

Registered number: 2040312
Charity number: 295329

**ORCHESTRA OF THE AGE OF
ENLIGHTENMENT AND SUBSIDIARY
UNDERTAKINGS**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2017

FRIDAY



L16 *L795C035* #191
29/06/2018
COMPANIES HOUSE

LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

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ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Trustees	Sir Martin Smith, Chair Cecelia Bruggemeyer, Vice Chair (resigned 28 August 2017) Roger Montgomery, Vice Chair (from 17 September 2017) Crispin Woodhead, Chief Executive Lisa Beznosiuk (resigned 28 August 2017) Anna-Luise Buchberger Robert Cory (resigned 5 July 2017) Steven Devine (appointed 28 August 2017) Denys Firth Nigel Jones Max Mandel David Marks Rebecca Miller (appointed 28 August 2017) Imogen Overli (appointed 18 April 2018) Olivia Roberts Susannah Simons Katharina Spreckelsen (appointed 28 August 2017) Mark Williams
Company registered number	2040312
Charity registered number	295329
Registered office	Kings Place 90 York Way London N1 9AG
Company secretary	Ivan Rockey
Independent auditors	Lubbock Fine Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
Bankers	Lloyds TSB Bank Plc Pall Mall, St James's 8-10 Waterloo Place London SW1Y 4BE CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Swan Turton 68a Neal Street London WC2H 9PA

**ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The Trustees present their annual report together with the audited financial statements of the group and the Charity for the year 1 October 2016 to 30 September 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Group consists of The Orchestra of the Age of Enlightenment (OAE), the parent Charity, and OAE Productions Limited, the subsidiary company.

The OAE is a registered charity and company limited by guarantee, established in 1986 and governed by its Memorandum and Articles of Association. The company has no share capital and in the event of it being wound up the liability of Members and those who ceased to be Members within one year is limited to £1.

As a 'self-governing' orchestra the majority of Members are Player Members, being those musicians who 'in the opinion of the Board ... make a significant and continuing contribution as musicians to any orchestral or musical ensemble for the time being maintained by the Company'.

The Board of Directors comprises the Players' Artistic Committee, the Chief Executive and Director of Finance and Operations, and between five and ten Non-Player Directors elected by the Members.

The Players' Artistic Committee (PAC) is comprised of five Player Members, drawn from at least two sections of the Orchestra, elected by the Player Members. Its role is to establish the artistic policy and plans of the Orchestra, supervise the choice of programmes, personnel, conductors, soloists and other performers, and generally have responsibility for the musical direction and development of the Company and the maintenance of artistic standards.

PAC members are elected for a period of three years and are eligible for re-election up to a maximum of six years. After retirement from the PAC at least three years must elapse before a Player Member is eligible for re-election to it.

Non-Player Directors are recruited by a Nominations Committee (comprising the Chair, a non-Player Director, a member of the PAC, and the Director of Development) before being proposed for election by the Members. The Nominations Committee aims to ensure the Board maintains an appropriate and wide range of skills and experience to complement those of the PAC, including individuals with backgrounds in leadership, governance, finance, philanthropy, arts, education, communications, law and HR.

Non-Player Directors are elected for a period of three years and are eligible for re-election up to a maximum of nine years, except in the case of the Chief Executive. By means of a special resolution approved by the Members, two Non-Player Directors, Sir Martin Smith and Susannah Simons, have been invited to serve beyond nine years.

New Board members receive a detailed induction pack and meet with the Chief Executive, other Board Members and members of the Senior Management Team as required, and ongoing support and training is made available in the areas in which they have specific responsibility.

The day to day management of the Company is delegated to the Chief Executive, who is supported by a Senior Management Team of six (Projects Manager; Director of Finance and Operations; Education Director; Press and Public Relations Director; Director of Marketing and Audience Development; Development Director) and thirteen other members of staff (six full-time, two part-time, four freelance and a paid intern).

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The remuneration of the Chief Executive is set and monitored by the Finance Committee (comprising between three and five non-Player Directors and PAC members, with at least one of each).

The OAE has one wholly-owned subsidiary, OAE Productions Ltd, which has its own Board of Directors comprised of representatives of the OAE's Board, PAC and senior management team along with an independent Director. OAE Productions Ltd is the production company for the majority of the OAE's concerts and manages aspects of its commercial activity including corporate sponsorship.

Details of the relationships between the OAE and related parties are included in the notes to the financial statements.

OBJECTIVES AND ACTIVITIES

The object for which the Charity is established is to advance education through the promotion, support, encouragement of the art of music (including opera, music, drama, dancing, singing and all forms consisting in whole or in part of music) and in particular the promotion, encouragement and appreciation of music as played on period instruments.

The OAE is one of the world's leading orchestras, giving performances characterised by energy, insight and vitality on period instruments. We embody the values of the Enlightenment, challenging existing ideas, championing innovation and approaching our music-making, which ranges from Monteverdi to Mahler, with a constant spirit of enquiry. Whilst run and artistically-led by our players, we work with the world's leading artists, particularly our Principal Artists, as well as nurturing the next generation of musicians. We strive to reach the widest audience possible through performance and our renowned education programme.

To support our mission (above) and further our purposes for the public benefit the principal activities we undertake are a worldwide programme of concerts, recordings and broadcasts, and a comprehensive programme of music education and outreach activities aimed at involving, empowering and inspiring participants.

