatory events for 0 to 5 year olds) were held virtually on Friday mornings. They became an important fixture from April 2020 throughout the lockdown period. It returned in person but outdoors from September and through the Autumn. In addition, regular songs were posted online for the young people and their carers to enjoy.

Reaching a national audience, new Friday Afternoons songs written by Russell Heppelwhite and Michael Rosen were launched digitally during the year, with a recording by a remote choir of young people. Alongside this material, the Charity commissioned a new Signed Video resource by Dr Paul Whittaker who also led a digital session to train teachers and leaders. New composition resources for teachers were also created.

Work with schools, including SEN schools, included workshops focusing on different areas of the curriculum and were delivered online and, where possible, in person. Arts Award sessions were also continued with local primary schools and presentations were made to year 6 students.

### **Aldeburgh Young Musicians (AYM)**

Aldeburgh Young Musicians, one of the Department for Education's National Centres for Advanced Training for young people aged 8-18, continued its work entirely via digital means throughout the year. Participants accessed online tutorials and workshops related to various projects ranging from opera to song-writing, and continued to work with their peers to develop their musical skills and knowledge in an interactive and engaging way. New members to the scheme were auditioned online, and the mentoring programme supported young musicians on a one-to-one basis. It was possible to hold one in-person course during the period. This was led by Harry Escott, supported by professional composers, instrumentalists, narrators and sound artists. Participants explored the radio drama format, considering production, composition and narration techniques before creating their own new work.

## **TRUSTEES' REPORT (*continued*)**

### **Britten–Pears Young Artist Programme**

It was impossible to run the BPYAP programme as normal throughout the year but there was an opportunity for a review of the scheme as the Charity responded to the requirements of young professionals and their hopes and needs for future training. New plans were developed and put in place for a 2022/23 cohort.

### **Residencies**

Residencies and Creative Retreats took place but with a reduced capacity during the year. It was possible to go ahead with residencies including Alex Groves working on compositional ideas, and Ben See and Dominic Stinchbury exploring their collaborative approach to writing new choral music.

The Charity worked again in partnership with Wild Plum Arts to facilitate a retreat programme in August with 13 composers/ creatives taking part. Staying in the 4 properties connected to The Red House, participants worked individually during the day on various projects, ranging from preparing scores for a recording, concluding a commission for Tête à Tête, and writing miniatures for the santoor. In the evening they gathered and ate together, socially distanced and outdoors, where they could compare notes, share ideas and form a supportive community network.

### **Creative Health**

The Charity's Creative Health work became even more vital during this period, particularly with so many people in our various communities thinking about their own mental health and the support they needed to provide to colleagues, friends and families.

Think Tanks and in-person workshop sessions were transferred online during the year. Sound Voice met virtually for two days to develop its longer-term strategy for working with people with a lived experience of voice loss. Performers, academics, technology, and medical experts contributed to this UK-wide cross-sector research and development project. A virtual MOT session brought together the last two cohorts of participants in a trial course which was particularly useful for musicians as they responded to the impact of the pandemic.

### **Britten Pears Archive**

Despite the lockdowns, the Archive team continued to respond to queries, undertook cataloguing and generated articles and online content. The team produced weekly archive articles through the year which were made available on the website. These included essays about Britten and Richard Rodney Bennett, the Channel Air Bridge, Britten's Piano Concerto and Joan Cross' wartime cast books. The cataloguing of the Basil Coleman papers was concluded, and work began on Heather Harper's and Joan Cross's papers.

The archivists gave online presentations at various conferences and events, including a musicology conference in Taiwan, the Association of Performing Arts Collections AGM, the South and East Museums Federation Virtual Study Day and regular supporter events.

### **The Red House**

The Red House was severely impacted by the pandemic and was closed for much of the period. Once it was permitted to re-open, distancing and cleaning restrictions meant that opening was reduced from 6 days per week to 4. A new exhibition called "Such an Artist to Write for: Inspiration and Collaboration" was presented. It explored performers for whom Britten wrote, focussing on Peter Pears but also other musicians such as Mstislav Rostropovich, Julian Bream and Janet Baker.

Due to the size of the rooms, no group visits or events were able to take place during 2020. However, The Red House was part of the national Heritage Open Day scheme in September with 276 visitors over four days. They were able to enjoy outdoor performances and activities for children.

During the closed period a number of site improvements were made, including renovation of the reception area and the creation of a new retail space. A pop-up café was installed outside and sculpture was moved and relocated to enhance the garden experience, along with newly laid paths, removal of trees and over 1,500 bulbs planted.

## TRUSTEES' REPORT (continued)

### FINANCIAL REVIEW

#### GROUP FINANCIAL OVERVIEW FOR THE YEAR

Britten Pears Arts is in the unusual situation of reporting a substantial surplus of £1,875,000 in a year dominated by the Covid-19 pandemic. Two exceptional circumstances have created this situation. The first is revaluations - the investment portfolio that underlies most of its reserves rose substantially in value from the depressed prices at the start of the year when the pandemic was first beginning to take hold and its investment properties were revalued after a period of years and these too show a large revaluation surplus. The second reason is that the Charity has been the fortunate beneficiary of a number of large legacies, totalling approaching £1 million. Most of these are yet to be received, but under charity accounting rules these met the income recognition criteria this year.

Britten Pears Arts holds its equity portfolio for the long term and sees its income from that portfolio as being the dividend return that it accrues. Particular years may show positive or negative revaluation surpluses, but whilst accounting regulations require that these are recognised in its accounts, they are not cash amounts (as the assets have not been sold) and the Group does not treat them as being part of their income for the year. Similarly, it does not see revaluation surpluses on investment properties as being available income, as they too can reverse and these properties are key assets held for the long term. The Charity views the relevant income as being the rental achieved.

Legacies are by their nature an unpredictable source of income. Some years may see material amounts received as legacies, but other years can show very little. Legacies may also be restricted to certain purposes defined by the legator and they are therefore not regarded by the Charity as being part of its normal income.

During a year in which many arts and trading organisations would otherwise have had to close their doors as the impact of Covid-19 took hold, the government and other bodies made a number of important grants to keep such entities afloat. Britten Pears Arts was the fortunate beneficiary of a £950,000 grant from the Arts Council as part of the first round grants from the Culture Recovery Fund. This fund has supported many arts organisations across the country and has allowed the Charity to keep artistic activity alive despite lockdowns and the natural caution of audiences at in-person events. It has also benefitted by £920,000 from the government's Coronavirus Job Retention (Furlough) Scheme which was notably important in preserving trading operations during lockdowns, as well as by £241,000 from local authority grants and rates relief.

The Statement of Financial Activities on page 19 indicates an increase in total Group reserves of £1,875,000. Adjusting for the impact of revaluations and legacies, the year to 31 March 2021 saw a deficit of £602,000, despite the substantial support received from the Arts Council and government grants.

The group reorganisation to transfer the assets and liabilities of Aldeburgh Music Endowment Fund to Britten Pears Arts completed on 31 March 2021. The Aldeburgh Music Endowment Fund held its reserves in endowment, but on transfer to Britten Pears Arts the unrestricted element of these reserves has been moved to general reserve, which is how they would have been categorised had they been originally recognised in Britten Pears Arts.

Table 1 summarises Group income for the year from Note 2 and is stated in line with accounting requirements under the Charities SORP (FRS 102). It includes amounts relating to future periods while excluding grants and donations received in previous years for activities undertaken in 2020/21.

<b>Table 1 – Group income</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
Arts Council England core grant	1,429	15.4%	1,403	11.1%
Arts Council England project grant	950	10.3%	-	-
Trusts and foundations	310	3.4%	574	4.6%
Private, including memberships and Gift Aid	550	5.9%	876	6.9%
Legacies	918	9.9%	808	6.4%
Local authority and corporate donations	175	1.9%	167	1.3%
Box Office and admissions	152	1.6%	1,102	8.7%
Theatre and Orchestra Tax Relief	-	-	155	1.2%
Other charitable activities, including course fees	123	1.3%	271	2.1%
Trading activities, including retail and catering	2,564	27.7%	5,115	40.5%
Royalties	806	8.7%	1,782	14.1%
Investments, including interest, dividends and rent	228	2.5%	278	2.2%
Other income, including government grants for Covid-19	1,053	11.4%	110	0.9%
<b>Total income and endowments</b>	<b>9,258</b>	<b>100.0%</b>	<b>12,641</b>	<b>100.0%</b>

## TRUSTEES' REPORT (continued)

Table 2 highlights Group expenditure for the year and includes costs associated with activities undertaken during 2020/21 only. More information can be found in Note 4.

Table 2 – Group expenditure	2021	2021	2020	2020
	£'000	%	£'000	%
Fundraising	253	2.8%	263	2.2%
Trading, including retail and catering	4,000	44.7%	5,029	42.1%
Artistic activities	1,200	13.4%	2,073	17.4%
Artistic development	577	6.4%	1,020	8.5%
Archive, Exhibitions and The Red House	246	2.8%	515	4.3%
Community	203	2.3%	332	2.8%
Operations	1,075	12.0%	1,197	10.0%
Administration, including IT and Finance	1,328	14.9%	1,375	11.5%
Governance, including audit fees and legal advice	60	0.7%	134	1.1%
Other expenditure, incl. loss on disposal of fixed assets	-	-	11	0.1%
<b>Total expenditure</b>	<b>8,942</b>	<b>100.0%</b>	<b>11,949</b>	<b>100.0%</b>

Table 3 summarises Group reserves at year end. Greater levels of detail will be found in the Statement of Financial Activities on page 19, the Balance Sheets on page 20 and notes to the accounts from page 22.

Table 3 – Group reserves	2021	2021	2020	2020
	£'000	%	£'000	%
Unrestricted	7,865	13.6%	5,490	9.8%
Restricted	8,506	14.7%	19,406	34.7%
Endowment	41,474	71.7%	31,074	55.5%
<b>Total reserves/net assets</b>	<b>57,845</b>	<b>100.0%</b>	<b>55,970</b>	<b>100.0%</b>

The Group's net assets of £57,845,000 are mainly comprised of fixed assets to the value of £52,611,000, which includes £25,522,000 of tangible fixed assets and £20,172,000 of heritage assets. £3,000 of intangible fixed assets reflects software used in the organisation. The remaining £6,914,000 represents income-generating investments designed to provide funding stability for the long-term.

Unrestricted reserves increased by £2,375,000 which is predominantly the result of reanalysing reserves following the group reorganisation in which the assets and liabilities of the Aldeburgh Music Endowment Fund were assumed by Britten Pears Arts.

Restricted reserves decreased by £10,900,000, predominantly due to the transfer of the Britten Pears and Hoffman buildings from restricted reserves to expendable endowments and the transfer of the Snape Maltings Concert Hall from restricted reserves to permanent endowments, again as part of the group reorganisation.

Endowment funds increased by £10,400,000, which is again represented predominantly by the result of reanalysing reserves following the group reorganisation including the transfer in of the Britten Pears building, Hoffman building and the Snape Maltings Concert Hall and the transfer out of general endowments to unrestricted reserves, plus £873,000 legacies income received and a £805,000 revaluation gain on investments.

