

**Company Registration No. 01587684 (England and Wales)**  
**Charity Registration No. 283484 (England and Wales)**

**THE CHAMBER ORCHESTRA OF EUROPE**  
**(Limited by guarantee and not having share capital)**

**TRUSTEES' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE CHAMBER ORCHESTRA OF EUROPE

## CONTENTS

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	<b>Page</b>
Legal and administrative information	1
Trustees' report	2 - 5
Independent auditor's report	6 – 9
Statement of financial activities (including income and expenditure account)	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 – 19

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# THE CHAMBER ORCHESTRA OF EUROPE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and Executive committee</b>	John Peter Abercromby Readman Michael Graham Hoare James Judd
<b>Secretary</b>	Michael Graham Hoare
<b>Company Registration No.</b>	01587684
<b>Charity Registration No.</b>	283484
<b>Principal office</b>	North House 27 Great Peter Street London SW1P 3LN
<b>Registered office</b>	40 Queen Anne Street London W1G 9EL
<b>Auditors</b>	Lewis Golden LLP Chartered Accountants and Statutory Auditors 40 Queen Anne Street London W1G 9EL
<b>Bankers</b>	C Hoare & Co 37 Fleet Street London EC4P 4DQ
<b>Solicitors</b>	BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL
<b>Website</b>	<a href="http://www.coeurope.org">www.coeurope.org</a>

# THE CHAMBER ORCHESTRA OF EUROPE

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees (who are also the directors) are pleased to present their report, together with the financial statements of the company for the year ended 31 December 2021 which also represents the Directors' report as required by s415 of the Companies Act 2006.

The financial statements have been prepared in accordance with accounting policies set out on pages 13 to 15 and with applicable United Kingdom accounting standards, current statutory requirements, the Charities Act 2011, the Companies Act 2006 (Charitable Companies), 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) (2nd Edition, effective January 2019) ("Charities SORP"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the charity's governing document. Legal and administrative information set out on page 1 forms part of this report.

### **The company and its charitable objectives for the public benefit**

The Chamber Orchestra of Europe (COE) is a company limited by guarantee and not having a share capital (number 01587684). It is governed by its Memorandum and Articles of Association dated 25 September 1981, and is a registered charity (number 283484).

Legal and administrative information, as set out on page 1, forms part of this report.

As well as being Leaders and Principals of other major orchestras, the players pursue parallel careers as international soloists, members of celebrated chamber ensembles, and as professors of music. Unsurprisingly, the Chamber Orchestra of Europe philosophy influences the players' own work during the rest of the year, notably in a wide range of educational projects in which they are involved, making the Orchestra a truly impressive example of co-operation between individual European nations.

The Chamber Orchestra of Europe has been able to implement a European Partnership Scheme with a group of major concert halls and festivals across the continent. These include the Cité de la Musique in Paris, the Concertgebouw in Amsterdam, the Philharmonie in Cologne, the Teatro Comunale in Ferrara, and the Lucerne and Salzburg Mozartwoche Festivals. These partnerships enhance the Orchestra's financial and artistic stability, increase its profile, and ensure that its objectives can be sustainable in the long term.

The Chamber Orchestra of Europe Academy was developed in 2009 in order to give selected students the chance to study with the principal players of the Chamber Orchestra of Europe and be inspired by the Orchestra's unique ethos and passion for making music.

The Trustees confirm that in accordance with section 17 of the Charities Act 2011 they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning their future activities.

### **Organisation**

The company's administration is under the control of the Trustees. The Trustees during the year to 31 December 2021 were:

J.P.A. Readman (Chairman)

M.G. Hoare (Secretary)

J. Judd (Director)

No Trustee/Director received any remuneration in the year to 31 December 2021, and no travel or other expenses were paid on behalf of any Trustee.

# THE CHAMBER ORCHESTRA OF EUROPE

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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### Method of appointment of trustees

The appointment of Trustees/Directors is governed by the Memorandum and Articles of Association. In accordance with the charitable company's Articles of Association James Judd retires by rotation and, being eligible, offers himself for re-election.