At the core of our artistic activity is our annual series of concerts at London's Southbank Centre, where we are one of four resident orchestras, and from which most of our national and international activities flow. We aim to nurture relationships with audiences in other locations through partnerships and residencies with venues, promoters and festivals in the UK and overseas. In addition we seek to make our work relevant to different audiences through innovative methods of concert presentation and performances in venues not traditionally associated with classical music.

In our education and outreach work we also aim to focus in regions where the orchestra performs, nurturing relationships with local partners and building an OAE community in those areas. Our education activities are streamlined into six distinct strands: TOTS (for those aged 5 and under and their parents and carers), schools, special needs, nurturing talent, opera, and flagship projects which integrate the other five strands.

We have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

Fundraising and charitable trading play a crucial role in helping us reach the widest audience, enabling us to set ticket prices and offer discounts that reduce financial barriers to attendance. Broadcasts, recordings and online streaming of selected concerts, whether free of charge or at low prices, increase the number of people able to experience our music beyond the performance venue. The setting of charges for educational and participatory programmes is fundamentally aimed at ensuring they are accessible to the widest possible community and these are, in most cases, provided free to beneficiaries.

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(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

ACHIEVEMENTS AND PERFORMANCE

The year's artistic highlights included a landmark text and music new commission in *The Judas Passion* (Sally Beamish / David Harsent), the complete J.S. Bach Christmas Oratorio with Masaaki Suzuki, a pioneering revival of works by the neglected French composer, Étienne Méhul, and a national tour of the complete J.S. Bach Brandenburg concertos.

Our 2016-17 Southbank season consisted of nine concerts that featured a glittering array of international collaboration: Masaaki Suzuki, Ottavio Dantone, Jonathan Cohen, Sarah Connolly, Adam Fischer, Steven Isserlis, Isabelle Faust and Sir William Christie. International touring included engagements in France, Germany, Italy, Spain, the Netherlands, Belgium, Denmark, Hungary, Poland and the USA. Our National range was equally expansive, with performances in all three residences, Bristol, Basingstoke and Bradford-on-Avon, with additional appearances in Manchester, Cheltenham, Nottingham, Birmingham and Cambridge.

During the year we continued our work as Artistic Associate at London's Kings Place, where we presented our innovative, short-form Turning Points series and contributed to the Kings Place 'Cello Unwrapped' in a programme of early classical repertoire with the distinguished French interpreter and soloist, Christoph Coin. We also recorded the OAE commission of the Michael Gordon Bassoon Concerto with Peter Whelan, OAE Principal Bassoon, at Abbey Road Studios. This is due for release in 2018.

The OAE's other high-profile performances were as Associate Orchestra at Glyndebourne Festival Opera for 13 performances of Cavalli's *Hipermestra* (a critically acclaimed revival by Graham Vick of a rarely performed work) and 13 performances of Mozart's *La Clemenza di Tito* with Robin Ticciati. We also made appearances at the BBC Proms: Mozart's *La Clemenza di Tito* (with Glyndebourne) and the great Handelian oratorio, *Israel in Egypt* with Sir William Christie.

Alongside our traditional concerts we continued to present classical music less formally in *The Night Shift*, targeted at 18-35 year olds. Building on the success of our first few monthly Night Shift gigs in 2015-16, we made a further commitment to bringing classical music to London's non-concert hall venues in 2016-17, building our audiences in Peckham and adding a new venue in Camden Town. We also undertook a summer Night Shift mini-festival, with gigs in Hampstead, Whitechapel and outdoors at Kensington Palace. As well as reaching new audiences, this pushed the Orchestra in new and exciting ways artistically. In Hampstead, we did our first ever performance of Schoenberg's *Verklärte Nacht*, while at Kensington Palace we played pop songs by Radiohead, Beyoncé and others arranged for Baroque instruments by composer Benjamin Tassie. All of these performances were streamed live and for free on Facebook.

In total during the year the OAE gave 96 public performances (including ticketed performances for children) in the UK and 14 overseas. Our Southbank Centre concerts reached a live audience of 8,785, the Night Shift gigs reached a further 1,250, and across the UK we performed to an estimated live audience of 70,000 people.

Our OAE Education programme continued to thrive during 16-17 with us working with over 20,000 people on our year of Landscapes and Journeys. We delivered 252 workshops and gave 82 concerts in 22 cities, towns and villages across England. Our flagship project Musical Landscapes included residencies in County Durham, Suffolk, Norfolk and London and included workshops and concerts in TOTS, schools, community and special needs settings. We asked ourselves the question 'What kind of world do we want to create for tomorrow?' and looked at how we have impacted our environment in both positive and destructive ways. In each setting we commissioned a film of the local area to which students then composed a sound track which was performed live with the OAE in our concerts.

In our other strands of education work during the year highlights included:

- TOTS and Family – we gave concerts in Brighton, London and Wiltshire 'Going on a Journey' where we took the youngest of music lovers on a trip around Europe and contributed to the Guardian Newspaper's Big Draw event, as well as taking part in a music and science event in Wiltshire
- SCHOOLS – we ran a chamber music project in schools for pupils to listen up close to duos, trios and quartets and explore the world of baroque music and instruments. Our string Club in King's Cross continued with pupils taking Music Medals for the first time

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

ACHIEVEMENTS AND PERFORMANCE (continued)

- SPECIAL NEEDS – our Music is Special project ran in Camden with pupils creating new compositions based on Handel's Music for the Royal Fireworks and Growing Our Band saw two London special schools performing at the Royal Albert Hall in May 2017. Through our Musicians on Call programme we visited care homes and hospices across the country and also joined Zone Club in Wiltshire

- OPERA – our King Arthur project went to Chippenham and Brighton and we returned to St Laurence school in Wiltshire for our annual opera residency with 250 Year 7 students

- NURTURING TALENT – we continued our OAE Experience scheme for talented young players as well as embarking on a national endangered instrument project for bassoon players culminating in massed wind performances of Handel's Music for the Royal Fireworks in London and Norfolk

The OAE's development team continued to develop a range of income streams, maintaining the organisation's resilience by not being over-reliant on any one source of income.