Further detail in respect of the on-going impact of Covid-19 on the forecast position is provided in Note 1 to the accounts. Having considered all factors explained in Note 1 and recognising the likely continuing effects of Covid-19, the Trustees have a reasonable expectation that the Group and parent Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### BRITTEN PEARS ARTS

As a standalone entity, Britten Pears Arts' total reserves rose £16,623,000 to close at £58,949,000. Unrestricted funds increased by £2,610,000, predominantly as a result of reanalysing reserves following the group reorganisation in which the assets and liabilities of the Aldeburgh Music Endowment Fund were assumed by Britten Pears Arts. Restricted reserves decreased by £4,104,000, again largely due to the group reorganisation.

Trust and foundations income for the year decreased significantly by £264,000 to £310,000 (2020: £574,000), again a substantial part of this relates to income recognition under charity accounting rules.

## **TRUSTEES' REPORT (continued)**

### **ALDEBURGH MUSIC ENDOWMENT FUND**

Aldeburgh Music Endowment Fund (AMEF), a separate charity, completed the transfer of its assets and liabilities to Britten Pears Arts on 31 March 2021, and became dormant. Prior to this date it held the main assets of the Group and used its income to make grants to Britten Pears Arts in support of its activities. During the year, AMEF made core and project grants to Britten Pears Arts totalling £47,890 (2020: £533,060) allowing Britten Pears Arts to provide, alongside other activities, 10 places for participants on the Britten–Pears Young Artist Programme.

Shops and office space owned by AMEF generated £69,934 (2020: £83,195) in the year from tenants. Dividend income received in the year was £127,900 (2020: £156,837).

There were no purchases or sales of market investments during the year or the prior year. The revaluation of market investments at 31 March 2021 generated an unrealised gain of £865,718 (2020: loss of £63,344). The Trustees believe market investments administered through CCLA Investment Management Limited are an appropriate way of investing funds for the long-term. In the context of general stock market movements during the year, and in an extended period of low interest rates, the Trustees are satisfied that investments managed by CCLA provided a suitably secure vehicle within which to maintain and increase capital while generating sufficient returns to allow it to be a significant and reliable source of income.

### **SNAPE MALTINGS TRADING LIMITED**

The company, which delivers a wide range of retail and catering activities was badly affected by periods of lockdown and enforced closure. Turnover decreased to £2,564,785 (2020: £5,241,890). The company acquired its trading businesses in 2015 and the goodwill acquired at that time was being written off over a ten-year period. The poor performance in the last year and uncertainty about the future path of the pandemic led the company to write-off the residual balance of goodwill as at 31 March 2021. When adjusted to exclude interest, tax, depreciation and amortisation, the company would have reported a loss of £52,256 (2020: earnings of £117,484). As there are no distributable profits after the amortisation of goodwill, the company was unable to make a distribution to Britten Pears Arts (2020: £nil).

In March 2015, the company purchased retail and other business activities through the advance of a loan of £2,312,937 from Aldeburgh Music Endowment Fund which carries a fixed annual interest rate. Ahead of the completion of the group reorganisation in March 2021, under which Aldeburgh Music Endowment Fund transferred its assets and liabilities to Britten Pears Arts, the remaining loan of £2,000,000 was assigned in March 2020 by Aldeburgh Music Endowment Fund to Britten Pears Arts. £1,000,000 was capitalised through the issue of redeemable preference shares to Britten Pears Arts. During the year a further loan from Britten Pears Arts of £200,000 was made due to the shutdown of activities as a result of Covid-19. The remaining balance of the loan at the year end was £1,200,000 (2020: £1,000,000). As the company made taxable losses, which were particularly high during the year because of the write-off of all goodwill, at the same time as its fellow trading subsidiary, Britten Estate Limited, made profits, it was paid by Britten Estate Limited for use of those losses to offset its taxable income. This receipt will allow part of the loan balance to Britten Pears Arts be repaid in the year to 31 March 2022.

### **BRITTEN ESTATE LIMITED**

The company continued to promote the music of Benjamin Britten and receive income in the form of royalties. With the pandemic lockdowns and reduced performances, royalty income fell and turnover reduced to £794,742 (2020: £1,721,336), with profit falling to £758,809 (2020: £1,632,743). As the company made taxable profits whilst its fellow trading subsidiary, Snape Maltings Trading Limited, made losses, it has arranged to pay Snape Maltings Trading Limited for the use of its losses to offset its taxable income.

### **FUNDS HELD AS CUSTODIAN TRUSTEE**

Creditors include £27,574 (2020: £28,096) of means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development.

### **PRINCIPAL FUNDING SOURCES**

In this exceptional year Britten Pears Arts and its subsidiary companies have benefitted greatly from public body grants that have helped arts organisations, and organisations more generally, to survive whilst activity has been locked-down and audiences have been hugely reduced. The importance of the Culture Recovery Fund, the Coronavirus Job Retention Scheme and local authority support is noted above and the Group is enormously grateful.

Aside from the exceptional support from the Arts Council's Culture Recovery Fund, Britten Pears Arts continued to benefit from annual core funding from Arts Council England. In June 2017, the Charity received confirmation that it had been successful with its application to receive continued core funding of £1,403,019 per annum from Arts Council England for the years 2018/19 to 2021/22. The grant was made following their prior agreement of a four-year business plan and the Trustees are enormously grateful to Arts Council England for its continued support.

## **TRUSTEES' REPORT (*continued*)**

Besides revenue generated by retail and catering operations, box office and project fees, a considerable proportion of the Group's income is philanthropic and derives from grants and private sources, including legacies. The Trustees are indebted to many generous individuals and organisations for their support of artistic activities, including: Department for Education, Esmée Fairbairn Foundation and The Leverhulme Trust.

The Trustees gratefully acknowledge the receipt of donations and legacies from its supporters. Approaching £1 million was notified to the charity as legacy income in the year to 31 March 2021 and three legacies, from the estates of Derek Barbanell, Geoffrey Collens and Patricia Austin, each exceeded £100,000.

### **FINANCIAL POLICIES**

#### ***Reserves Policy***

In last year's report and accounts it was noted that following the merger of Snape Maltings and the Britten Pears Foundation, the Trustees had started the process of considering the reserves policy of the merged organisation. This work has now been concluded. The Trustees considered the overall risks faced by the Charity including the extent to which each income source was at risk and the extent to which costs were fixed and unavoidable in the short term. The Trustees concluded that they would aim that unrestricted and undesignated (free) reserves, not backed by fixed assets, should cover six months of projected charitable costs. This is a number of about £3.6 million and compares to actual free reserves of £2,802,000. Future growth in unrestricted reserves will come about through increasing retained income, in particular royalty income should improve as the pandemic abates.

#### ***Unrestricted General Reserves***

These reserves stood at £2,771,000 at the start of the year and grew to £2,802,000 at 31 March 2021. Though the year-on-year change is small, there were larger offsetting underlying movements. An increase of £2,521,000 resulted from the general expendable endowment reserve within the Aldeburgh Music Endowment Fund being moved to unrestricted reserve on its transfer to Britten Pears Arts. Aldeburgh Music Endowment Fund categorised all its reserves as endowment, but the general expendable endowment held no restrictions and was equivalent to unrestricted reserve within Britten Pears Arts. The main factor offsetting this change was a £2,044,000 increase in the designated fixed asset fund. Previously not all of Britten Pears Arts' fixed assets held within unrestricted reserve were part of this fund. All such assets are now held within the designated fixed asset fund making the calculation of free reserve more straightforward.

#### ***Unrestricted Designated Reserves***

The Trustees designate certain funds for specific use, including an Artist Fund which underpins the expansion in artist development and an Opera and Commission Fund to provide support for the development of opera, an area noted for high production costs and needing long-term planning. A designated fund is also retained for fixed assets and as noted above, this fund now contains all fixed assets held within unrestricted reserve.

The Britten Pears Foundation designated reserves to fund activities after copyright income ceases and the Trustees have agreed that a designated reserve for this purpose should continue, though it should be widened to a "Securing the Future" reserve that covers the need to plan for the time at which royalty income falls away, but also provides security against the potential reduction in other key income sources. This reserve will be built over a period of years, noting that the largest drop in royalty income will happen seventy years after Benjamin Britten's death in 1976. The aim has been set to build a reserve of £15 million. At 31 March 2021 it stood at £867,000. The trustees aim to add £250,000 per annum on average to this reserve.

#### ***Restricted and Endowment Reserves***

Certain reserves bear restrictions on their use imposed by donors, with some of these limiting, or barring, access to the donated capital. Details of restricted and endowment funds, including those of a permanent endowment nature, are provided in Notes 18 and 19.

On merger of Snape Maltings with the Britten Pears Foundation, restrictions were placed on some of the assets transferred as part of the merger (see note 29). Permanent endowment funds have been created firstly for the archive collection and secondly for the Red House, its outbuildings and its collection. The archive building and other property fixed assets have been transferred as Expendable endowment funds. The Aldeburgh Music Endowment Fund held the freeholds of the Snape Maltings Concert Hall, The Britten Pears Building and the Hoffmann Building on the Snape Maltings site. On the transfer of the Aldeburgh Music Foundation Limited's assets and liabilities to Britten Pears Arts the Trustees agreed that the Snape Maltings Concert Hall, and its collections, would be held as permanent endowment and the Britten Pears and Hoffmann buildings would be held as expendable endowment.

#### ***Investments***

The Trustees are responsible for setting the Fund's investment policy and strategy and are authorised to make any investment they consider to be beneficial. The Trustees confirm they have remained within this power and continue to keep their investment policy and strategy under review.

## **TRUSTEES' REPORT (continued)**

### Investment Properties

The Trustees consider it appropriate to invest in commercial property where there is a strategic fit with the activities of the Group and such action provides a rate of return in excess of 5% of investment cost after the deduction of operational expenses. When vacant periods arise, local agents are appointed to manage new tenancy advertising and to provide advice regarding rent levels.

### Market Investments

Meetings are held with investment advisors at least once during the year to monitor performance and review strategy. Key aspects of the investment policy include the achievement, within acceptable levels of risk, of at least market-rate income whilst taking a long-term view regarding capital growth. The current income target is to achieve a yield in excess of the FTSE All-Share Index yield after the deduction of management charges and for capital growth to outperform the FTSE All-Share Index over the long-term, a period defined as being not less than ten years. There is also an investment fund invested in an interest-bearing cash account with Scottish Widows.

### Investment Performance

All investment properties were tenanted during the year. The target income yield of above 5% of cost was met.

The investment properties were revalued during the year and a revaluation surplus of £693,000 has been recognised.

## **KEY PERFORMANCE INDICATORS**

Britten Pears Arts and its Group entities measure progress against a number of indicators set out in annual budgets and plans. It has been following SMART objectives agreed with Arts Council England particularly focussed on the Creative Case for Diversity. Non-financial indicators include public engagement and reach, the number of Festival commissions and targeting a rise in international collaborations. The main financial indicators include royalty income, box office performance, fundraising income, retail sales and investment returns. The Board reviews key performance indicators at its meetings during the year through receiving summary papers and within the Group's management accounts.

## **PUBLIC BENEFIT**

The Charity Commission has distilled a number of principles of public benefit which must be addressed by charities. Any benefit arising from an organisation's activities must be to the public or a section of the public, in respect of which the opportunity to benefit must not be unduly restricted by ability to pay any fees charged; and that people in poverty must not be excluded from the opportunity to benefit.

