



**ORCHESTRA OF THE AGE OF  
ENLIGHTENMENT**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 1996

Company No. 2040312

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

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Company registration number: 2040312

Charity registration number: 298909

Registered office: 9 Cheapside  
LONDON  
EC2V 6AD

Trustees: T G S Mason  
M G Marcus  
M G Smith  
S Palmer  
E Becket-Smith  
R G Melgaard  
D K Pickard  
A Watts  
S M Sheppard  
R S M Wilkinson

Secretary: D K Pickard

Bankers: Midland Bank Plc  
Charterhouse Bank Limited  
Lloyds Bank Plc

Solicitors: Allen & Overy

Auditors: Grant Thornton  
Registered Auditors  
Chartered Accountants

# **ORCHESTRA OF THE AGE OF ENLIGHTENMENT**

## **FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 1996

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# **ORCHESTRA OF THE AGE OF ENLIGHTENMENT**

## **REPORT OF THE TRUSTEES**

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The trustees present their annual report and the audited financial statements for the year ended 30 September 1996.

### **Objectives**

The principal activity of the company is the performance of music on period instruments and its objective is to advance education through the promotion, support and encouragement of the art of music.

### **Review of the results for the year and future prospects**

The Orchestra's turnover increased once again in 1995/1996, reflecting the organisation's expanding concert and education activity, both in this country and abroad. This work was supported by substantial funds from the private sector, without which the Orchestra would be unable to grow and develop.

For an organisation with no significant assets, it is reassuring to have made a small surplus in 1995/1996. At a time of great uncertainty in the music profession, the Board feels that it is imperative to continue to develop a strong financial base for our activities.

The board wishes to acknowledge a deep debt of gratitude to Timothy Mason for his invaluable contribution to the Orchestra since its inception in 1986.

### **Results and transfers to reserves**

Details of the results for the year are set out on pages 4 and 5. The surplus for the year of £78,029 (1995: £181,262) has been transferred to reserves and £97,000 (1995: £50,000) has been carried forward within restricted funds.

### **Funding**

The trustees are satisfied that the assets attributable to each of the charity's funds are available and adequate to fulfil its obligations in relation to those funds.

### **Directors**

The directors who served during the year are set out below. All served throughout the year unless otherwise stated.

T G S Mason (deceased April 1997)  
M G Marcus (Chairman)  
M G Smith  
M Faultless (resigned 19 January 1996)  
S Palmer  
E Becket-Smith  
C F M Kitching (resigned 19 January 1996)  
R G Melgaard  
D K Pickard  
A Watts (appointed 19 January 1996)  
S M Sheppard (appointed 19 January 1996)  
R S M Wilkinson (appointed 19 January 1996)

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## REPORT OF THE TRUSTEES

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### Trustees' responsibilities for the financial statements

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charitable company during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ascertain their financial position and to ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993 and regulations thereunder. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Organisation

The company is a company limited by guarantee and is governed by a memorandum and articles of association.

### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

S Palmer, a non-executive director of the company, is executive head of marketing for the National firm of Grant Thornton. The company is independently audited by Grant Thornton's London Office. The auditors' remuneration is paid by means of the granting of a corporate friendship of the Orchestra.

ON BEHALF OF THE TRUSTEES



D K Pickard  
Trustee  
15 July 1997

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
ORCHESTRA OF THE AGE OF ENLIGHTENMENT**

We have audited the financial statements on pages 4 to 13 which have been prepared under the accounting policies set out on pages 7 and 8.

**Respective responsibilities of directors/trustees and auditors**

As described on page 2 the company's directors, who also act as trustees for the charitable activities of the Orchestra of the Age of Enlightenment, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 30 September 1996 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

**LONDON  
15 JULY 1997**

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 SEPTEMBER 1996

	Note	Unrestricted funds £	Restricted funds £	Total 1996 £	Total 1995 (restated) £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Donations and gifts		157,785	183,525	341,310	170,810
Grants receivable	2	-	24,175	24,175	31,800
Less: deferred income carried forward	3	(44,000)	-	(44,000)	(7,000)
Add: deferred income brought forward	3	7,000	-	7,000	-
Interest receivable		19,202	-	19,202	13,011
Income from charitable trading activities		1,263,582	-	1,263,582	1,091,877
Net income/expenditure from non-charitable trading activities	4	<u>2,252</u>	<u>-</u>	<u>2,252</u>	<u>(910)</u>
Total incoming resources		<u>1,405,821</u>	<u>207,700</u>	<u>1,613,521</u>	<u>1,299,588</u>
<b>Resources expended</b>					
Direct charitable expenditure	5	<u>1,144,218</u>	<u>160,700</u>	<u>1,304,918</u>	<u>964,401</u>
<b>Other expenditure</b>					
Management and administration	6	<u>183,574</u>	<u>-</u>	<u>183,574</u>	<u>153,925</u>
Total resources expended	7	<u>1,327,792</u>	<u>160,700</u>	<u>1,488,492</u>	<u>1,118,326</u>
Net incoming resources for the year and surplus of income over expenditure		<u>78,029</u>	<u>47,000</u>	<u>125,029</u>	<u>181,262</u>