The orchestra's activities were generously supported by donations totalling almost £500,000 from OAE Friends, Patrons and other individual supporters, grants of £300,000 from charitable and cultural organisations, and National Portfolio Funding of £204,000 from Arts Council England.

Music services, schools and other partners contributed £91,000 towards the orchestra's work with young people, the OAE Trust made a grant of £87,000 towards regional touring projects, and Corporate sponsors contributed £69,000 towards our London concerts and education work.

In addition to the OAE's public-facing and fundraising activities the organisation was strengthened through the management of transition within the orchestra. Trials for section violin positions, leadership and second oboe continued and our principal oboes for classical and baroque repertoire were appointed.

As an organisation, we measure our success through audiences', participants' and external critical responses (including from the press, promoters, awards bodies, etc), continuous self-review and internal feedback, box office and touring revenue, and, most importantly, through the orchestra's reach as outlined above. We are pleased to report that across all these measures we are confident that the OAE continues to achieve ever-greater success.

FINANCIAL REVIEW

At 30 September 2017 the group held total funds of £927,885, consisting of restricted and designated funds of £804,024 and unrestricted general funds of £123,861.

When setting the financial objectives for the year the Directors approved operating income and expenditure targets of £2.55m and £2.58m respectively, resulting in a net operating expenditure of £29,000 (before accounting for Orchestra Tax Relief, for which no official guidelines were available until after the relevant legislation received Royal Assent in September 2016).

As a result of increased activity the operating income and expenditure for the year were £2.89m and £2.93m respectively, resulting in a net operating expenditure of £40,000, and the value of Orchestra Tax Relief was significantly higher than initially expected, resulting in a net increase in funds of £176,048.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

RISK AND RESERVES

The Board has identified the principal risks facing the charity, with the most important being those associated with maintaining the OAE's artistic reputation, strategic partnerships, national and international touring, Britain leaving the European Union, the setting and management of box office and fundraising targets, and the necessity of planning activities up to 5 years ahead, often before all necessary funding has been secured.

These and other areas of risk are monitored by the Board and management team and strategies developed to manage them as they are identified. As part of this process the potential financial impact of each risk is assessed and weighted according to its likelihood. The Board's reserves policy is to hold sufficient reserves to cover this overall level of risk, resulting in a current requirement to hold approximately £550,000 in reserves.

This amount was therefore transferred to a designated reserve fund during the year, and the Directors aim to maintain this fund at a level informed by the annual risk assessment processes, enabling them to take artistic risks when appropriate and plan confidently for the future.

PLANS FOR FUTURE PERIODS

The OAE plans to increase its reach and reputation through the development of work in key international territories (Spain, Asia, U.S.A) and by collaboration with artistic partners in new opportunities for audience engagement (e.g. cross-generic programming, digital innovation). The revised commitment to longer-term artistic and financial planning should continue in future seasons. Similarly, it will adhere to existing plan to use general funds to invest in further organisational development, develop its range of income streams and enhance its resilience and potential for further expansion.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Orchestra of the Age of Enlightenment for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 19 JUNE 2017 and signed on their behalf by:


Sir Martin Smith, Chair
Trustee

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS

OPINION

We have audited the financial statements of Orchestra of the Age of Enlightenment and subsidiary undertakings (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 September 2017 set out on pages 11 to 33. 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 group's and of the parent charitable company's affairs as at 30 September 2017 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS

included in the Annual Report, other than the financial statements and our Auditors' 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.

OPINION 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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:

- the parent Charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity 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 Group Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Charity 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 the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS

AUDITORS' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.



Neil Williams (Senior Statutory Auditor)

for and on behalf of

Lubbock Fine

Chartered Accountants & Statutory Auditors

Paternoster House
65 St Paul's Churchyard
London EC4M 8AB
Date: 29 JUNE 2018

Lubbock Fine are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	467,523	819,092	1,286,615	1,357,069
Charitable activities	3	1,578,292	-	1,578,292	1,697,294
Investments	4	1,378	-	1,378	1,061
Other income	5	241,962	-	241,962	241,798
TOTAL INCOME		2,289,155	819,092	3,108,247	3,297,222
EXPENDITURE ON:					
Raising funds		304,890	-	304,890	290,264
Charitable activities		682,993	1,944,254	2,627,247	2,657,878
TOTAL EXPENDITURE	6	987,883	1,944,254	2,932,137	2,948,142
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		1,301,272	(1,125,162)	176,110	349,080
Effect of foreign exchange hedge		(62)	-	(62)	3,388
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		1,301,210	(1,125,162)	176,048	352,468
Transfers between Funds	20	(1,148,712)	1,148,712	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		152,498	23,550	176,048	352,468
NET MOVEMENT IN FUNDS		152,498	23,550	176,048	352,468
RECONCILIATION OF FUNDS:					
Total funds brought forward		537,443	214,394	751,837	399,369
TOTAL FUNDS CARRIED FORWARD		689,941	237,944	927,885	751,837