In setting the level of ticket prices, fees, charges and concessions, the Trustees give careful consideration to the accessibility of concerts and other projects to those on low incomes. Britten Pears Arts' pricing reflects its aim of enabling all members within our community, whatever their means, to take part in its activities. Ticket pricing is generally dependent on event costs and seat location. Ensuring wide access is a priority, resulting in ticket prices for many events starting below £10. Concessionary prices are available at most concerts.

Some events, such as Bandstand on Aldeburgh beach as part of past Aldeburgh Festivals, and Dome stage events in 2021 are undertaken to generate public interest in the Charity's activities and are free to all. We are fortunate to have a loyal supporter base of Friends and other supporters who are able to access a priority booking period. However, a number of tickets are held back to allow the general public the opportunity of purchasing seats at an otherwise sold-out concert.

Activities led by the Learning and Inclusion team, including working in care homes with people with dementia, are making a positive difference to the physical and mental wellbeing of the public. Some projects undertaken by the Charity require participants to pay for their travel and other costs. Financial support is made available to those in need such that, in appropriate circumstances, all costs are waived.

The Snape Maltings and Red House sites are steeped in history and are amongst Suffolk's most visited tourist venues. The Maltings has open access and is available to the public for recreational use such as walking, although it is anticipated that visitors will also enjoy the site's performance, catering and shopping facilities.

## **VOLUNTEERS**

Britten Pears Arts is grateful to have the support of a body of unpaid volunteers who perform important duties at events including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. During the year, we were pleased to have 164 volunteers (2020: 173) who worked a total of approximately 3,120 hours (2020: 12,300 hours) and which would otherwise have cost an estimated minimum wage of £27,000 (2020: £101,000). Without the loyalty and dedication of these people, the organisation would be forced to reduce its programme of events or increase concert prices.

## **TRUSTEES' REPORT (*continued*)**

### **FUNDRAISING**

Sections 13 and 14 of the Charities Act 2016 address public concern about how charities raise funds. The Charity Commission has issued guidance requiring trustees to confirm that fundraising activities are compliant with standards set out in the Code of Fundraising Practice as well as those required under other guidelines and legislation covering areas such as data protection.

#### ***Monitoring fundraising activities***

The Director of Development for Britten Pears Arts monitors activities undertaken by this department across all Group entities. Regular reports are provided to the Chief Executive and each Board meeting of Britten Pears Arts includes a review of activities undertaken by the Fundraising team. During the year all fundraising activities were performed by Britten Pears Arts' staff. No professional fundraisers were used to carry out fundraising activities on behalf of the Charity or any Group entity. Consequently, no fees or commission was paid to professional fundraisers (2020: £nil).

#### ***Voluntary self-regulation***

The Fundraising Regulator is an independent regulator of charitable fundraising, established to strengthen the system of regulation and preserve public trust in the not-for-profit sector. The Charity has voluntarily registered with the Fundraising Regulator and supports the aims and objectives of this organisation.

#### ***Compliance with standards***

The Charity's fundraising activity complies with all relevant legislation and regulation, including the General Data Protection Regulation, and the Privacy and Electronic Communications Regulations 2003. The Trustees are not aware of any breaches of the Code of Fundraising Practice or other standards.

#### ***Complaints relating to fundraising activities***

The Charity has a policy regarding complaints received in relation to its fundraising activities. No complaints were received in the year (2020: none).

#### ***Vulnerable people, unreasonable behaviour and undue pressure***

The Charity has never used telephone or doorstep methods to induce donations from members of the public and stopped sharing its data with other organisations some years ago. Existing supporters and potential donors are required to provide their prior consent to the use of their data, particularly in relation to receiving communications about future events. The Charity's website and printed brochures encourage members of the public to participate in a number of supporter schemes or to consider leaving a legacy in their Wills. The Charity does not send unsolicited mail or use other methods of contact that are not initiated first by the prospective supporter.

### **EQUALITY, DIVERSITY AND INCLUSION**

Britten Pears Arts has published its Equality, Diversity and Inclusion Statement and Action Plan. This work is embedded across the organisation with leadership driven by the Equality, Diversity and Inclusion working group that meets regularly, by the Executive Director and by a board trustee champion. The Group aims to continue developing accessibility and diversity in all areas, whether it be for staff, volunteers, audiences, customers, performers or participants. It's mission is to make new voices heard within the organisation, including at board level. To this end a clear programme of targets and actions has been developed, training undertaken, and the voices of those with protected characteristics listened to, taking the particular challenges of the region into account.

The programme presented by the Charity on its various stages continues to represent an extremely wide range of genres and styles delivered by a diverse group of musicians and performers. New recruitment methods have been used with the aim of diversifying the workforce. The Group is an equal opportunities employer and has appropriate policies in place. Partners include Suffolk Refugee Support, Diversity Dashboard, Inc Arts and Black Lives in Music. In addition, first interviews are offered online, together with help with travel costs for interviews in person. The Group is working to improve access to the site and to ensure access to all is extended. It is exploring how the barriers of geographical limitation, the demographic of the region and the remote locations of our sites can be overcome.

## **TRUSTEES' REPORT (*continued*)**

### **ENVIRONMENT**

Britten Pears Arts recognises the importance of preserving and protecting the environment and strives to reduce the impact of its activity. Its work in this area is led by a Green Committee chaired by the Chief Operating Officer and there are three specialist subcommittees working on Waste, Energy Conservation and Biodiversity, and Transport.

New carbon-cutting initiatives had been planned for the 2020 Aldeburgh Festival, including a pioneering car-sharing scheme for audiences. These will be revived at the next Festival. The pandemic led to the cancellation of activity which significantly reduced carbon emissions during the year, but valuable lessons were learned about remote working and digital technology that will benefit future years. Business decisions were taken across the group during the year to 31 March 2021 to reduce packaging and printed materials and we also planned the installation of electric car charging points, and a scheme to modernise the Britten-Pears Building with an emphasis on energy conservation.

### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

### **AUDITORS**

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the Directors of Britten Pears Arts for the purpose of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year. In preparing those financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

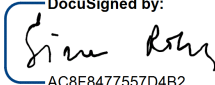
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Trustees and signed on their behalf on 27 January 2022.

Sir Simon Robey  
Chair

DocuSigned by:  
  
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Britten Pears Arts Financial Statements 2020/21

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS**

### **Opinion**

We have audited the financial statements of Britten Pears Arts (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS (continued)**

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents and inspecting any correspondence with local tax authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Claire Sutherland*

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB  
Date 27 January 2022

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

### FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	3,072	387	873	4,332	3,828
Charitable activities	2	275	-	-	275	1,527
Other trading activities	2	3,370	-	-	3,370	6,897
Investments	2	25	133	70	228	279
Other income	2	1,053	-	-	1,053	110
<b>Total income and endowments</b>		<b>7,795</b>	<b>520</b>	<b>943</b>	<b>9,258</b>	<b>12,641</b>
<b>Expenditure on:</b>						
Costs of fundraising	4	511	-	-	511	383
Costs of other activities (trading)	4	4,154	-	116	4,270	5,393
Charitable activities	4	3,409	431	321	4,161	6,162
Other expenditure		-	-	-	-	11
<b>Total expenditure</b>		<b>8,074</b>	<b>431</b>	<b>437</b>	<b>8,942</b>	<b>11,949</b>
Net gains/(losses) on investments	11	300	454	805	1,559	(64)
<b>Net income/(expenditure)</b>		<b>21</b>	<b>543</b>	<b>1,311</b>	<b>1,875</b>	<b>628</b>
Transfers between funds	18,19	2,354	(11,443)	9,089	-	-
Other recognised gains/(losses)	18,19	-	-	-	-	99
<b>Net movement in funds</b>	<b>18,19</b>	<b>2,375</b>	<b>(10,900)</b>	<b>10,400</b>	<b>1,875</b>	<b>727</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	5,490	19,406	31,074	55,970	55,243
<b>Total funds carried forward</b>	<b>18,19</b>	<b>7,865</b>	<b>8,506</b>	<b>41,474</b>	<b>57,845</b>	<b>55,970</b>

### FOR THE YEAR ENDED 31 MARCH 2020

		Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>Income and endowments from:</b>						
Donations and legacies	2	2,071	934	823	3,828	3,723
Charitable activities	2	1,527	-	-	1,527	1,522
Other trading activities	2	6,897	-	-	6,897	6,456
Investments	2	32	74	173	279	265
Other income	2	31	-	79	110	-
<b>Total income and endowments</b>		<b>10,558</b>	<b>1,008</b>	<b>1,075</b>	<b>12,641</b>	<b>11,966</b>
<b>Expenditure on:</b>						
Costs of fundraising	4	383	-	-	383	331
Costs of other activities (trading)	4	5,236	-	157	5,393	5,292
Charitable activities	4	4,360	1,780	22	6,162	6,400
Other expenditure		11	-	-	11	34
<b>Total expenditure</b>		<b>9,990</b>	<b>1,780</b>	<b>179</b>	<b>11,949</b>	<b>12,057</b>
Net (losses)/gains on investments	11	-	(28)	(36)	(64)	318
<b>Net (expenditure)/income</b>		<b>568</b>	<b>(800)</b>	<b>860</b>	<b>628</b>	<b>227</b>
Transfers between funds	18,19	1,840	177	(2,017)	-	-
Other recognised gains/(losses)	18,19	-	-	99	99	-
<b>Net movement in funds</b>	<b>18,19</b>	<b>2,408</b>	<b>(623)</b>	<b>(1,058)</b>	<b>727</b>	<b>227</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18,19	3,082	20,029	32,132	55,243	55,016
<b>Total funds carried forward</b>	<b>18,19</b>	<b>5,490</b>	<b>19,406</b>	<b>31,074</b>	<b>55,970</b>	<b>55,243</b>

The notes on pages 22 to 46 form part of these financial statements. All income relates to continuing operations.  
Britten Pears Arts Financial Statements 2020/21

**CONSOLIDATED AND CHARITY BALANCE SHEETS**

Company registration number: 980281

Charity registration number: 261383

AS AT 31 MARCH 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>Fixed assets</b>					
Intangible assets	8	3	802	3	10
Tangible assets	9	25,522	25,778	25,087	15,546
Heritage assets	10	20,172	20,172	20,172	20,172
Investments	11	6,914	5,341	9,327	2,872
		<u>52,611</u>	<u>52,093</u>	<u>54,589</u>	<u>38,600</u>
<b>Current assets</b>					
Stocks	13	416	536	-	-
Debtors	14	2,891	2,982	2,563	2,327
Cash at bank and in hand		2,794	3,148	2,319	2,553
		<u>6,101</u>	<u>6,666</u>	<u>4,882</u>	<u>4,880</u>
<b>Creditors: amounts falling due within one year</b>	16	856	1,945	516	1,154
<b>Net current assets</b>		<u>5,245</u>	<u>4,721</u>	<u>4,366</u>	<u>3,726</u>
<b>Total assets less current liabilities</b>		57,856	56,814	58,955	42,326
<b>Creditors: amounts falling due after more than one year</b>	16	11	844	6	-
<b>Net assets</b>	20	<u><u>57,845</u></u>	<u><u>55,970</u></u>	<u><u>58,949</u></u>	<u><u>42,326</u></u>
<b>The funds of the Group and Charity</b>					
Unrestricted funds	18	7,865	5,490	8,969	6,359
Restricted funds	18	8,506	19,406	8,506	12,610
Endowment funds	19	41,474	31,074	41,474	23,357
<b>Total funds</b>	20	<u><u>57,845</u></u>	<u><u>55,970</u></u>	<u><u>58,949</u></u>	<u><u>42,326</u></u>

Net incoming resources for the Charity were £16,623,000 (2020: £2,304,000). A separate Statement of Financial Activities is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the companies Act 2006.