### Results for the year ended 31 December 2021

The results for the year on page 10 of the financial statements show a net surplus for the year of £195,937 increasing reserves at the end of the year to £2,209,972.

### Achievements and Performance

The COE was once again unable to perform during the first half of 2021, its 40th anniversary year, and the team focused their efforts on another two new releases from archive recordings: firstly, another set of concert recordings with conductor Nikolaus Harnoncourt taken between 1989 and 2007 in concert halls in Berlin, Amsterdam and Graz which were released on 22 October 2021 by ICA Classics; secondly a DVD/Blu-Ray set of all of the Sibelius Symphonies performed by the Orchestra at the Helsinki Festival in 1998 with Paavo Berglund, subsequently released by ICA Classics in January 2022 on the occasion of the 10th anniversary of Berglund's death.

In May we celebrated the COE's 40th anniversary online on Zoom instead of at the Merchant Taylor's Hall in London which was the venue of the Orchestra's launch concert back in 1981. The party involved various speeches from a number of members, past and present, as well as a substantial quiz about the COE expertly put together and animated by Patrick McEntee, the COE's Tour and Stage Manager. We were delighted to be joined by former members calling from far-away countries who would not otherwise have been able to join an in-person celebration in London.

The COE started touring again at the end of June 2021 and was delighted that the Beethoven Symphony Cycle project with Yannick Nézet-Séguin had been resuscitated by the Baden-Baden Festspielhaus. The musicians were thrilled to be able to perform together again, albeit in a socially distanced manner, to a much reduced audience, with tests every single day to get into the concert hall. Also, due to the travel ban between the UK and Germany in place at the time, twelve British musicians and members of the COE team had to quarantine outside the UK for 10 days before the start of the project. All the symphonies were recorded by Deutsche Grammophon, as had been planned back in April 2020 and the release is scheduled for July 2022. The concerts in Baden-Baden were the first to be streamed on the Festspielhaus's brand new digital concert hall to an international audience.

At the end of July the COE travelled to the Rheingau Musik Festival where it performed for the first time in the Festival's "Summit of Strings" series. All six concerts led by COE violinist Ben Gilmore featured soloists from the Kronberg Academy, the most prestigious Academy for string players in Europe, with which the COE has developed a strong partnership over the past years. The COE will be the first orchestra in residence at the Academy's brand new venue, the Casals Forum, when it opens in September 2022. All six concerts were streamed on Magenta TV and were available to watch for a year free of charge anywhere in the world.

The Orchestra was then joined at the end of August by violinist Veronika Eberle and violist Amihai Grosz in three performances of works by Richard Strauss, Mozart and Haydn at the Berlin Philharmonie and Hamburg's Elbphilharmonie.

In the autumn we performed one concert in Bordeaux on 21 October with pianist Piotr Anderszewski and then two concerts with one of the COE's Honorary Members Sir András Schiff in Germany at the end of November. These concerts were in Berlin and Friedrichshafen and brought the second half of the year to a very successful conclusion. Fortunately we had no concerts planned in December as these would have inevitably been cancelled as a result of the emergence of the Omicron variant which led to many concert halls in Europe being closed until the beginning of 2022.

# THE CHAMBER ORCHESTRA OF EUROPE

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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### **Achievements and Performance (continued)**

As the COE was kept off the platform for so many months between 2020 and 2021, we decided to launch the COE's own podcast, Interlude, in October 2020. Expertly presented by former BBC Radio presenter Simon Mundy, this has been a very successful initiative as it kept the Orchestra in people's minds throughout the pandemic. In particular, we released a special "COE@40" series during 2021, celebrating 40 years of the COE. These episodes featured current and former members of the Orchestra including conductors Jaime Martin, Thierry Fischer and Dougie Boyd, as well as regular artistic partners such as Yannick Nezet-Seguin, Sir Antonio Pappano, Robin Ticciati and Janine Jansen. Other episodes in 2021 included the 'Making-of' our recently released archive recordings: Matthew Wilkie was interviewed about our second Harnoncourt box-set and in January 2022 Dougie Boyd looked back at our Sibelius symphony cycle with Paavo Berglund. The 15 episodes of the podcast are all available on Apple podcasts, Spotify, Deezer and all other major platforms.