The notes on pages 16 to 33 form part of these financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS

REGISTERED NUMBER: 2040312

(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2017**

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		21,441		17,288
CURRENT ASSETS					
Debtors	15	541,004		777,603	
Cash at bank and in hand		788,553		544,516	
		<u>1,329,557</u>		<u>1,322,119</u>	
CREDITORS: amounts falling due within one year	16	(423,113)		(587,570)	
NET CURRENT ASSETS			<u>906,444</u>		<u>734,549</u>
NET ASSETS			<u>927,885</u>		<u>751,837</u>
CHARITY FUNDS					
Restricted funds	20		237,944		214,394
Unrestricted funds	20		689,941		537,443
TOTAL FUNDS			<u>927,885</u>		<u>751,837</u>

The Group and the Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 19 JUNE 2018 and signed on their behalf, by:



Sir Martin Smith, Chair
Trustee

The notes on pages 16 to 33 form part of these financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS

REGISTERED NUMBER: 2040312

(A Company Limited by Guarantee)

**CHARITY BALANCE SHEET
AS AT 30 SEPTEMBER 2017**

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		21,441		17,288
Investments	14		100		100
			<u>21,541</u>		<u>17,388</u>
CURRENT ASSETS					
Debtors	15	541,004		777,603	
Cash at bank and in hand		788,499		544,516	
		<u>1,329,503</u>		<u>1,322,119</u>	
CREDITORS: amounts falling due within one year	16	(423,106)		(587,670)	
NET CURRENT ASSETS			<u>906,397</u>		<u>734,449</u>
NET ASSETS			<u><u>927,938</u></u>		<u><u>751,837</u></u>
CHARITY FUNDS					
Restricted funds			232,819		214,394
Unrestricted funds			695,119		537,443
TOTAL FUNDS			<u><u>927,938</u></u>		<u><u>751,837</u></u>

The Group and the Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 19 JUNE 2018 and signed on their behalf, by:


Sir Martin Smith, Chair
Trustee

The notes on pages 16 to 33 form part of these financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	23	249,442	158,809
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,378	1,061
Purchase of tangible fixed assets		(6,783)	(1,170)
Net cash used in investing activities		(5,405)	(109)
Change in cash and cash equivalents in the year		244,037	158,700
Cash and cash equivalents brought forward		544,516	385,816
Cash and cash equivalents carried forward	24	788,553	544,516

The notes on pages 16 to 33 form part of these financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

CHARITY CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	23	249,388	158,809
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,378	1,061
Purchase of tangible fixed assets		(6,783)	(1,170)
Net cash used in investing activities		(5,405)	(109)
Change in cash and cash equivalents in the year		243,983	158,700
Cash and cash equivalents brought forward		544,516	385,816
Cash and cash equivalents carried forward	24	788,499	544,516

The notes on pages 16 to 33 form part of these financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Orchestra of the Age of Enlightenment and subsidiary undertakings meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Trustees consider that there are no material uncertainties about the Group's ability to continue as a going concern.

The Charity accounts are prepared in accordance with FRS 102 and Charities SORP (FRS 102) and the Companies Act. The subsidiary company accounts are prepared in accordance with FRS 102 1A. No adjustments have been required to align the accounting policies of both entities.

The principal accounting policies, which have been applied consistently, are set out below:

1.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations

Donations received with imposed restrictions are classified as restricted funds.

Donations in kind are valued and included in income to the extent that it represents goods or services which would otherwise be purchased. The valuation is based on what a third party would pay for the good or service. An equivalent amount is charged as expenditure. Income and the corresponding expense are recognised in the year that the goods or service are received/used.

Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. ACCOUNTING POLICIES (continued)

Charitable trading activities

Charitable trading activities represents income received from live and recorded musical performances, including concerts, recordings and broadcasts over various media. The income is recognised on the completion of the performance or, in the case of royalties, when receivable.

Other trading activities represents income received from fundraising events, membership subscriptions and sales of merchandise. The income is recognised when receivable.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

Investment income

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management costs.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities costs are costs incurred in fulfilling the charity's objectives.

Grantmaking charitable activity expenditure relates to a grant to the OAE Benevolent Fund.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. ACCOUNTING POLICIES (continued)

1.5 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 intended for use by the Charity over more than one year are capitalised as Fixed Assets on the balance sheet at cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	over 5 years
Office equipment	-	over 4 years
Computer equipment	-	over 5 years

The Orchestra has adopted a revaluation policy in regards to its musical instruments. As per the SORP, the Orchestra will review the value of the assets regularly, at least every five years. No depreciation is charged on musical instruments as the expected residual value will be equal to valuation.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at Bank and in hand

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

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. ACCOUNTING POLICIES (continued)

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The charity's basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The charity also holds financial instruments in the form of forward contracts, the charity has applied hedge accounting and measures the instrument and item at fair value with the net gain or loss through other gains and losses in the Statement of Financial Activities.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.14 Company status