Approved by the Trustees, authorised for issue and signed on their behalf on 27 January 2022.

Sir Simon Robey  
Chair

DocuSigned by:  
  
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The notes on pages 22 to 46 form part of these financial statements.

## CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>a) Cash flows from operating activities:</b>					
<b>Net cash (used in)/provided by operating activities</b>	b	471	475	(971)	786
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		228	278	71	10
Proceeds from the sale of tangible fixed assets		-	301	-	-
Purchase of fixed assets		(256)	(356)	(85)	(268)
Payment of deferred consideration		-	(689)	-	-
Proceeds from the sale of investments		-	370	-	-
Purchase of investments		(14)	-	-	-
Issue of group loan		-	-	(200)	-
Cash received following group reorganisation		-	-	951	-
<b>Net cash (used in)/generated by investing activities</b>		(42)	(96)	737	(258)
<b>Cash flows from financing activities:</b>					
Repayment of borrowing		(783)	(727)	-	-
Cash inflows from new borrowing		-	700	-	-
<b>Net cash (used in)/provided by financing activities</b>		(783)	(27)	-	-
<b>Change in cash and cash equivalents in the reporting period</b>					
		(354)	352	(234)	528
<b>Cash and cash equivalents at the beginning of the reporting period</b>	c	3,148	2,796	2,553	2,025
<b>Cash and cash equivalents at the end of the reporting period</b>	c	2,794	3,148	2,319	2,553
<b>b) Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>					
<b>Net income/(expenditure) for the reporting period</b>					
		1,875	628	16,623	2,205
<b>Adjustments for:</b>					
Depreciation and amortisation charges		1,311	449	126	136
(Gains)/losses on investments		(1,559)	64	(300)	-
Dividends, interest and rents from investments		(228)	(279)	(71)	(10)
Loss/(profit) on the sale of tangible fixed assets		-	(68)	-	11
Non cash increase in investments		-	-	-	(2,000)
Non cash increase in debtors on reorganisation		-	-	131	-
Non cash increase in creditors on reorganisation		-	-	(10)	-
(Increase)/decrease in stocks		120	(15)	-	-
(Increase)/decrease in debtors		91	(409)	(236)	244
Increase/(decrease) in creditors		(1,139)	105	(636)	200
Donations – transfer on group reorganisation		-	-	(16,598)	-
<b>Net cash (used in)/provided by operating activities</b>		471	475	(971)	786
<b>c) Analysis of Cash and Cash Equivalents</b>					
Cash in hand		2,794	3,148	2,319	2,553
<b>Total cash and cash equivalents</b>	25	2,794	3,148	2,319	2,553

The notes on pages 22 to 46 form part of these financial statements.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2020

#### 1 ACCOUNTING POLICIES

##### **Basis of accounting**

Britten Pears Arts is a charitable company domiciled and registered in England and Wales. The principal accounting policies adopted in the preparation of the financial statements are set out below. Britten Pears Arts meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared under the historical cost convention as modified by the recognition of certain financial assets measured at fair value in accordance with generally accepted accounting principles, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The combination of Snape Maltings (Company Registration Number 980281 and Registered Charity Number 261383) and the Britten Pears Foundation (Company Registration Number 02071223 and Registered Charity Number 295595) took place on 31 March 2020, the start of the comparative period. The transaction was accounted for using merger accounting principles, so that for the consolidated financial statements Britten Pears Arts is presented as if it had always been combined with Britten Pears Foundation.

As at 31 March 2021 a group reorganisation was completed under which the assets and liabilities of Aldeburgh Music Endowment Fund were transferred to Britten Pears Arts and Aldeburgh Music Endowment Fund became dormant.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in Sterling, which is the functional currency of the Charity. Monetary amounts are rounded to the nearest £'000.

##### **Basis of consolidation**

The Group's financial statements comprise the financial statements of Britten Pears Arts, its subsidiary undertakings Snape Maltings Trading Limited, Aldeburgh Music Endowment Fund dormant from 31 March 2021), Britten Estate Limited, and their respective subsidiaries.

##### **Significant judgements, estimates and uncertainties recognised in the financial statements**

The Charity's aims, objectives and strategies are identified in the Trustees' Report on page 5. The notes to these financial statements contain information relating to judgements made by the Trustees including accounting policies such as the amortisation of goodwill and depreciation of tangible fixed assets.

A revised estimate of the residual value of freehold and long leasehold property was made in the prior year, this was set at 80% given the conservation requirements placed upon the Charity's buildings. The impact of this change in 2019/20 was to reduce the depreciation charge by £364,143.

At 31 March 2021 Snape Maltings Trading Limited, a subsidiary of Britten Pears Arts, impaired its residual balance of goodwill amounting to £633,815 having considered the continuing uncertainties around the impact of Covid-19 on its trading business

The Trustees review their financial plans on a regular basis and manage risks through a number of means including a risk register, budgeting, forecasting and investment planning. The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating uncertainties to the extent reasonably achievable.

## NOTES TO THE ACCOUNTS *(continued)*

### 1 ACCOUNTING POLICIES *(continued)*

#### **Going concern**

The Covid-19 pandemic has led to many restrictions being placed upon arts and retail organisations. This has been costly in the period since March 2020, however Britten Pears Arts has been fortunate in benefitting from government support, and in particular two large Culture Recovery Fund grants from The Arts Council. Though vaccines are now being administered it remains very difficult to project the course of future events, unexpected disruptions to trade and charitable activity have continued to happen, including disruption over Christmas 2021 and new coronavirus variants continue to arise.

The Group and Charity have performed financial modelling for the period to 31 March 2023 which takes into consideration the impact of the Covid-19 outbreak on the forecast position. The key assumptions used are the resumption of a full programme of artistic activity, with a three week Festival planned in 2022 and increased confidence amongst audiences and retail customers. Britten Pears Arts has provided letters of support to its subsidiary companies, Snape Maltings Trading Limited and Elm Property Investments (Snape Maltings) Limited confirming that it is willing to provide any necessary financial support to ensure they are able to continue to meet their liabilities as they fall due. This includes but is not limited to not seeking repayment of any Group creditors should it be required for at least 12 months from the date of signing the financial statements. Britten Pears Arts have also confirmed that further amounts can be drawn against the £500,000 facility granted to Snape Maltings Trading Limited in April 2020. Financial projections of Britten Pears Arts support the ability of the Charity to provide this support.

Having considered all the factors noted above and recognising the continuing effects of Covid-19, the Trustees have a reasonable expectation that the Group and Charity have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Income**

Income from grants and donations is recognised once entitlement to the funds has been confirmed, it is probable the resources will be received and the monetary value can be measured with sufficient reliability. Income is deferred where a donor has imposed performance conditions that must be met before there is unconditional entitlement to the funds. Income is not recognised for legacies subject to a life interest.

Grants and donations received of a capital nature are held in a restricted fund, or otherwise depending on the donor's conditions, and depreciation of the relevant assets is charged to the appropriate fund. Donations of property are professionally valued and accounted for at the time ownership passes to the Charity. Donations or legacies in the form of tradable securities are recognised at market value on the date control is passed.

Income generated from the sale of concert tickets, admissions, goods and services is stated net of Value Added Tax. Box office receipts and other income received in advance of the date of performance is deferred where it does not meet the income recognition criteria noted under the Charities SORP (FRS 102).

Royalty income is accounted for when receipt may be anticipated with reasonable probability. Rental income accounted for under other trading activities relates to income earned from letting properties that are also utilised by the Charity in delivering charitable activities. Investment income is accounted for on an accruals basis

#### **Government grants**

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charitable Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.

#### **Expenditure**

Expenditure is included on an accruals basis and allocated, along with any associated irrecoverable Value Added Tax, to the appropriate heading in the accounts.

#### Costs of fundraising

This is the cost of Britten Pears Arts' fundraising team, who generate income from trusts and foundations, individuals and the business sector.

#### Costs of other activities (trading):

This includes retail and catering expenditure incurred by Snape Maltings Trading Limited, and also service charges, repairs and legal fees associated with the creation and agreement of leases with shop tenants.

## NOTES TO THE ACCOUNTS *(continued)*

### 1 ACCOUNTING POLICIES *(continued)*

#### Charitable activities:

Expenditure incurred to meet charitable aims and objectives, including artistic activity within the Concert Hall, the Red House and the archive and other venues, artistic development through the Britten–Pears Young Artist Programme, Aldeburgh Residencies, Aldeburgh Young Musicians and Learning and Inclusion's outreach into the community.

#### Support costs:

Support costs represent the central services of the Group, including human resources, Finance and information technology, and costs of maintaining facilities such as repairs, insurance, business rates and utilities. Support costs have been allocated across the Charity's activities as indicated in Note 4.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure on a straight-line basis over the length of the lease.

#### **Intangible fixed assets**

Intangible assets comprise capitalised computer software and goodwill. Capitalised computer software is amortised over its useful life, which is usually three to five years.

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition. The useful economic life was assessed as 10 years from the date of acquisition, which is supported by projected earnings over that period. During the year, the Trustees reviewed the carrying value of goodwill and its remaining useful economic life, and determined that the remaining balance should be written off as at 31 March 2021 given the impact of the pandemic.

#### **Tangible fixed assets**

Tangible fixed assets costing up to £500 are not capitalised and are written off in the year of purchase. Works of art are not subject to regular professional valuation due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creator changes from one period to another.

#### **Depreciation**

Tangible fixed assets are stated at historic or deemed cost following the adoption of FRS 102, less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over the period of their expected useful life as follows:

Land	No depreciation.
Freehold property	50 years straight-line basis, down to residual value.
Freehold property improvements	Up to 50 years straight-line basis depending on the expected life of the asset, down to residual value.
Long leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease, down to residual value.
Short leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease.
Motor vehicles	Two to four years straight-line basis.
Office furniture and computers	4% to 50% per annum straight-line basis.
Plant and equipment	10% to 20% per annum straight-line basis.
Musical instruments	No depreciation is provided where, in the opinion of the Trustees, the estimated residual value is in excess of the net book value. Otherwise: 10 years straight-line basis.
Works of art	No depreciation as their residual valuation is considered to be at least equal to their holding value.

A revised estimate of the residual value of freehold and long leasehold property was made in 2019/20 and this has been set at 80% of cost, given the conservation requirements placed upon the Charity's buildings. The impact of this change in 2019/20 was to reduce the depreciation charge by £364,143.

#### **Impairment reviews**

Impairment reviews are undertaken when indicators highlight that such reviews are required. Where an asset's holding value is considered to be impaired, the loss is taken through the Statement of Financial Activities.

## NOTES TO THE ACCOUNTS (continued)

### 1 ACCOUNTING POLICIES (continued)

#### Heritage assets

Previously acquired heritage assets are recorded in the financial statements at market value. Additions to heritage assets since the last valuation are recorded at cost. The Trustees have adopted a policy of revaluation and as such the value of heritage assets is considered by the Trustees annually and is subject to a full professional valuation every five years. The Trustees consider that the depreciation charge and accumulated depreciation on manuscripts and other archival material is immaterial due to the extended useful economic life of these assets.