The accompanying accounting policies and notes form an integral part of these financial statements

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 SEPTEMBER 1996

	Note	Unrestricted funds	Restricted funds	Total 1996	Total 1995 (restated)
		£	£	£	£
Fund balances brought forward at 1 October 1995		288,754	-	288,754	127,512
Prior year adjustment to comply with SORP		<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>29,980</u>
Fund balances brought forward at 1 October 1995 - restated		288,754	50,000	338,754	157,492
Net movement in funds		<u>78,029</u>	<u>47,000</u>	<u>125,029</u>	<u>181,262</u>
Fund balances carried forward at 30 September 1996	12	<u><u>366,783</u></u>	<u><u>97,000</u></u>	<u><u>463,783</u></u>	<u><u>338,754</u></u>

There were no other recognised gains or losses in the year.

The accompanying accounting policies and notes form an integral part of these financial statements



# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## BALANCE SHEET AT 30 SEPTEMBER 1996

	Note	1996	1995 (restated)
		£	£
<b>Fixed assets</b>			
Tangible assets	9	-	2,077
<b>Current assets</b>			
Debtors	10	234,164	86,345
Cash at bank and in hand		<u>491,702</u>	<u>437,335</u>
		725,866	523,680
<b>Creditors: amounts falling due within one year</b>	11	<u>262,083</u>	<u>187,003</u>
<b>Net current assets</b>		<u>463,783</u>	<u>336,677</u>
<b>Total assets less current liabilities</b>		<u><u>463,783</u></u>	<u><u>338,754</u></u>
<b>Income funds</b>			
General fund (unrestricted fund)	12	363,283	285,254
Benevolent fund (designated fund)	12	3,500	3,500
Restricted funds	12	<u>97,000</u>	<u>50,000</u>
		<u><u>463,783</u></u>	<u><u>338,754</u></u>

These financial statements were approved by the Board of Trustees on 15 July 1997



D K Pickard - Trustee

The accompanying accounting policies and notes form an integral part of these financial statements.

# **ORCHESTRA OF THE AGE OF ENLIGHTENMENT**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 SEPTEMBER 1996

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### **1 ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting by Charities (the SORP) issued in October 1995. The principal accounting policies are described below and remain unchanged from the previous year save for the adoption of the SORP during the year ended 30 September 1996. The comparative figures have been restated to comply with the SORP.

#### **Donations and gifts**

All monetary donations and gifts are included in full in the Statement of Financial Activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure.

#### **Grants receivable**

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred within restricted funds.

#### **Expenditure**

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (direct charitable); and
- expenditure incurred in the management and administration of the charity.

#### **Fund accounting**

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specified purposes by the Trustees.

#### **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the income and expenditure account.

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

### Depreciation

Depreciation of fixed assets held for charity use is calculated to write down the cost less estimated residual values by equal annual instalments over the period of their estimated useful economic lives which are considered to be four years with the exception of computer equipment which is to be depreciated over an estimated useful economic life of five years.

## 2 GRANTS

	1996 Restricted funds £	1995 Restricted funds £
Grant income deferred at 1 October 1995	30,000	16,180
Grants receivable in the year	24,175	31,800
Credit for the year	<u>(54,175)</u>	<u>(17,980)</u>
Grant income deferred at 30 September 1996	<u>-</u>	<u>30,000</u>

Grants receivable during the year were as follows:

	1996 Restricted funds £	1995 Restricted funds £
Arts Council	19,800	1,800
BSIS	<u>4,375</u>	<u>30,000</u>
	<u>24,175</u>	<u>31,800</u>

Grants income deferred represents grants received which are subject to pre-conditions for use. The BSIS grant matched sponsorship income from Derwent Valley Holdings Plc and Phoenix Securities Limited and has been credited to incoming resources on the basis of when the donor-specified performances occurred.

## 3 DEFERRED INCOME

The total other deferred income relates to donations which will be used in connection with concerts planned for the year following receipt of the income.

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

### 4 INCOME FROM NON-CHARITABLE TRADING ACTIVITIES

Royalties and income from sales of compact discs have been reported net in the Statement of Financial Activities as they are not substantial. Gross results were as follows:

	1996 £	1995 £
Gross proceeds	4,243	2,459
Direct expenses	<u>(1,991)</u>	<u>(3,369)</u>
	<u>2,252</u>	<u>(910)</u>