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. As 30 September 2017 there were 68 (2016 - 66) members.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Angus Allnatt Charitable Trust	-	3,000	3,000	-
Apax Foundation	18,470	-	18,470	8,300
Arts Council England (National Portfolio)	203,904	-	203,904	203,904
Arts Council England (Small capital)	-	-	-	9,478
Arts Council England (Strategic touring)	-	37,816	37,816	55,682
Boltini Trust	-	3,000	3,000	-
Boshier-Hinton Foundation	-	4,000	4,000	-
Brian Mitchell Charitable Settlement	-	7,500	7,500	7,500
Chapman Charitable Trust	-	1,000	1,000	-
Charles Peel Charitable Trust	-	5,700	5,700	5,700
Chivers Trust	-	800	800	-
Cockayne - Grants for the Arts and The London Community Foundation	-	20,000	20,000	-
Derek Hill Foundation	-	-	-	1,300
D'Oyly Carte Charitable Trust	-	3,000	3,000	-
Dunard Fund	-	40,000	40,000	-
Education partners	-	91,250	91,250	85,702
Ernest Cook Trust	-	-	-	2,500
Fenton Arts Trust	-	-	-	3,000
Garfield Weston Trust	-	-	-	5,000
General donations and support	212,837	190,165	403,002	530,933
Gift Aid	32,312	14,633	46,945	55,290
Gift in Kind	-	94,500	94,500	79,657
Golden Bottle Trust	-	-	-	3,000
Goldsmiths' Company Charity	-	-	-	3,000
Henocq Law Trust (Ann and Peter Law)	-	25,000	25,000	25,000
Idlewild Trust	-	3,500	3,500	-
J Paul Getty Charitable Trust	-	5,000	5,000	-
JMCMRJ Sorrell Foundation	-	10,000	10,000	10,000
John & Sue Edwards Charitable Trust	-	-	-	8,000
John Lyon's Charity	-	35,000	35,000	35,000
John S Cohen Foundation	-	3,000	3,000	-
Lord and Lady Lurgan Trust	-	2,000	2,000	-
Mark Williams Foundation	-	-	-	50,000
Michael Marks Charitable Trust	-	4,000	4,000	-
Mr and Mrs J A Pye's Charitable Settlement	-	12,000	12,000	-
Nicholas Berwin Charitable Trust	-	10,000	10,000	-
Orchestra of the Age of Enlightenment Trust	-	87,000	87,000	160,000
Orchestras Live	-	6,000	6,000	-
Palazzetto Bru Zane	-	25,993	25,993	-
Patrick Rowland Foundation	-	2,000	2,000	-
PF Foundation	-	-	-	1,000
Sub total	467,523	746,857	1,214,380	1,348,946

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

Brought forward from previous page	467,523	746,857	1,214,380	1,348,946
PRS for Music Foundation	-	7,500	7,500	-
R K Charitable Trust	-	2,000	2,000	-
RVW Trust	-	1,000	1,000	-
Schroder Charity Trust	-	2,000	2,000	1,000
The Shears Foundation	-	9,755	9,755	-
Valentine Charitable Trust	-	-	-	1,000
Violet Mauray Charitable Trust	-	800	800	-
Youth Music	-	49,180	49,180	6,123
Total	467,523	819,092	1,286,615	1,357,069

In 2016, of total donation and legacies income £493,930 was unrestricted and £863,139 was restricted.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Concerts	1,562,829	-	1,562,829	1,674,464
Educational activities	15,463	-	15,463	22,830
	1,578,292	-	1,578,292	1,697,294
Total 2016	1,697,294	-	1,697,294	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	1,378	-	1,378	1,061
Total 2016	1,061	-	1,061	

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

5. OTHER INCOMING RESOURCES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Fundraising events	26,719	-	26,719	136,845
Other income	532	-	532	401
Orchestra Tax Relief	214,711	-	214,711	104,552
	<u>241,962</u>	<u>-</u>	<u>241,962</u>	<u>241,798</u>
Total 2016	<u>241,798</u>	<u>-</u>	<u>241,798</u>	

6. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	178,691	126,199	304,890	290,264
Costs of raising funds	<u>178,691</u>	<u>126,199</u>	<u>304,890</u>	<u>290,264</u>
Concerts	376,505	1,826,039	2,202,544	2,256,533
Educational activities	82,983	340,570	423,553	400,245
Grantmaking	-	1,150	1,150	1,100
Charitable activities	<u>459,488</u>	<u>2,167,759</u>	<u>2,627,247</u>	<u>2,657,878</u>
	<u>638,179</u>	<u>2,293,958</u>	<u>2,932,137</u>	<u>2,948,142</u>
Total 2016	<u>559,335</u>	<u>2,388,807</u>	<u>2,948,142</u>	

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Concerts	2,049,716	152,828	2,202,544	2,256,533
Educational activities	389,868	33,685	423,553	400,245
Grantmaking	1,150	-	1,150	1,100
Total 2017	2,440,734	186,513	2,627,247	2,657,878
Total 2016	2,490,100	167,778	2,657,878	

8. SUPPORT COSTS

	Fundraising costs £	Concerts £	Educational activities £	Total 2017 £	Total 2016 £
Office rent and rates	27,323	57,570	12,689	97,582	100,358
Office facilities	12,758	26,881	5,925	45,564	47,969
General administrative costs	11,434	24,092	5,310	40,836	42,653
Professional and legal fees	5,015	10,567	2,329	17,911	8,754
Audit fees	5,456	11,508	2,536	19,500	15,350
Bank charges and finance costs	1,113	2,377	524	4,014	4,337
Depreciation and revaluation	714	1,505	332	2,551	2,092
Governance	3,339	7,034	1,550	11,923	4,937
Governance - Wages and salaries	5,008	10,552	2,326	17,886	14,681
Governance - National insurance	353	742	164	1,259	2,026
	72,513	152,828	33,685	259,026	243,157
Total 2016	75,378	131,892	35,887	243,157	

Support costs have been allocated at percentage rates of 28% (Fundraising costs), 59% (Concerts) and 13% (Educational activities), which is consistent with the use of the resources (2016 - 31%, 54% and 15% respectively).