#### Investment properties

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Trustees consider that, because investment properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view of the Charity's financial position. As such these properties are carried at market value at each reporting date. Market value is assessed at regular intervals, or sooner in volatile economic circumstances, using a professional valuer. Surpluses or deficits arising on revaluation are charged or credited through the Statement of Financial Activities.

#### Listed investments

Listed investments are valued at bid price. Differences arising on market value are taken to the Statement of Financial Activities. Realised gains and losses are recognised when the investment is disposed of, unrealised gains and losses are recognised annually.

#### Investments in subsidiaries

Investments in subsidiaries are held in the accounts of parent entities at the value of purchased share capital and are eliminated on consolidation.

#### Stocks

Stocks are stated at the lower of cost and net realisable value. Obsolete items carry a corresponding provision.

#### Financial instruments

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

#### Trade, Group and other debtors

Trade, Group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

#### Trade, Group and other creditors

Trade, Group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

**NOTES TO THE ACCOUNTS (continued)****1 ACCOUNTING POLICIES (continued)****Foreign currency**

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken through the Statement of Financial Activities.

**2 INCOME AND ENDOWMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Donations and legacies:</b>		
Arts Council England core grant	1,429	1,403
Arts Council England project grant	950	-
Local authority, public and EU grants	144	98
Trusts and foundations	310	574
Corporate	32	69
Private individuals	372	622
Gift Aid recovered on private individual donations	97	149
Membership subscriptions	81	105
Legacies	917	808
	<u>4,332</u>	<u>3,828</u>
<b>Charitable activities:</b>		
Box Office and admissions	152	1,079
Box Office commission and processing charges	-	23
Co-production income	4	-
Course and audition fees	70	90
Hire, recording and other site use for artistic purposes	4	94
Theatre and Orchestra Tax Relief	-	155
Programme books and other	45	86
	<u>275</u>	<u>1,527</u>
<b>Other trading activities:</b>		
Trading turnover, including retail, catering, advertising and sponsorship	2,564	5,115
Royalties	806	1,782
	<u>3,370</u>	<u>6,897</u>
<b>Investments:</b>		
Dividends and interest received on bank deposits and investments	129	167
Rents received including service charges	99	112
	<u>228</u>	<u>279</u>
<b>Other income:</b>		
Gain on disposal of fixed assets	-	79
Government grants for Covid-19	1,053	31
	<u>1,053</u>	<u>110</u>
<b>Total income and endowments</b>	<u><u>9,258</u></u>	<u><u>12,641</u></u>

**NOTES TO THE ACCOUNTS (continued)****3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES**

The Charity has two active wholly owned trading subsidiaries which are consolidated into the Group's accounts, Snape Maltings Trading Limited (Company Number 1519527) and Britten Estate Limited (Company Number 2063909). The principal activities of both companies are highlighted on page 4.

A summary of Snape Maltings Trading Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a loss before the amortisation of goodwill of £142,000 (2020: loss of £47,000) meaning that there was no Gift Aid distribution to Britten Pears Arts (2020: nil).

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	2,565	5,242
Cost of sales	<u>(1,162)</u>	<u>(2,320)</u>
Gross profit	1,403	2,922
Administrative costs excluding amortisation of goodwill	(2,224)	(2,998)
Other operating income	679	29
Loss before amortisation of goodwill	<u>(142)</u>	<u>(47)</u>
Amortisation of goodwill	(792)	(158)
Loss before taxation	<u>(934)</u>	<u>(205)</u>
Tax on loss	664	(1)
Loss after taxation and retained loss for the period	<u>(270)</u>	<u>(206)</u>

A summary of Britten Estate Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The company generated a profit before taxation of £759,000 (2020: £1,633,000). In 2020/21 the company's profit was paid to Snape Maltings Trading Limited in return for surrender of Snape Maltings Trading Limited's tax losses. In 2019/20 a gift aid distribution was made to Britten Pears Arts for the amount of the profit.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	795	1,721
Cost of sales	<u>-</u>	<u>(1)</u>
Gross profit	795	1,720
Administrative costs	(36)	(87)
Profit before taxation	<u>759</u>	<u>1,633</u>
Tax on profit	(759)	-
Profit after taxation and retained profit for the period	<u>-</u>	<u>1,633</u>

**NOTES TO THE ACCOUNTS (continued)****4 EXPENDITURE**

	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Costs of fundraising</b>	253	258	511	383
<b>Costs of other activities (trading)</b>	4,000	270	4,270	5,393
<b>Charitable activities:</b>				
Artistic activities	1,200	1,005	2,205	3,037
Artistic development	576	488	1,064	1,524
Archive, Exhibitions and The Red House	247	251	498	1,120
Community	203	191	394	481
	<u>2,226</u>	<u>1,935</u>	<u>4,161</u>	<u>6,162</u>
<b>Other expenditure:</b>				
Loss on disposal of fixed assets	-	-	-	11
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>
<b>Total resources expended</b>	<u>6,479</u>	<u>2,463</u>	<u>8,942</u>	<u>11,949</u>

Direct costs relate to expenditure required to undertake fundraising and charitable activities and include staff costs for the relevant teams and directly attributable expenditure such as trading cost of sales and overheads.

**Analysis of support costs:**

<b>Type of cost:</b>	<b>Basis of allocation</b>	<b>Charitable activities</b>	<b>Costs of fundraising</b>	<b>Costs of other activities</b>	<b>Total 2021</b>	<b>Total 2020</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operations and site running	Direct costs/time spent	889	119	67	1,075	1,197
Administration, IT and finance	Direct costs/time spent	993	132	203	1,328	1,376
Governance	Direct costs/time spent	53	7	-	60	133
		<u>1,935</u>	<u>258</u>	<u>270</u>	<u>2,463</u>	<u>2,706</u>

**5 NET INCOME FOR THE PERIOD**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
This is stated after (crediting)/charging:		
Government grants	(1,053)	(31)
Stock provisions	(7)	3
Depreciation	512	282
Amortisation of intangible fixed assets	799	167
Auditors' remuneration – statutory audit (Charity only)	31	35
– statutory audit (other Group entities)	18	17
– tax compliance	11	15
– tax and other advisory services	28	34
Rentals paid under operating leases	7	10
Loss on disposal of fixed assets	-	11
	<u>-</u>	<u>11</u>

The Charity was grateful to receive the assistance of 164 volunteer supporters who undertook a range of duties including ushering, programme selling, gallery and museum invigilation, archival cataloguing, gardening and learning support. Volunteers, many of whom are long serving, play an important part in the smooth running of events held on site and at external locations.

**NOTES TO THE ACCOUNTS (continued)****6 STAFF COSTS**

	Raising Funds			Support	Total	Total
	Fund-raising	Trading	Charitable	Costs	2021	2020
	£'000	Activities	Activities	£'000	£'000	£'000
		£'000	£'000			
Wages and salaries	210	1,316	945	1,159	3,630	4,099
Social security costs	22	74	84	113	293	345
Pension contributions	7	28	35	76	146	173
Other benefits	1	9	2	30	42	54
	<u>240</u>	<u>1,427</u>	<u>1,066</u>	<u>1,378</u>	<u>4,111</u>	<u>4,671</u>

Termination payments in the year amounted to £193,634 (2020: £79,503). No funding was received relating to the payments.

<b>Average number of employees during the year:</b>	2021	2020
Raising funds, including fundraising and trading activities	114	131
Directly involved in furtherance of the Charity's activities	42	50
Operations and administrative support	30	37
	<u>186</u>	<u>218</u>

Average number of full-time equivalent employees during the year	<u>132</u>	<u>157</u>
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The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2021	2020
£70,001 to £80,000	3	-
£80,001 to £90,000	-	2
£90,001 to £100,000	2	1
£150,001 to £160,000	-	1
£190,001 to £200,000	1	1
	<u>1</u>	<u>1</u>

**7 CHIEF EXECUTIVE, KEY MANAGEMENT PERSONNEL AND TRUSTEE EMOLUMENTS**

	2021	2020
	£'000	£'000
Chief Executive:		
Salary	173	197
Pension	10	12
Total	<u>183</u>	<u>209</u>
Business expenses	<u>£611</u>	<u>£9,804</u>

The authority to make payments to Trustees is contained within the Charity's Articles of Association. The power to appoint the Chief Executive as a Trustee was confirmed by the Charity Commission. Key management personnel for the year are identified on page 5 of the Trustees' Report. Remuneration and benefits, which include salary, pension and employer's National Insurance, received by key management personnel for the year totalled £495,000 (2020: £627,000). Other than the Chief Executive, who received remuneration and reimbursement of his business expenses, no expenses were paid by the Charity to its Trustees during the year (2020: £284).

**NOTES TO THE ACCOUNTS (continued)****8 INTANGIBLE FIXED ASSETS**

	<b>Goodwill £'000</b>	<b>Group Software £'000</b>	<b>Total £'000</b>	<b>Charity Software £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
At 1 April 2020	2,113	75	2,188	75	75
Additions	-	-	-	-	-
At 31 March 2021	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
<b>Amortisation:</b>					
At 1 April 2020	1,321	65	1,386	65	65
Charge	158	7	165	7	7
Impairment	634	-	634	-	-
At 31 March 2021	<u>2,113</u>	<u>72</u>	<u>2,185</u>	<u>72</u>	<u>72</u>
<b>Net book value:</b>					
At 31 March 2021	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
At 31 March 2020	<u>792</u>	<u>10</u>	<u>802</u>	<u>10</u>	<u>10</u>

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition. The useful economic life is ten years from the date of acquisition, which was supported by projected earnings over that period. During the year, the Trustees reviewed the carrying value of goodwill and decided that in the light of the impact of the global pandemic and its uncertain continuing impact, the residual balance should be written off in full as at 31 March 2021.

**9 TANGIBLE FIXED ASSETS****GROUP**

	<b>Freehold land and buildings £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instruments and works of art £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>					
1 April 2020	29,883	83	579	1,940	32,485
Additions	140	-	-	116	256
Disposals	-	-	-	-	-
31 March 2021	<u>30,023</u>	<u>83</u>	<u>579</u>	<u>2,056</u>	<u>32,741</u>
<b>Depreciation:</b>					
1 April 2020	4,876	64	261	1,506	6,707
Charge	55	9	7	131	202
Impairment	310	-	-	-	310
Disposals	-	-	-	-	-
31 March 2021	<u>5,241</u>	<u>73</u>	<u>268</u>	<u>1,637</u>	<u>7,219</u>
<b>Net book value:</b>					
31 March 2021	<u>24,782</u>	<u>10</u>	<u>311</u>	<u>419</u>	<u>25,522</u>
31 March 2020	<u>25,007</u>	<u>19</u>	<u>318</u>	<u>434</u>	<u>25,778</u>

**NOTES TO THE ACCOUNTS (continued)****9 TANGIBLE FIXED ASSETS (continued)****CHARITY**

	<b>Freehold Property £'000</b>	<b>Leasehold Property Improve'ts £'000</b>	<b>Motor vehicles £'000</b>	<b>Musical instrum'ts £'000</b>	<b>Furniture, plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost:</b>						
1 April 2020	3,630	15,589	71	284	1,596	21,170
Additions	-	-	-	-	85	85
AMEF donation	10,035	409	-	295	95	10,834
Disposals	-	-	-	-	-	-
Transfers	15,589	(15,589)	-	-	-	-
31 March 2021	<u>29,254</u>	<u>409</u>	<u>71</u>	<u>579</u>	<u>1,776</u>	<u>32,089</u>
<b>Depreciation:</b>						
1 April 2020	49	3,924	62	261	1,328	5,624
Charge	1	15	6	7	89	118
AMEF donation	1,190	13	-	-	57	1,260
Disposals	-	-	-	-	-	-
Transfers	3,940	(3,940)	-	-	-	-
31 March 2021	<u>5,180</u>	<u>12</u>	<u>68</u>	<u>268</u>	<u>1,474</u>	<u>7,002</u>
<b>Net book value:</b>						
31 March 2021	<u>24,074</u>	<u>397</u>	<u>3</u>	<u>311</u>	<u>302</u>	<u>25,087</u>
31 March 2020	<u>3,581</u>	<u>11,665</u>	<u>9</u>	<u>23</u>	<u>268</u>	<u>15,546</u>

All fixed assets are used in the furtherance of the Group's activities.