### **Finance and sponsorship**

We continue to be very fortunate to benefit from the significant support of The Gatsby Charitable Foundation and from our programme of support of the Principal positions in the Orchestra. In 2021 we benefited again from a meaningful grant towards our eligible expenses from HMRC under its orchestra tax relief scheme which was introduced in April 2016. Above all, however, we received exceptional and very significant additional donations from The Gatsby Charitable Foundation specifically to support our members through a very challenging Covid-affected year, for which we are immensely grateful.

### **Reserves Policy**

At the end of the year the Orchestra had reserves of £2,209,972. The Orchestra requires a level of reserves to ensure sufficient resources to support a programme of activity that involves development some years in advance. The Trustees also consider it appropriate to have a certain level of reserves to mitigate some of the risks associated with working across Europe at a time of uncertainty caused by Covid. Given the cancellations and other disruptions arising from the virus, the Trustees consider the reserves held at the year-end to be vital to ensure the Orchestra's future.

The reserves of the charity are constantly reviewed by the Trustees to ensure they are appropriate to support the activities of the charity. The Trustees set budgets at the start of the year and review actual income and expenditure against these budgets at regular Trustee meetings.

### **Major Risks**

The major risks to which the COE is exposed are constantly reviewed by the Trustees and, to the extent possible, systems have been put in place to mitigate those risks. Specifically, these include dealing with the massive consequences of Covid and now of Brexit, to which the COE is as vulnerable as any British orchestra. However, with the healthy level of reserves and additional grants from The Gatsby Charitable Foundation there is every prospect that the Orchestra remains in a reasonable position to weather the Covid storm.

### **Future Activities**

At the beginning of 2022 we faced further problems as a result of COVID with our concert at the Salzburg Mozartwoche being cancelled for the second year running. It was something of a miracle that we were able to undertake our concerts with Norwegian violinist Vilde Frang and Venezuelan conductor Rafael Payare in Bergen, Oslo and Aalborg in February given the ongoing travel restrictions in place throughout Europe.

In March we were lucky to be able to perform with Robin Ticciati and cellist Jean-Guihen Queyras in Berlin, but again our concert in Ludwigshafen was cancelled at very short notice as a result of BASF closing their hall until the beginning of April. However we were delighted to be able to begin our residency at the Esterhazy Palace in Eisenstadt with a concert directed by COE Leader Stephanie Gonley and Turkish pianist Fazil Say, followed by our first ever performance at the Isarphilharmonie in Munich. The concert in Eisenstadt also marked the beginning of our audiovisual partnership with medici.tv which will broadcast all our concerts at the Esterhazy Palace to their millions of viewers worldwide for the next three years.

# THE CHAMBER ORCHESTRA OF EUROPE

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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### Future Activities (continued)

We are very much looking forward to working with Jakub Hrusa and Patricia Kopatchinskaya in Italy in May and then at the end of the month with François Leleux in Germany. June will see us undertaking our first ever tour with Sir Simon Rattle, his wife Magdalena Kozena and tenor Andrew Staples, and then in July we return to Baden-Baden for a series of concerts with Yannick Nézet-Séguin, performing and recording the Brahms symphonies for Deutsche Grammophon.

The rest of the year also looks very exciting and hopefully we will be able to accomplish a full season for the first time in almost three years.

### Statement of trustees' responsibilities

The trustees (who are also directors of The Chamber Orchestra of Europe for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

By order of the trustees



John Peter Abercromby Readman  
Chairman

Date: 20 May 2022

# THE CHAMBER ORCHESTRA OF EUROPE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAMBER ORCHESTRA OF EUROPE

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### Opinion

We have audited the financial statements of The Chamber Orchestra of Europe (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities (including an income and expenditure account), the Balance Sheet, the Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- 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 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 entity'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.