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	2,480	2,094
Auditors' remuneration - audit	14,500	13,500
Auditors' remuneration - other services	5,000	1,850
Operating lease rentals	2,172	2,814
	<u>24,152</u>	<u>19,258</u>

10. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages, freelance staff and trainees	576,236	512,812
Social security costs	41,976	39,988
Pension costs	19,967	6,535
	<u>638,179</u>	<u>559,335</u>

The average number of persons employed by the Charity during the year was as follows:

	2017	2016
	No.	No.
Fundraising	4	5
Management and administrative staff	11	10
	<u>15</u>	<u>15</u>

The number of higher paid employees was:

	2017	2016
	No.	No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0

Key management personnel are considered to be only the Directors of the charity. Their employee benefits are detailed in note 25.

Freelance staff costs totalled £125,483 (2016 - £78,132). These individuals are self-employed and are not included in average staff numbers and there are no social security costs in respect of these individuals.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

11. DIRECTORS' REMUNERATION

No other remuneration, apart from as disclosed in note 25, was received by a director or connected party during the year (2016 - £nil).

Expenses of £253 (2016 - £127) were reimbursed to 3 (2016 - 7) directors during the year.

The Memorandum and Articles of Association of the Orchestra permit the Directors to receive remuneration for certain services, which overrides the restriction given in the Charities Act 2011. All such services are paid at rates in line with or below those which would be paid to an independent supplier for those services.

12. PARENT CHARITY SURPLUS FOR THE YEAR

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The surplus of the parent Charity for the year was £176,101 (2016 - £352,468).

13. TANGIBLE FIXED ASSETS

Group and Charity	Long-term leasehold property £	Office equipment £	Computer equipment £	Instruments £	Total £
Cost or valuation					
At 1 October 2016	41,256	29,942	4,051	13,500	88,749
Additions	-	1,475	1,808	3,500	6,783
Revaluation surplus/(deficit)	-	-	-	(150)	(150)
At 30 September 2017	41,256	31,417	5,859	16,850	95,382
Depreciation					
At 1 October 2016	41,256	26,946	3,259	-	71,461
Charge for the year	-	1,920	560	-	2,480
At 30 September 2017	41,256	28,866	3,819	-	73,941
Net book value					
At 30 September 2017	-	2,551	2,040	16,850	21,441
At 30 September 2016	-	2,996	792	13,500	17,288

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

13. TANGIBLE FIXED ASSETS (continued)

The Directors revalued the instruments of the Orchestra to their open market value as at the year end.

The office equipment and computer equipment is used in the administration of the charitable company's activities.

In respect of assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	£
Instruments:	
Net book value at the end of the year	16,850
Historical cost	15,833

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Charity	
Cost	
At 1 October 2016 and 30 September 2017	100
Historical cost	100

The Charity owns 100% of the ordinary share capital of OAE Productions Limited (Company number: 9789990 and registered office: Kings Place, 90 York Way, London, N1 9AG). The results of the subsidiary for the year ended 30 September 2017 were as follows:

	Turnover £	Expenditure £	Profit / (Loss) £	Aggregate capital and reserves £
OAE Productions Limited	1,580,034	(1,794,798)	(53)	47

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

15. DEBTORS

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	133,031	467,914	133,031	467,914
Amounts owed by group undertakings	-	-	214,711	-
Hedged future receivable	32,981	31,799	32,981	31,799
Other debtors	17,040	2,085	17,040	2,085
Prepayments and accrued income	143,241	171,253	143,241	171,253
Tax recoverable	214,711	104,552	-	104,552
	<u>541,004</u>	<u>777,603</u>	<u>541,004</u>	<u>777,603</u>

16. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	159,291	284,259	159,291	284,259
Other taxation and social security	79,256	122,075	79,256	122,075
Forward contract liability	29,655	28,411	29,655	28,411
Other creditors	9,488	4,315	9,481	4,415
Accruals and deferred income	145,423	148,510	145,423	148,510
	<u>423,113</u>	<u>587,570</u>	<u>423,106</u>	<u>587,670</u>

Deferred income relates to concert tickets and subsidies for concerts which have been received in advance. Deferred income brought forward of £108,527 was released in full in the year with additional deferred income introduced of £85,845 in 2017.

Forward contract liability:

Forward contracts were entered into during the year in order to hedge the exchange risk from overseas concerts income. The fair value of the forward contracts at 30 September 2017 decreased resulting in a loss of £29,655. The fair value of the hedged item, the future receivable, increased in value resulting in a gain of £32,981. The net gain achieved on the forward contract is £3,326 (2016 - £3,388), with the £62 movement from 30 September 2016 being shown on the Statement of Financial Activities in net loss/gain on investments.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

17. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets measured at fair value through income and expenditure	32,981	31,799
Financial assets measured at amortised cost	216,803	578,146
	<u>249,784</u>	<u>609,945</u>
Financial liabilities measured at fair value through income and expenditure	29,655	28,411
Financial liabilities measured at amortised cost	228,341	328,557
	<u>257,996</u>	<u>356,968</u>

Financial assets and liabilities measured at fair value through income and expenditure comprise of the forward contract asset and liability. Fair value of the hedged item and the forward contract is determined by the year end spot rate. Note 16 above give details of the gains/loss of the forward contracts.