The value of land within freehold land and buildings not depreciated at 31 March 2021 was £2,811,286 (2020: £2,811,286).

In September 2016, Aldeburgh Music Endowment Fund purchased the freehold of Bridge House, Snape, and approximately one-fifth of an acre of floodplain grazing marsh land on the north bank of the River Alde at Snape Maltings. The acquisition of Bridge House, which is located immediately adjacent to the Snape Maltings complex, allows Britten Pears Arts' artist accommodation costs to reduce while increasing Snape Maltings Trading Limited's opportunity to earn holiday rental income. The acquisition of Bridge House in Snape was partially financed by a mortgage of £875,000 provided by National Westminster Bank for which a first charge on the property was taken. The mortgage attracted a fixed rate of interest of 2.63% for five years but was repaid early during 2020/21. Snape Bridge House, being an asset of Aldeburgh Music Endowment Fund, was transferred to Britten Pears Arts on 31 March 2021 as part of the group reorganisation on that date (see note 1).

The £15,589,000 transfer from leasehold to freehold property in the Charity results from Aldeburgh Music Endowment Fund's freehold assets being transferred to Britten Pears Arts, previously the leaseholder of some Aldeburgh Music Endowment Fund properties.

Musical instruments and works of art include some assets which could be considered to be of historical or artistic significance. However, these are not maintained principally for their contribution to knowledge and culture and therefore have not been classified as heritage assets.

Under FRS 102 transition arrangements, the Trustees considered it appropriate to regard the valuation of works of art by Bonhams in 2005 as the deemed cost for these assets. Due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creators changes, the Trustees consider it to be inappropriate to undertake a policy to revalue these assets.

As a requirement of receiving grant funding from Arts Council England in support of the Snape Maltings Development Plan and the purchase of freehold land and buildings at Snape Maltings, the Trustees have entered into a guarantee and legal charge over its land and a fixed and floating security over its assets.

**NOTES TO THE ACCOUNTS (continued)**

On review of the fixed assets, the trustees decided that historic balances that had been capitalised in earlier years in anticipation of further property developments should be provided against, given the Covid-related elapse of time.

**10 HERITAGE ASSETS****GROUP AND CHARITY**

	Land and buildings £'000	Art Objects £'000	Red House Contents £'000	Archives £'000	Total £'000
Carrying amount at 1 April 2020	3,950	6,207	399	9,616	20,172
Additions	-	-	-	-	-
Revaluation	-	-	-	-	-
Carrying amount at 31 March 2021	<u>3,950</u>	<u>6,207</u>	<u>399</u>	<u>9,616</u>	<u>20,172</u>

**Revaluation of assets**

Heritage Assets were professionally valued as follows:

Date of valuation	Asset Class	Valuer	Value £
28 February 2018	Land and buildings	Peter Watson FRICS Flick & Son, Chartered Surveyors	3,950,000
27 March 2015	Art Objects	Rohan McCulloch – St Georges Valuations	6,206,890
31 March 2020	Red House Contents	Gary Barfoot for Clarke and Simpson	399,096
11 March 2016	Archives	Lisa Cox Music Limited	9,430,284

The historical cost of heritage assets as at 31 March 2021 is as follows:

	2021 £'000	2020 £'000
Land and buildings	3,329	3,329
Art Objects	1,631	1,631
Red House Contents	78	78
Archives	<u>4,548</u>	<u>4,548</u>
	<u>9,586</u>	<u>9,586</u>

**Heritage assets are held for the following purposes:**

- to sustain the activities of the archive: to maintain and, when appropriate, to extend its priceless collection of Britten autograph manuscripts, together with other manuscripts, books, scores and works of art, and to encourage public use of the archive as a resource for educational, scholarly and relevant commercial purposes.
- to maintain and to preserve the integrity of The Red House, Britten's home, as a heritage property of national importance, whilst ensuring that the property is used to further the Charity's objectives in a constructive way.

**Five year financial summary of heritage asset transactions**

	31/03/21 £	31/03/20 £	31/03/19 £	31/03/18 £	31/03/17 £
<b>Purchases and donations</b>					
Archives	-	167,000	10,050	7,000	700

There have been no disposals in any period covered by the table above. There have been no further purchases or donations other than those detailed above.

**NOTES TO THE ACCOUNTS (continued)****11 INVESTMENTS**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Market value at beginning of year	5,341	5,775	2,872	872
Additions	14	-	200	2,000
AMEF donation	-	-	5,955	-
Disposals	-	(370)	-	-
Unrealised gain/(loss) on revaluation	1,559	(64)	300	-
Market value at end of year	<u>6,914</u>	<u>5,341</u>	<u>9,327</u>	<u>2,872</u>
Historic or deemed historic cost at end of year	<u>3,991</u>	<u>3,977</u>	<u>6,622</u>	<u>2,872</u>
Investments are represented by:				
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Equities and other market investments	4,479	3,599	4,479	1
Properties	2,435	1,742	2,217	850
Subsidiary undertakings	-	-	2,631	2,021
Market value at end of year	<u>6,914</u>	<u>5,341</u>	<u>9,327</u>	<u>2,872</u>
Equities and other market investments	2,426	2,412	2,426	1
Properties	1,565	1,565	1,565	850
Subsidiary undertakings	-	-	2,631	2,021
Historic or deemed historic cost at end of year	<u>3,991</u>	<u>3,977</u>	<u>6,622</u>	<u>2,872</u>

The Trustees hold market and property investments for the long-term and have no plans to liquidate these assets. In March 2021, investment properties at Snape Maltings were valued by Fenn Wright, Chartered Surveyors, the previous valuation was in August 2016 and assigned a value as at the date of transition to FRS102, 1 April 2014.

## Subsidiary undertakings:

The Charity is supported by its subsidiary undertakings, holding all the issued share capital of those companies in the form of Ordinary shares and Redeemable preference shares:

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Snape Maltings Trading Limited (Company Number 1519527)	<u>100</u>	<u>(139)</u>

Snape Maltings Trading Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

	<b>% held</b>	<b>Aggregate Capital and Reserves £'000</b>
Britten Estate Limited (Company Number 2063909)	<u>100</u>	<u>21</u>

Britten Estate Limited is incorporated in England and Wales. In 2020/21 the Company used its distributable profits to pay its fellow subsidiary, Snape Maltings Trading Limited, for use of that company's taxable losses. In prior years it has donated any distributable profits under the Gift Aid scheme to the Charity in support of its charitable objects. The company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

**NOTES TO THE ACCOUNTS (continued)****12 FINANCIAL INSTRUMENTS**

The carrying amount of the Group's and Charity's financial instruments at 31 March were:

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Financial assets measured at fair value	<u>4,479</u>	<u>3,599</u>	<u>4,479</u>	<u>1</u>

**13 STOCKS**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Goods held for resale	403	525	-	-
Fuel	13	11	-	-
	<u>416</u>	<u>536</u>	<u>-</u>	<u>-</u>

**14 DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors	224	164	83	77
Amounts due from Group undertakings	-	-	460	1,007
Prepayments and accrued income	2,343	2,298	1,712	827
Other current debtors	324	425	308	416
Long-term debtor – deferred tax	-	95	-	-
	<u>2,891</u>	<u>2,982</u>	<u>2,563</u>	<u>2,327</u>

**15 LONG-TERM DEFERRED TAX ASSET**

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Balance at 1 April	95	96	-	-
Fixed asset timing differences	(6)	(1)	-	-
Short-term timing differences	(2)	-	-	-
Losses and other deductions	(87)	-	-	-
Balance at 31 March	<u>-</u>	<u>95</u>	<u>-</u>	<u>-</u>

Deferred tax is comprised as follows:

	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fixed asset timing differences	-	(26)	-	-
Short-term timing differences	-	2	-	-
Losses and other deductions	-	119	-	-
	<u>-</u>	<u>95</u>	<u>-</u>	<u>-</u>

Deferred tax is not recognised in respect of losses and other deductions of £213,429 (2020: £86,192) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE ACCOUNTS (continued)**

16 CREDITORS	Group	Group	Charity	Charity
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Amounts falling due within one year:</b>				
Trade creditors	112	564	80	242
Other taxes and Social Security	81	249	63	136
Other creditors	185	122	185	122
Accruals and deferred income	478	982	188	654
Deferred consideration	-	-	-	-
Bank loan	-	28	-	-
	<u>856</u>	<u>1,945</u>	<u>516</u>	<u>1,154</u>

Included within other creditors are amounts held as agent of £27,574 (2020: £28,096) which is means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development. Funds are held by the Charity in a separate balance sheet control account, are subject to an annual internal review and are available for examination by the Department for Education.

Amounts falling due after more than one year:	Group	Group	Charity	Charity
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loan	-	755	-	-
Deferred Section 106 liability	-	83	-	-
Rent deposit held as security	6	6	6	-
Deferred tax	5	-	-	-
	<u>11</u>	<u>844</u>	<u>6</u>	<u>-</u>

The bank loan represents the outstanding capital on a mortgage provided by National Westminster Bank on the purchase of Bridge House, Snape, in September 2016. It was repaid in 2020/21.

The section 106 liability refers to the amounts that were paid ahead of the acquisition of the Snape site in 2015 and were returned as deferred consideration in the expectation that the relevant development would not take place.

**17 TAXATION**

Snape Maltings Trading Limited currently has a retained deficit due to the amortisation of goodwill and therefore has no liability to pay UK Corporation Tax. Other members of the Group have no, or minimal, liability for UK taxation due to their charitable status or lack of retained profits.