# THE CHAMBER ORCHESTRA OF EUROPE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAMBER ORCHESTRA OF EUROPE (CONTINUED)

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### 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 prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

# THE CHAMBER ORCHESTRA OF EUROPE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAMBER ORCHESTRA OF EUROPE (CONTINUED)

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### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the company, its environment, its controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. In identifying and assessing risks of material misstatement in respect of irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- at planning stage, we gained an understanding of the legal and regulatory framework applicable to the charitable company, the industry in which they operate and considered the risk of failing to comply with these legal and regulatory requirements;
- we discussed with Trustees and staff members the policies and procedures in place regarding compliance with laws and regulations;
- we discussed amongst the engagement team the identified laws and regulations, and remained alert to any indications of non-compliance; and
- during the audit, we focused on areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the Trustees (as required by auditing standards), from inspection of the charitable company's regulatory correspondence and review of minutes of Trustees' meetings in the year.

We also considered those other laws and regulations that have a direct impact on the preparation of financial statements, such as the Companies Act 2006 and the Charities Act 2011.

Our procedures in relation to fraud included but were not limited to:

- inquiries of Trustees and staff members whether they have knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- using analytical procedures to identify any unusual or unexpected relationships;
- discussion amongst the engagement team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements; and
- scrutiny review of unusual transactions and entry into sensitive nominal ledger accounts.

The primary responsibility for the prevention and detection of irregularities including fraud rests with the Trustees. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

# THE CHAMBER ORCHESTRA OF EUROPE

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAMBER ORCHESTRA OF EUROPE (CONTINUED)

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.



**Senior Statutory Auditor**  
**For and on behalf of Lewis Golden LLP**  
Chartered Accountants and Statutory Auditors  
40 Queen Anne Street  
London W1G 9EL

Date: 6 June 2022

# THE CHAMBER ORCHESTRA OF EUROPE

## STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account) FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
<b>Income and endowments from:</b>			
Donations and legacies		765,178	767,370
Charitable activities		872,486	451,750
Other	3	254,004	461,940
<b>Total income and endowments</b>	2	1,891,668	1,681,060
<b>Expenditure on:</b>			
Charitable activities	4	(1,695,731)	(1,368,180)
<b>Total expenditure</b>		(1,695,731)	(1,368,180)
Net income		195,937	312,880
<b>Net movement in funds</b>	16	195,937	312,880
<b>Total funds brought forward</b>		2,014,035	1,701,155
<b>Total funds carried forward</b>	16	2,209,972	2,014,035

# THE CHAMBER ORCHESTRA OF EUROPE

## BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
<b>Tangible fixed assets</b>	<b>10</b>		5,649		7,533
<b>Current assets</b>					
Debtors	11	29,363		28,520	
Cash at bank and in hand		2,276,011		2,004,134	
		<u>2,305,374</u>		<u>2,032,654</u>	
<b>Creditors: amounts falling due within one year</b>	<b>12</b>	(101,051)		(26,152)	
<b>Net current assets</b>			2,204,323		2,006,502
<b>Total assets less current liabilities</b>			<u>2,209,972</u>		<u>2,014,035</u>
<b>Represented by:-</b>					
Unrestricted income funds			2,209,972		2,014,035
<b>Total charity funds</b>	<b>16</b>		<u>2,209,972</u>		<u>2,014,035</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd edition, effective 1 January 2019). Under section 454 of the Companies Act 2006, the trustees can amend these financial statements if they subsequently prove to be defective.

The financial statements were approved by the board:



John Peter Abercromby Readman  
Chairman

Date: 30 May 2022



Michael Graham Hoare  
Trustee

The Chamber Orchestra of Europe (Company Registration No. 01587684)  
(Charity Registration No. 283484)

The notes on pages 13 to 19 form part of these financial statements.

# THE CHAMBER ORCHESTRA OF EUROPE

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

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	Notes	2021 £	2020 £
<b>Net cash inflow from operating activities</b>	<b>18</b>	271,877	286,261
Increase in cash and cash equivalents during the year		271,877	286,261
Cash and cash equivalents at the beginning of the year		2,004,134	1,717,873
<b>Total cash and cash equivalents at the end of the year</b>		2,276,011	2,004,134

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# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2<sup>nd</sup> edition, effective 1 January 2019) and the provisions of the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charitable company meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going concern

The trustees have considered a period of 12 months from the date of approval of the financial statements when considering the going concern status of the charity. The charity reported an increase in cash and cash equivalents of £271,877 for the year and has unrestricted reserves of £2,209,972. There are no material uncertainties regarding the going concern status.