Financial assets measured at amortised cost comprise of trade debtors, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals and other creditors.

18. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £19,967 (2016 - £6,535). No contributions (2016 - nil) were payable to the fund at the balance sheet date.

19. OPERATING LEASE COMMITMENTS

At 30 September 2017 the total of the charity and group's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
Group and Charity		
Amounts payable:		
Within 1 year	2,172	2,172
Between 1 and 5 years	5,616	7,774
Total	<u>7,788</u>	<u>9,946</u>

Lease payments recognised as an expense in the year totalled £2,172 (2016 - £2,172).

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2017 £
Designated funds						
Oxford collaboration fund	11,263	-	-	-	-	11,263
Revaluation reserve	4,967	-	(150)	-	-	4,817
Reserve fund	-	-	-	550,000	-	550,000
	<u>16,230</u>	<u>-</u>	<u>(150)</u>	<u>550,000</u>	<u>-</u>	<u>566,080</u>
General funds						
General Funds	521,213	2,289,155	(987,733)	(1,698,712)	(62)	123,861
Total Unrestricted funds	<u>537,443</u>	<u>2,289,155</u>	<u>(987,883)</u>	<u>(1,148,712)</u>	<u>(62)</u>	<u>689,941</u>
Restricted funds						
Concert activities	79,324	409,139	(1,426,237)	1,090,315	-	152,541
Education projects	135,070	315,453	(423,517)	58,397	-	85,403
Gift in Kind - Rent	-	94,500	(94,500)	-	-	-
	<u>214,394</u>	<u>819,092</u>	<u>(1,944,254)</u>	<u>1,148,712</u>	<u>-</u>	<u>237,944</u>
Total of funds	<u>751,837</u>	<u>3,108,247</u>	<u>(2,932,137)</u>	<u>-</u>	<u>(62)</u>	<u>927,885</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 October 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2016 £
Designated funds						
Oxford collaboration fund	11,263	-	-	-	-	11,263
Revaluation reserve	4,967	-	-	-	-	4,967
General funds						
General Funds	154,530	2,434,083	(1,338,497)	(732,291)	3,388	521,213
Total Unrestricted funds	<u>170,760</u>	<u>2,434,083</u>	<u>(1,338,497)</u>	<u>(732,291)</u>	<u>3,388</u>	<u>537,443</u>

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

20. STATEMENT OF FUNDS (continued)

Restricted funds

Concert activities	108,962	419,052	(1,090,124)	641,434	-	79,324
Education projects	119,647	364,430	(439,864)	90,857	-	135,070
Gift in kind - Rent	-	79,657	(79,657)	-	-	-
	<u>228,609</u>	<u>863,139</u>	<u>(1,609,645)</u>	<u>732,291</u>	<u>-</u>	<u>214,394</u>
Total of funds	<u>399,369</u>	<u>3,297,222</u>	<u>(2,948,142)</u>	<u>-</u>	<u>3,388</u>	<u>751,837</u>

Designated Funds: These comprise amounts which the charity has set aside for the following specific purposes:

Oxford Collaboration Fund: Funds raised through ticket sales to a concert at Oxford which are to be used to support further events there.

Revaluation reserve: The revaluation reserve was created by the revaluation of instruments in 2002 at open market value by various members of the orchestra, directors and employees familiar with market values of the instruments in question. This reserve is increased / decreased when the instruments are revalued.

Reserve fund: Funds held to cover the amount identified in the charity's reserves policy statement.

Restricted Funds: These comprise donations received for the specific projects that the charitable company administers. These are as follows:

Concert activities: To support specific live or recorded performances.

Education projects: To support the charity's education and outreach work.

Gift in kind: The gift in kind income for rent is restricted to cover rental costs. Other gift in kinds are included in the restricted Concert or Educational fund as this best reflects the nature of the gift.

21. FUND TRANSFERS

Expenditure during the year on concert activities and education projects which were partly funded by restricted income exceeded that income by £1,090,315 and £58,397 respectively. Transfers totalling £1,148,712 have therefore been made from unrestricted funds to restricted funds in order to meet these shortfalls.

During the year a transfer of £550,000 was made from general funds to the reserve fund to cover the amount identified in the charity's reserves policy statement.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2017 £
Designated funds						
Oxford collaboration fund	11,263	-	-	-	-	11,263
Revaluation reserve	4,967	-	(150)	-	-	4,817
Reserve fund	-	-	-	550,000	-	550,000
	<u>16,230</u>	<u>-</u>	<u>(150)</u>	<u>550,000</u>	<u>-</u>	<u>566,080</u>
General funds						
General Funds	521,213	2,289,155	(987,733)	(1,698,712)	(62)	123,861
Total Unrestricted funds	<u>537,443</u>	<u>2,289,155</u>	<u>(987,883)</u>	<u>(1,148,712)</u>	<u>(62)</u>	<u>689,941</u>
Restricted funds						
Concert activities	79,324	409,139	(1,426,237)	1,090,315	-	152,541
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Total of funds	<u>751,837</u>	<u>3,108,247</u>	<u>(2,932,137)</u>	<u>-</u>	<u>(62)</u>	<u>927,885</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 October 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2016 £
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Oxford collaboration fund	11,263	-	-	-	-	11,263
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Total Unrestricted funds	<u>170,760</u>	<u>2,434,083</u>	<u>(1,338,497)</u>	<u>(732,291)</u>	<u>3,388</u>	<u>537,443</u>