**18 UNRESTRICTED AND RESTRICTED FUNDS**

GROUP CURRENT YEAR	Balance			Investm't Gains/ (losses) £'000	Transfers £'000	Balance	
	1 April 2020 £'000	Income £'000	Expend. £'000			2021 £'000	31 March 2021 £'000
<b>Unrestricted funds:</b>							
General	2,771	7,795	(8,074)	-	310		2,802
Designated Artist Fund	175	-	-	-	-		175
Designated Opera and Comm'n Fund	160	-	-	-	-		160
Designated fixed assets	1,417	-	-	300	2,044		3,761
Securing the Future fund	867	-	-	-	-		867
Other designated funds	100	-	-	-	-		100
Total designated funds	<u>2,719</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>2,044</u>		<u>5,063</u>
Total unrestricted funds	<u>5,490</u>	<u>7,795</u>	<u>(8,074)</u>	<u>300</u>	<u>2,354</u>		<u>7,865</u>
<b>Restricted funds:</b>							
Basil Coleman Memorial Fund	1,232	40	-	274	-		1,546
Other income reserves	970	240	(391)	-	(152)		667
BPYAP and other activities	364	137	-	35	-		536
Restricted fixed assets	16,840	103	(40)	145	(11,291)		5,757
Total restricted funds	<u>19,406</u>	<u>520</u>	<u>(431)</u>	<u>454</u>	<u>(11,443)</u>		<u>8,506</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

<b>GROUP PRIOR YEAR</b>	<b>Balance 1 April 2019 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2020 £'000</b>
<b>Unrestricted funds:</b>						
General	743	10,558	(9,990)	-	1,460	2,771
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	1,436	-	-	-	(19)	1,417
Securing the Future fund	468	-	-	-	399	867
Other designated funds	100	-	-	-	-	100
Total designated funds	2,339	-	-	-	380	2,719
Total unrestricted funds	<u>3,082</u>	<u>10,558</u>	<u>(9,990)</u>	<u>-</u>	<u>1,840</u>	<u>5,490</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	1,201	54	-	(23)	-	1,232
Other income reserves	1,532	830	(1,668)	-	276	970
BPYAP and other activities	365	110	(7)	(5)	(99)	364
Restricted fixed assets	16,931	14	(105)	-	-	16,840
Total restricted funds	<u>20,029</u>	<u>1,008</u>	<u>(1,780)</u>	<u>(28)</u>	<u>177</u>	<u>19,406</u>

Transfers between funds represent consolidation adjustments required following the differing treatment of funds between Group entities.

<b>CHARITY CURRENT YEAR</b>	<b>Balance 1 April 2020 £'000</b>	<b>Income £'000</b>	<b>Expend. £'000</b>	<b>Investm't Gains/ (losses) £'000</b>	<b>Transfers £'000</b>	<b>Balance 31 March 2021 £'000</b>
<b>Unrestricted funds:</b>						
General	3,640	6,700	(4,283)	-	(1,716)	4,341
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	-	160
Designated fixed assets	1,417	-	-	300	1,609	3,326
Securing the Future fund	867	-	-	-	-	867
Other designated income funds	100	-	-	-	-	100
Total designated funds	2,719	-	-	300	1,609	4,628
Total unrestricted funds	<u>6,359</u>	<u>6,700</u>	<u>(4,283)</u>	<u>300</u>	<u>(107)</u>	<u>8,969</u>
<b>Restricted funds:</b>						
Basil Coleman Memorial Fund	-	1,546	-	-	-	1,546
Other income reserves	970	240	(390)	-	(153)	667
Britten-Pears Young Artist Programme	209	326	-	-	-	535
Restricted fixed assets	11,431	5,637	(20)	-	(11,290)	5,758
Total restricted funds	<u>12,610</u>	<u>7,749</u>	<u>(410)</u>	<u>-</u>	<u>(11,443)</u>	<u>8,506</u>

**NOTES TO THE ACCOUNTS (continued)****18 UNRESTRICTED AND RESTRICTED FUNDS (continued)**

CHARITY PRIOR YEAR	Balance			Investm't Gains/ (losses) £'000	Transfers £'000	Balance 31 March 2020 £'000
	1 April 2019 £'000	Income £'000	Expend. £'000			
<b>Unrestricted funds:</b>						
General	1,405	8,062	(5,355)	-	(472)	3,640
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	-	160
Designated fixed assets	1,436	-	-	-	(19)	1,417
Securing the Future fund	468	-	-	-	399	867
Other designated income funds	100	-	-	-	-	100
Total designated funds	2,339	-	-	-	380	2,719
Total unrestricted funds	3,744	8,062	(5,355)	-	(92)	6,359
<b>Restricted funds:</b>						
Other income reserves	1,532	1,106	(1,668)	-	-	970
Britten–Pears Young Artist Programme	201	90	(7)	-	(75)	209
Restricted fixed assets	11,454	-	(23)	-	-	11,431
Total restricted funds	13,187	1,196	(1,698)	-	(75)	12,610

General unrestricted funds are available for use as Trustees consider appropriate. Transfers in of £310,000 predominantly represents the transfer in of £2,521,000 from the general expendable endowment reserve within Aldeburgh Music Endowment Fund on its transfer to Britten Pears Arts to align the treatment of unrestricted reserves offset by £2,044,000 of transfers to the designated fixed asset fund to reflect the net book value of tangible fixed assets not represented by restricted or endowment funds.

The designated Artist Fund was created to underpin the expansion in artist development. With £175,000 already in this reserve the Trustees believe it holds sufficient funds to meet its aims.

The designated Opera and Commission Fund provides support for the development of opera, an area noted for high production costs. The target amount for this reserve is £200,000.

The designated fixed asset funds represent the net book value of non-heritage fixed assets and investment properties, formerly held by the Britten Pears Foundation, at the end of the year.

The Securing the Future fund is being built in anticipation of the time at which royalty income will fall away, but also provides security against the potential reduction in other key income sources.

Other designated funds represent a £100,000 capital fund, to maintain the fabric at the Red House site.

Restricted funds represent grants, donations and legacies which must be used as donors have directed.

- The Basil Coleman Memorial Fund provides funding in support of fully staged operas (particularly those of Benjamin Britten) performed by students of the Britten–Pears Young Artist Programme upon completion of opera courses.
- Other income reserves represent amounts recognised in advance of associated project delivery, and include funding in support of developing the creative health initiative.
- Funds held in the BPYAP and other activities reserve support specific activities including the Britten–Pears Young Artist Programme.
- Restricted fixed assets reflect the balance of grants and donations received, less depreciation charges, in support of the purchase of land and buildings, site redevelopment and some works of art. The Snape Maltings Concert Hall, Hoffman Building and Britten Pears Buildings were transferred to the designated and permanent endowment funds during 2020/21 on transfer from Aldeburgh Music Endowment Fund to Britten Pears Arts as part of the group reorganisation.

**NOTES TO THE ACCOUNTS (continued)****19 ENDOWMENT FUNDS**

GROUP	Balance						Balance 31 March 2021 £'000
	1 April 2020 £'000	Income £'000	Expend. £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	
Expendable – General	2,761	70	(431)	61	(2,461)	-	-
Expendable – Designated	7,050	873	(6)	8	7,223	-	15,148
Expendable – Catalyst	2,181	-	-	698	-	-	2,879
Total expendable endowment	11,992	943	(437)	767	4,762	-	18,027
Permanent endowment	19,082	-	-	38	4,327	-	23,447
Total Endowment Funds	31,074	943	(437)	805	9,089	-	41,474

	Balance						Balance 31 March 2020 £'000
	1 April 2019 £'000	Income £'000	Expend. £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	
Expendable – General	4,144	169	(179)	(19)	(1,354)	-	2,761
Expendable – Designated	6,980	906	-	(6)	(830)	-	7,050
Expendable – Catalyst	2,189	-	-	(8)	-	-	2,181
Total expendable endowment	13,313	1,075	(179)	(33)	(2,184)	-	11,992
Permanent endowment	18,819	-	-	(3)	167	99	19,082
Total Endowment Funds	32,132	1,075	(179)	(36)	(2,017)	99	31,074

CHARITY	Balance						Balance 31 March 2021 £'000
	1 April 2020 £'000	Income £'000	Expend £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	
Expendable – Designated	4,435	3,489	-	-	7,223	-	15,147
Expendable – Catalyst	-	2,880	-	-	-	-	2,880
Total expendable endowment	4,435	6,369	-	-	7,223	-	18,027
Permanent endowment	18,922	198	-	-	4,327	-	23,447
Total Endowment Funds	23,357	6,567	-	-	11,550	-	41,474

	Balance						Balance 31 March 2020 £'000
	1 April 2019 £'000	Income £'000	Expend £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	
Expendable – Designated	4,435	-	-	-	-	-	4,435
Total expendable endowment	4,435	-	-	-	-	-	4,435
Permanent endowment	18,656	-	-	-	167	99	18,922
Total Endowment Funds	23,091	-	-	-	167	99	23,357

## NOTES TO THE ACCOUNTS *(continued)*

### 19 ENDOWMENT FUNDS *(continued)*

#### **Expendable – General**

These are unrestricted funds that may be used for any charitable purpose at the discretion of the Trustees. During the year the balance of the fund was transferred to the general unrestricted fund on the transfer of Aldeburgh Music Endowment Fund to Britten Pears Arts to align the treatment of unrestricted reserves.

#### **Expendable – Designated**

- Britten–Pears Young Artist Programme Funds provide financial support to the Charity to enable students from around the world to attend masterclasses held as part of the Britten–Pears Young Artist Programme.
- Britten–Pears and Events Funds provide funding in support of the Britten–Pears Young Artist Programme and events at Snape Maltings Concert Hall.
- The Replacement and Renewals Fund exists to meet significant ongoing repairs and improvements to the Group’s sites, including the Concert Hall and its infrastructure.
- The Contingency Reserve aims to build a sum of £950,000 over the medium to long-term. The reserve is intended to cover known and likely costs payable over a notional 12 to 24-month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders.
- The heritage asset and fixed asset funds represent the net book value of specific assets which are not held as legally endowed or restricted at the year end.

The £7,223,000 transfer into this reserve in 2020/21 represents the cost of the Britten Pears and Hoffman buildings, previously held as restricted fixed assets, which have been added to expendable endowment on transfer from Aldeburgh Music Endowment Fund to Britten Pears Arts as part of the group reorganisation (see Note 1).

#### **Expendable – Catalyst**

In 2012 Arts Council England awarded a grant under the Catalyst Arts: endowments scheme. New funds totalling £1,000,000 were matched-funded by Arts Council England to create a new endowment. The grant was made subject to various conditions, including the Trustees signing a Declaration of Trust which includes a provision that the capital will be invested for a minimum of 25 years, after which it will become unrestricted.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Britten Pears Arts for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

#### **Permanent endowment**

Permanent endowment reserves are comprised of funds, predominantly heritage assets, whose capital may not be spent. The heritage asset funds represent the net book value of the assets at the end of the year, and comprise of The Archive Collection, The Red House and Outbuildings, and The Red House Collection. The Snape Maltings Concert Hall was added to permanent endowment in 2020/21 on transfer from Aldeburgh Music Endowment Fund to Britten Pears Arts as part of the group reorganisation (see Note 1).