#### 1.3 Income and endowments

##### *(i) Donations and legacies*

Income from Friends, donations and legacies are recorded on a receipts basis. Donated goods and services are recorded by recognising an equal donation and expense at the fair value of the resources received.

##### *(ii) Income from charitable activities*

Revenue from concerts and recordings are recorded on the accruals basis.

##### *(iii) Other income*

Other income is recognised on the accruals basis when the charity has entitlement to the income, it is probable that the income will be received by the charity and the income can be measured reliably.

#### 1.4 Expenditure

Expenditure in the statement of financial activities is dealt with on the accruals basis and is classified as follows:

##### *(i) charitable activities*

This comprises all costs expenditure incurred by the charity in meeting its charitable objectives.

#### 1.5 Accumulated funds

The unrestricted income funds represent the funds of the charitable company which are not designated for particular purposes.

Any funds receivable during the relevant accounting period but not utilised are carried forward as part of total charity funds.

#### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets (other than freehold land) at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Musical instruments	-	25% reducing balance
Computer equipment	-	25% reducing balance

#### 1.7 Debtors

Short term debtors are measured at the transaction price, less any impairments. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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### Accounting policies (continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

#### 1.10 Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities (including an income and expenditure account).

#### 1.11 Music library

No value is placed on the charitable company's library of music.

#### 1.12 Presentational currency

The financial statements are presented in Sterling, due to the company being based in the United Kingdom, while the functional currency of the company is Euros.

#### 1.13 Pensions

##### Defined contribution pension scheme

The company operates a defined contribution scheme for its employees. A defined contribution scheme is a pension scheme under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of financial activities when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the scheme are held separately from the company in independently administered funds.

#### 1.14 Financial instruments

##### (i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at present value of future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.



# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### Accounting policies (continued)

#### 1.14 Financial instruments (continued)

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities (including an income and expenditure account). If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities (including an income and expenditure account).

Financial assets are derecognised when:

- (a) The contractual rights to the cash flows from the asset expire or are settled; or
- (b) Substantially all the risks and rewards of the ownership of the asset are transferred to another party; or
- (c) Control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### (ii) Financial liabilities

Basic financial liabilities, including trade and other creditors that are classified as debt are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, this is when the contractual obligation is discharged, cancelled or expires.

#### (iii) Offsetting

Financial assets and liabilities are offset and 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.

## 2 Income and endowments

Income generated from charitable activities is stated net of value added tax, and represents amounts invoiced to third parties.

## 3 Other income

	2021 £	2020 £
EU VAT reclaim	3,462	6,958
Royalties	14,214	1,965
Insurance claims	12,746	627
Orchestra tax relief	223,582	452,390
	<u>254,004</u>	<u>461,940</u>

# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### 4 Expenditure on charitable activities

	Notes	2021 £	2020 £
<b>Direct:</b>			
Players' fees and expenses		617,433	568,916
Tour management fees		104,399	113,565
Travel expenses		246,359	248,119
Artists' fees		107,379	109,670
Performance related costs		185,655	114,402
Withholding tax		17,795	10,500
<b>Indirect:</b>			
Wages and salaries	9	179,086	179,098
Employer's national insurance	9	16,636	16,759
Pension contributions	9	11,133	11,028
Telephone, postage, printing and sundry office supplies		42,555	44,544
Foreign exchange losses/(gains)		107,555	(117,880)
Governance costs	5	59,746	69,459
		<u>1,695,731</u>	<u>1,368,180</u>

Players' fees and artists' fees include payments made to independent professionals for the provision of services to the Orchestra. These fees include subsistence costs where applicable.

Withholding tax is deducted from gross concert fees for performances in Germany and is non-recoverable due to the charitable company not being liable for corporation tax.