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

20. STATEMENT OF FUNDS (continued)

Restricted funds

Concert activities	108,962	419,052	(1,090,124)	641,434	-	79,324
Education projects	119,647	364,430	(439,864)	90,857	-	135,070
Gift in kind - Rent	-	79,657	(79,657)	-	-	-
	<u>228,609</u>	<u>863,139</u>	<u>(1,609,645)</u>	<u>732,291</u>	<u>-</u>	<u>214,394</u>
Total of funds	<u>399,369</u>	<u>3,297,222</u>	<u>(2,948,142)</u>	<u>-</u>	<u>3,388</u>	<u>751,837</u>

Designated Funds: These comprise amounts which the charity has set aside for the following specific purposes:

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21. FUND TRANSFERS

Expenditure during the year on concert activities and education projects which were partly funded by restricted income exceeded that income by £1,090,315 and £58,397 respectively. Transfers totalling £1,148,712 have therefore been made from unrestricted funds to restricted funds in order to meet these shortfalls.

During the year a transfer of £550,000 was made from general funds to the reserve fund to cover the amount identified in the charity's reserves policy statement.

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	17,941	3,500	21,441
Current assets	962,795	366,762	1,329,557
Creditors due within one year	(290,795)	(132,318)	(423,113)
	<u>689,941</u>	<u>237,944</u>	<u>927,885</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	17,288	-	17,288
Current assets	1,107,725	214,394	1,322,119
Creditors due within one year	(587,570)	-	(587,570)
	<u>537,443</u>	<u>214,394</u>	<u>751,837</u>

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	Group 2016 £	2017 £	Charity 2016 £
Net income for the year (as per Statement of Financial Activities)	176,048	352,468	176,101	352,468
Adjustment for:				
Depreciation charges	2,480	2,094	2,480	2,094
Effect of foreign currency hedge	62	(3,388)	62	(3,388)
Dividends, interest and rents from investments	(1,378)	(1,061)	(1,378)	(1,061)
Effect of revaluation of instruments	150	-	150	-
(Increase)/decrease in amounts due from group undertakings	-	-	(214,711)	-
Decrease/(increase) in debtors	237,782	(289,094)	452,492	(289,094)
(Decrease)/increase in creditors	(165,702)	97,790	(165,808)	97,790
Net cash provided by operating activities	<u>249,442</u>	<u>158,809</u>	<u>249,388</u>	<u>158,809</u>

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	Group	2017	Charity
	£	2016	£	2016
		£		£
Cash in hand	788,553	544,516	788,499	544,516
Total	<u>788,553</u>	<u>544,516</u>	<u>788,499</u>	<u>544,516</u>

25. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

a) During the year consultancy fees and salaries for management services were paid to the following Trustees (*Resigned prior to the start of the year or during the year):

	2017	2016
	£	£
L Beznosiuk*	750	825
C Bruggemeyer*	825	900
A Buchberger	750	750
S Devine	75	-
M Mandel	600	300
R Montgomery	825	975
K Spreckelsen	75	-
M Truscott*	-	600
C Woodhead	72,881	65,129
Total	<u>76,781</u>	<u>69,479</u>

b) During the year musicians fees were paid to the following Trustees:

	2017	2016
	£	£
L Beznosiuk*	21,718	22,777
C Bruggemeyer*	34,485	26,879
A Buchberger	25,924	21,507
S Devine	11,779	-
M Mandel	13,513	10,496
R Montgomery	10,031	10,418
K Speckelsen	13,425	-
M Truscott*	-	37,523
Total	<u>130,875</u>	<u>129,600</u>

ORCHESTRA OF THE AGE OF ENLIGHTENMENT AND SUBSIDIARY UNDERTAKINGS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

25. TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES (continued)

c) At the balance sheet date, trade creditors include the following amounts due to the Trustees:

	2017 £	2016 £
L Beznosiuk*	-	3,049
C Bruggemeyer*	-	3,308
A Buchberger	1,681	701
M Mandel	2,262	2,141
R Montgomery	-	2,185
M Truscott*	-	4,565
Total	3,943	15,949

The amounts due to Trustees relate to musicians' fees, and fees and expenses incurred as members of the Players Artistic Committee.

d) At the balance sheet date, trade debtors included the following amounts due from Trustees in relation to pledged donations:

	2017 £	2016 £
R Cory	-	164,216
M Williams	15,000	-
Total	15,000	164,216

e) During the year the charity recieved a donation of £87,000 (2016 - £160,000) from the Orchestra of the Age of Enlightenment Trust, a charitable trust of which M Smith is a Trustee.

f) During the year donations received from Trustees totalled £117,854 (2016 - £75,351).

g) During the year a commissioning fee of £1,580,034 (2016 - £nil) was charged by the Charity to OAE Productions Limited, a wholly owned subsidiary. During the year income of £1,794,745 (2016 - £nil) was receivable from OAE Productions Limited for concert services supplied. At the year end, an amount of £214,711 was due from OAE Productions Limited.

This amount is unsecured, interest free and repayable on demand.