**NOTES TO THE ACCOUNTS (continued)****20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2021 are represented by:				
Intangible assets	3	-	-	3
Tangible assets	3,761	5,016	16,745	25,522
Heritage assets	-	-	20,172	20,172
Investments	1,475	2,339	3,100	6,914
Net current assets	2,631	1,157	1,457	5,245
Creditors falling due after more than one year	(5)	(6)	-	(11)
	<u>7,865</u>	<u>8,506</u>	<u>41,474</u>	<u>57,845</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2020 are represented by:				
Intangible assets	802	-	-	802
Tangible assets	1,101	16,251	8,426	25,778
Heritage assets	-	-	20,172	20,172
Investments	851	1,885	2,605	5,341
Net current assets	2,736	1,276	709	4,721
Creditors falling due after more than one year	-	(6)	(838)	(844)
	<u>5,490</u>	<u>19,406</u>	<u>31,074</u>	<u>55,970</u>

**ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS**

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2021 are represented by:				
Intangible fixed assets	3	-	-	3
Tangible fixed assets	3,326	5,016	16,745	25,087
Heritage assets	-	-	20,172	20,172
Investments	2,688	2,339	3,100	8,127
Net current assets	1,752	1,157	1,457	4,366
Long term asset	1,200	-	-	1,200
Creditors falling due after more than one year	-	(6)	-	(6)
	<u>8,969</u>	<u>8,506</u>	<u>41,474</u>	<u>58,949</u>

	<b>Unrest'd</b>	<b>Rest'd</b>	<b>Endow't</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	10	-	-	10
Tangible fixed assets	930	11,431	3,185	15,546
Heritage assets	-	-	20,172	20,172
Investments	2,872	-	-	2,872
Net current assets	2,547	1,179	-	3,726
	<u>6,359</u>	<u>12,610</u>	<u>23,357</u>	<u>42,326</u>

**21 PENSION COMMITMENTS**

The Group operates separate defined contribution group personal pension schemes for the Charity and its subsidiary, Snape Maltings Trading Limited. The assets are held in an independently administered fund. Contributions paid during the period amounted to £145,945 (2020: £173,549), of which £25,565, (2020: £32,177) related to higher paid staff within the income bands highlighted in Note 6.

Outstanding pension contributions, which are included within other creditors at 31 March 2021, totalled £14,083 (2020: £25,743).

**22 CAPITAL COMMITMENTS**

At 31 March, there were no capital commitments (2020: £22,550).

## **NOTES TO THE ACCOUNTS *(continued)***

### **23 RELATED CHARITY**

Until 31 March 2021, Britten Pears Arts had an interest in Aldeburgh Music Endowment Fund through its right to appoint Trustees. Aldeburgh Music Endowment Fund was a separate registered charity whose primary purpose was to provide financial support to Britten Pears Arts. At 31 March 2020, the net assets of Aldeburgh Music Endowment Fund amounted to £14,507,951. The Trustees completed the transfer of the assets and liabilities of Aldeburgh Music Endowment Fund into Britten Pears Arts on 31 March 2021 and Aldeburgh Music Endowment Fund became dormant.

**NOTES TO THE ACCOUNTS (continued)****24 RELATED PARTY TRANSACTIONS**

Due to the nature of the Group's operations and the composition of Trustees, transactions sometimes take place with non-Group organisations in which a Trustee will have an interest. All commercial transactions involving Trustees are conducted at arm's length and in accordance with normal purchasing procedures.

During the year, the Group recognised donations from Trustees and other family members totalling £99,563 including Gift Aid (2020: £309,903), of which £nil is within debtors at year end (2020: £nil). One Trustee in 2019/20 paid residential accommodation ground rent to the Group of £600 (2021: £nil).

Transactions between the Charity and Group members during the current and prior periods were as follows:

	<b>Snape Maltings Trading Limited £</b>	<b>Britten Estate Limited £</b>	<b>Aldeburgh Music Endowment Fund £</b>	<b>Elm Property Investments (Snape Maltings) Limited £</b>
<b>Current year</b>				
<b>Balance at 31 March 2021</b>	450,164	9,937	-	-
<b>Income</b>				
Grants	-	-	47,890	-
Management charges	181,892	29,283	84,428	7,208
Interest on loan	46,734	-	-	-
Utility, accommodation and other income	11,963	-	2,153	-
Donations – transfer on group reorganisation	-	-	16,598,027	-
	<u>240,589</u>	<u>29,283</u>	<u>16,732,498</u>	<u>7,208</u>
<b>Expenditure</b>				
Catering, car parking and other charges	12,073	-	-	-
Rent	-	-	81,560	-
	<u>12,073</u>	<u>-</u>	<u>81,560</u>	<u>-</u>
<b>Prior year</b>				
<b>Balance at 31 March 2020</b>	171,712	833,803	1,178	-
<b>Income</b>				
Grants	-	-	533,060	-
Assignment of loan	-	-	2,000,000	-
Management charges	315,546	-	123,807	5,393
Interest on loan	2,150	-	-	-
Utility, accommodation and other income	7,715	-	7,038	-
	<u>325,411</u>	<u>-</u>	<u>2,663,905</u>	<u>5,393</u>
<b>Expenditure</b>				
Management charges	4,520	-	-	-
Catering, car parking and other charges	142,995	-	-	-
Rent	-	-	81,560	-
	<u>147,515</u>	<u>-</u>	<u>81,560</u>	<u>-</u>

The organisational structure of the Group and the relationship between each Group member is highlighted on page 3 of the Trustees Report. All Group members have their registered office at Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP.

**NOTES TO THE ACCOUNTS (continued)****25 ANALYSIS OF CHANGES IN NET DEBT**

Group	1 April 2020 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2021 £'000
<b>Cash and cash equivalents</b>				
Cash	3,148	(354)	-	2,794
	3,148	(354)	-	2,794
<b>Borrowings</b>				
Debt due within 1 year	(28)	28	-	-
Debt due after 1 year	(755)	755	-	-
	(783)	783	-	-
	2,365	429	-	2,794

Charity	1 April 2020 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2021 £'000
<b>Cash and cash equivalents</b>				
Cash	2,553	(234)	-	2,319
	2,553	(234)	-	2,319
	2,553	(234)	-	2,319

**26 CONTINGENT LIABILITY**

The Charity and its wholly owned subsidiaries, Snape Maltings Trading Limited and Britten Estate Limited, share the same registration for VAT purposes, reducing administration and imposing joint and several liabilities on each party. At 31 March 2021, the net joint VAT liability was £4,912 (2020: £67,193). Of this liability, £nil (2020: £11,770) is represented by the Charity, £nil (2020: £55,423) by Snape Maltings Trading Limited and £4,912 (2020: £nil) by Britten Estate Limited.

**27 OPERATING LEASE COMMITMENTS**

Besides low value commitments to hire equipment for activities, the Charity and Snape Maltings Trading Limited occupy premises at Snape Maltings and Aldeburgh which were leased from Aldeburgh Music Endowment Fund and from Elm Property Investments (Snape Maltings) Limited. Related income and expenditure are eliminated on consolidation. The property leased from Aldeburgh Music Endowment Fund to the Charity was transferred by Aldeburgh Music Endowment Fund to the Charity on 31 March 2021.

The total future minimum lease payments under non-cancellable operating leases are as follows:

Amounts due:	2021 £'000	2020 £'000
Within one year	7	26
Between one and five years	7	14
	14	40

**28 GUARANTEE**

The Charity is a company limited by guarantee. In the event of any winding up, each member would be required to contribute £1 towards the liabilities of the company. As at 31 March 2021 there were 13 such members (2020: 18).

**NOTES TO THE ACCOUNTS (continued)****29 MERGER WITH THE BRITTEN PEARS FOUNDATION**

On the 31 March 2020 Snape Maltings undertook a merger with The Britten Pears Foundation, registered office, The Red House, Golf Lane, Aldeburgh, Suffolk. Both entities are charitable companies in the arts sector. The merged organisation was subsequently renamed Britten Pears Arts. All assets and liabilities were transferred from the Britten Pears Foundation to Snape Maltings. No adjustments to the carrying value of assets or liabilities were required during this process. Adjustments have been made to restate certain Restricted funds as Endowment funds. Permanent endowment funds have been created firstly for the archive collection and secondly for the Red House, its outbuildings and its collection. The archive building and other property fixed assets have been transferred as Expendable endowment designated funds.

Analysis of principal SOFA components for the previous reporting period

	<b>Snape Maltings</b>	<b>Britten Pears Foundation</b>	<b>Eliminate trading</b>	<b>Combined total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total income	7,373	1,935	(50)	9,258
Total expenditure	<u>(5,874)</u>	<u>(1,380)</u>	<u>200</u>	<u>(7,054)</u>
Net income/expenditure	1,499	555	150	2,204
Gain on revaluation of fixed assets	-	99	-	99
<b>Net movement in funds</b>	<b><u>1,499</u></b>	<b><u>654</u></b>	<b><u>150</u></b>	<b><u>2,303</u></b>

**NOTES TO THE ACCOUNTS (continued)****29 MERGER WITH THE BRITTEN PEARS FOUNDATION (continued)**Analysis of net assets at the date of the merger

	<b>Snape Maltings</b>	<b>Britten Pears Foundation</b>	<b>Restatement</b>	<b>Combined total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fixed assets</b>				
Intangible assets	10	-	-	10
Tangible assets	11,794	3,752	-	15,546
Heritage assets	-	20,172	-	20,172
Investments	2,000	872	-	2,872
	<u>13,804</u>	<u>24,796</u>	<u>-</u>	<u>38,600</u>
<b>Current assets</b>				
Stock	-	15	(15)	-
Debtors	1,354	958	15	2,327
Cash at bank and in hand	1,857	696	-	2,553
	<u>3,211</u>	<u>1,669</u>	<u>-</u>	<u>4,880</u>
<b>Creditors:</b> amounts falling within one year	(1,089)	(65)	-	(1,154)
<b>Net current assets</b>	<u>2,122</u>	<u>1,604</u>	<u>-</u>	<u>3,726</u>
Total assets less current liabilities	15,926	26,400	-	42,326
<b>Net assets</b>	<u><b>15,926</b></u>	<u><b>26,400</b></u>	<u><b>-</b></u>	<u><b>42,326</b></u>
<b>Unrestricted funds</b>				
General fund	2,990	650	-	3,640
Designated funds:				
Designated Artist Fund	175	-	-	175
Designated Opera and Commission Fund	160	-	-	160
Designated fixed assets	-	24,774	(23,357)	1,417
Other designated funds	-	967	-	967
Total unrestricted funds	<u>3,325</u>	<u>26,391</u>	<u>(23,357)</u>	<u>6,359</u>
<b>Restricted funds</b>				
Other income reserves	970	-	-	970
BPYAP and other activities	200	9	-	209
Restricted fixed assets	11,431	-	-	11,431
Total restricted funds	<u>12,601</u>	<u>9</u>	<u>-</u>	<u>12,610</u>
<b>Endowment funds</b>				
Expendable – Designated	-	-	4,435	4,435
Permanent endowment	-	-	18,922	18,922
Total endowment funds	<u>-</u>	<u>-</u>	<u>23,357</u>	<u>23,357</u>
<b>Total funds</b>	<u><b>15,926</b></u>	<u><b>26,400</b></u>	<u><b>-</b></u>	<u><b>42,326</b></u>

**NOTES TO THE ACCOUNTS (continued)****30 REORGANISATION WITH THE ALDEBURGH MUSIC ENDOWMENT FUND**

The group reorganisation to transfer the assets and liabilities of Aldeburgh Music Endowment Fund to Britten Pears Arts completed on 31 March 2021.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at the fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Charity's Statement of Financial Activities as donations – transfer on group reorganisation.

The Aldeburgh Music Endowment Fund held its reserves in endowment, but on transfer to Britten Pears Arts the unrestricted element of these reserves were moved to general reserve, which is how they would have been categorised had they been originally recognised in Britten Pears Arts.

Net assets transferred:

	<b>2021</b>
	<b>£'000</b>
Freehold land and buildings	8,845
Leasehold land and buildings	396
Other tangible fixed assets	334
Investments	5,956
Cash	951
Other debtors and creditors	116
	<u>16,598</u>