### 5 DIRECT CHARITABLE EXPENDITURE

	Unrestricted funds £	Restricted funds £	Total 1996 £	Total 1995 £
Musicians' fees	905,088	151,175	1,056,263	789,658
Other concert costs	193,278	-	193,278	125,057
Education costs	<u>2,288</u>	<u>9,525</u>	<u>11,813</u>	<u>8,120</u>
	<u>1,100,654</u>	<u>160,700</u>	<u>1,261,354</u>	<u>922,835</u>
Support costs				
Promotion and publicity	37,718	-	37,718	36,582
Travel and entertaining	<u>5,846</u>	<u>-</u>	<u>5,846</u>	<u>4,984</u>
	<u>43,564</u>	<u>-</u>	<u>43,564</u>	<u>41,566</u>
	<u>1,144,218</u>	<u>160,700</u>	<u>1,304,918</u>	<u>964,401</u>

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

### 6 MANAGEMENT AND ADMINISTRATION EXPENDITURE

	1996 £	1995 £
Office salaries	101,853	75,577
Audit and accountancy	6,042	6,301
Office rent and rates	3,739	4,751
Photocopying, printing and postage	5,731	4,024
Depreciation	2,077	2,220
Stationery	3,435	2,279
Other	60,697	58,773
	<u>183,574</u>	<u>153,925</u>

### 7 TOTAL RESOURCES EXPENDED

	1996 £	1995 £
Total resources expended include:		
Depreciation	2,077	2,220
Auditors' remuneration	2,000	1,500
Exchange loss/(gain)	<u>2,518</u>	<u>(1,648)</u>

The auditors' remuneration is paid by the granting of a corporate friendship of the Orchestra.

### 8 DIRECTORS AND EMPLOYEES

The charitable company has four employees including one executive director (1995: four employees including one director) all of whom were engaged in the administration and management of the company.

	1996 £	1995 £
Staff costs during the year:		
Wages and salaries	90,973	69,029
Social security costs	<u>10,880</u>	<u>6,548</u>
	<u>101,853</u>	<u>75,577</u>

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

### DIRECTORS AND EMPLOYEES (CONTINUED)

In addition, during the year a total of £1,665 was paid to one trustee/director (1995: £25,229, two trustees/directors) in respect of management services provided in a self-employed capacity.

The total remuneration and fees of trustees/directors for services as trustee/director were £35,000 (1995: £40,729).

No employee earned £40,000 per annum or more in the current or preceding accounting period.

Four of the trustees/directors, who are also playing members of the Orchestra, received musicians' fees totalling £80,064 relating to performances during the year.

### 9 TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 October 1995			
and at 30 September 1996	<u>4,433</u>	<u>9,306</u>	<u>13,739</u>
<b>Depreciation</b>			
At 1 October 1995	4,433	7,229	11,662
Charge for the year	<u>-</u>	<u>2,077</u>	<u>2,077</u>
At 30 September 1996	<u>4,433</u>	<u>9,306</u>	<u>13,739</u>
<b>Net book value</b>			
At 30 September 1996	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 1995	<u>-</u>	<u>2,077</u>	<u>2,077</u>

The fixed assets are used in the administration of the charitable company's activities.

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

### 10 DEBTORS

	1996 £	1995 £
Trade debtors	222,899	84,889
Other debtors	10,168	-
Prepayments	1,097	1,456
	<u>234,164</u>	<u>86,345</u>

### 11 CREDITORS

	1996 £	1995 (restated) £
Musicians' fees	132,986	100,711
Taxation and social security	76,381	76,496
Accruals	8,716	2,796
Deferred income	44,000	7,000
	<u>262,083</u>	<u>187,003</u>

### 12 UNRESTRICTED AND RESTRICTED FUNDS

	Unrestricted fund General fund £	Designated fund Benevolent fund £	Total unrestricted funds £	Restricted fund Sponsorship and grants £	Total funds £
At 1 October 1995 (as previously stated)	285,254	3,500	288,754	-	288,754
Restatement to comply with SORP	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
At 1 October 1995 (restated)	285,254	3,500	288,754	50,000	338,754
Incoming resources	1,405,821	-	1,405,821	207,700	1,613,521
Expenditure	<u>(1,327,792)</u>	<u>-</u>	<u>(1,327,792)</u>	<u>(160,700)</u>	<u>(1,488,492)</u>
At 30 September 1996	<u>363,283</u>	<u>3,500</u>	<u>366,783</u>	<u>97,000</u>	<u>463,783</u>

# ORCHESTRA OF THE AGE OF ENLIGHTENMENT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 SEPTEMBER 1996

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### UNRESTRICTED AND RESTRICTED FUNDS (CONTINUED)

The benevolent fund represents amounts designated by the Trustees for the purpose of relief of exceptional hardship of playing members and employees of the Orchestra.

#### 13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
Current assets	628,866	97,000	725,866
Current liabilities	(262,083)	-	(262,083)
	<u>366,783</u>	<u>97,000</u>	<u>463,783</u>

Included in restricted funds are £40,000 relating to the 1997 European tour and £37,000 of sponsorship carried forward to the 1996/97 South Bank series.

#### 14 GUARANTEE

The 230 members of the company have agreed to contribute £1 each to the assets of the company in the event of it being wound up.

#### 15 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The charity had no capital commitments or contingent liabilities at 30 September 1996 or at 30 September 1995.