### 5 Governance costs

		2021 £	2020 £
Auditor's remuneration	6	18,113	24,850
Accountancy fees		27,204	27,204
Bank charges		14,429	17,405
		<u>59,746</u>	<u>69,459</u>

### 6 Auditor's remuneration

	2021 £	2020 £
Audit fees	14,631	20,363
Accountancy and other services	3,482	4,487
	<u>18,113</u>	<u>24,850</u>

# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### 7 Donations in kind

During the current and prior year, the charitable company benefited from the provision of office facilities and equipment made available by Friends of the charitable company. The trustees are of the opinion that it is not practical to quantify this donation in kind, as the work required in obtaining professional advice would outweigh any possible benefit. The charitable company also received a donation in kind by way of a reduction in audit fees of £2,750 (2020: £1,243) for services provided by Lewis Golden LLP. This donation in kind has not been recognised in arriving at the net expenditure for the year.

### 8 Taxation

The charitable company is a registered charity and is not liable to corporation tax in the United Kingdom.

### 9 Staff costs

	2021 £	2020 £
Wages and salaries	179,086	179,098
Social security costs	16,636	16,759
Pension contributions	11,133	11,028
	<u>206,855</u>	<u>206,885</u>

Average number of employees during the year:

	2021 Number	2020 Number
Administration	<u>4</u>	<u>4</u>

No employee received emoluments exceeding £60,000 in the current or prior year.

During the current and prior year none of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses.

# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### 10 Tangible fixed assets

	Musical instruments £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2021	44,178	3,236	47,414
Additions	-	-	-
At 31 December 2021	44,178	3,236	47,414
<b>Depreciation</b>			
At 1 January 2021	36,747	3,134	39,881
Charge for the year	1,859	25	1,884
At 31 December 2021	38,606	3,159	41,765
<b>Net book value</b>			
At 31 December 2021	5,573	76	5,649

### 11 Debtors

	2021 £	2020 £
Trade debtors	-	9,028
Other debtors	7,804	8,627
Prepayments and accrued income	21,559	10,865
	29,363	28,520

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and accrued income amounted to £nil (2020: £15,076).

### 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	34,040	(7,957)
Taxation and social security	6,842	8,558
Accruals and deferred income	60,169	25,551
	101,051	26,152

In the current year, accruals and deferred income includes £41,669 of deferred income in relation to concerts to be performed in 2022. There was no deferred income recognised in the prior year.

Financial liabilities measured at amortised cost comprise trade creditors, general accruals (excluding the audit fee accrual) amounted to £34,040 (2020: asset of £1,156).

# THE CHAMBER ORCHESTRA OF EUROPE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### 13 Contingent assets

The contingent asset that has not been recognised in the Balance Sheet is the potential Orchestra Tax Relief receivable for the year ended 31 December 2021. The trustees expect to make a claim, however the value and timing of this receipt is uncertain. The trustees hope to receive approximately 25% of the eligible expenses incurred prior to 27 October 2021, temporarily increasing to 50% of the eligible expenses thereafter until 31 March 2023.

### 14 Status of the charitable company

The charitable company, a registered charity, is a company limited by guarantee and not having share capital. The subscribers to the Memorandum of Association, and any other persons which the committee admit, are members of the charitable company. At present, the membership is 3 (2020: 3), each member guaranteeing the charitable company up to an amount of £1. There is no controlling party.

### 15 Related party transactions

There were no related party transactions or balances during the current or prior year.

### 16 Total charity funds

	2021 £	2020 £
At 1 January 2021	2,014,035	1,701,155
Net income	195,937	312,880
At 31 December 2021	2,209,972	2,014,035

### 17 Analysis of net assets

	2021 £	2020 £
Fund balances as at 31 December are represented by:		
Fixed assets	5,649	7,533
Debtors	29,363	28,520
Cash at bank	2,276,011	2,004,134
Creditors: amounts falling due within one year	(101,051)	(26,152)
At 31 December	2,209,972	2,014,035

All funds are unrestricted.

### 18 Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	195,937	312,880
Add: depreciation charge	1,884	2,520
(Increase)/decrease in debtors	(843)	61,419
Increase/(decrease) in creditors	74,899	(90,558)
Net cash flows from operating activities	271,877	286,261