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THE WILTSHIRE MUSIC CENTRE TRUST LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2008

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THE WILTSHIRE MUSIC CENTRE TRUST LTD

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The Trustees present their report together with the financial statements of the charity for the year ending 31st March 2008. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (issued March 2005).

Reference and administrative details

Charity number	1026160
Company number	2661682
Principal Office	Wiltshire Music Centre, Ashley Road, Bradford on Avon, Wiltshire, BA15 1DZ
Auditors	Moore Stephens, Chartered Accountants, 30 Gay Street, Bath, BA1 2PA
Bankers	HSBC Bank plc, Old Town Hall, Bradford on Avon, BA15 1LS
Solicitors	Thring Townsend, Midland Bridge, Bath, BA1 2HQ
Investment Managers	Rensburg Sheppards, 2 Gresham Street, London EC2V 7QN

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year-end were as follows:

Caroline Kay	Chair
Keith Bennett	
Cathy Cooper	(St Laurence School nominee)
Harriet Feilding	(Treasurer and Company Secretary)
Rona Fineman	(appointed July 2007)
Phil Gibby	
Lindsay Holdoway	
Robert Keylock	(appointed February 2008)
Vicky Landell Mills	
Joan Main	(retired September 2007)
Peter Measday	
James Wetz	

Principle Officers

Keith Nimmo	Chief Executive and Artistic Director
Susie Fry	Centre Manager

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Structure, Governance and Management

The Wiltshire Music Centre Trust Limited is a registered charity and a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 October 1997 and amended 24 February 2005. It currently has 30 members (32 in 2007) who constitute the Company's Advisory Council.

Appointment, induction and training of Trustees

As set out in the Articles of Association, Trustees elect the chair of the Trustees. St Laurence School, Bradford on Avon, nominates one Trustee who serves as an individual in her own capacity rather than as a representative. Arts Council England, South West (ACE South West), Wiltshire County Council and West Wiltshire District Council have the power to send observers under the terms of their current funding agreements with the Trust. A third of Trustees retire by rotation each year and Trustees are elected annually by the members of the charitable company attending the Annual General Meeting.

When recruiting new Trustees, the Board carefully considers the specialist skills it needs, approaching short-listed nominated individuals to discuss their willingness in principle to serve. Its most recent new Trustee was recruited through Arts & Business 'Young Professionals on Arts Boards Programme' and the Trust plans to recruit through open advertisement in 2008/9. Potential new Trustees are sent a briefing pack, including the current Business Plan, operational budget, Risk Management Plan, latest Audited Accounts and details of activity. A meeting with the Chair and staff about current plans and artistic and financial performance, plus an opportunity for the potential new Trustee to attend as a guest at a Trustees' meeting, allows everyone to get to know each other better. Once appointed, all Board members are encouraged to attend appropriate training events aimed to facilitate fulfilling their role as Trustees. Two new Trustees joined the Board in the year. Rona Fineman brings Marketing expertise and Robert Keylock is a solicitor in Salisbury. Joan Main, a former Chair of the Trust, retired in September 2007 and was made a Patron. Wilfred Emmanuel-Jones has also been made a Patron with effect from April 2008.

Organisation

The Board of Trustees, which can have up to 12 members, administers the charity. With effect from April 2008 it meets quarterly (bi-monthly up to 2007/8), dates and core agendas are planned 12 months or more in advance. Trustees' working groups consider and review policy, monitor implementation and help evaluate and set parameters for developing the work, this covers programming, audience development, financial and business planning and the Friends scheme. During 2008/9 the Trust plans further Board development, to set up an Environmental Working Group and Finance and General Purposes Committee to enable work to be prepared and expedited between quarterly meetings. The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. Business planning involves both staff and Trustees with the input of Trustees' working groups. The Business Plan is regularly reviewed and updated.

Related parties

The Trust is grateful for the public funding it receives and works to give strong leverage, high quality outputs, good coverage across the District and County and excellent value for money for that investment. The fact that each of its public funders - Wiltshire County Council, West Wiltshire District Council and ACE, South West, have maintained their support for 2008/9, and that the Arts Council in addition to awarding an inflationary uplift for 2008/9 has doubled its level of funding for 2009/10 and 2010/11 is a strong vote of confidence in the value of the Centre's work. Recognising that the Arts Council's uplift was hard won, the Trust will be working closely with them to ensure that its new Business Plan responds robustly to regional and national priorities for the arts. The uplift addresses a historical shortfall in core funding dating back to the conclusion of the second tranche of Esmée Fairbairn development funding in 2004/5. It will enable the Trust to sustain the current level of operation within balanced budgets.

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The close working partnership with Wiltshire local authorities and their continued investment in the Centre is crucial in underpinning its ability to attract inward investment. It's the bedrock on which the Trust's fundraising successes are founded helping to achieve significant leverage. In 2007/8 over £14 of earned income and inward investment for every £1 of local authority grant. This enables the Centre to invest much more than it otherwise could in its developmental outreach work across the county. Each authority's active commitment to this partnership is very much valued, this helps ensure the relevance and quality of the work. The Trust's success in winning support from a number of Town and Parish Councils, including Bradford on Avon and Trowbridge, is politically and financially important demonstrating an active interest in the Centre which is promoted through their local tourist information facilities and websites.

From April 2009 the new unitary authority, Wiltshire Council, will take over from the four District authorities: Kennet, Salisbury, North and West Wiltshire District Councils. 2008/9 will be a very busy transitional year for the new authority. While it is too early yet for there to be any clear indication as to the impact these changes may have on the current local authority investment in the arts, the County has given assurances that current levels of funding will be maintained in 2009/10.

The Trust continues to make a significant contribution towards regional development objectives for music and is actively involved in partnerships to this end (see South West Music School below). It also has close working relationships with St Laurence School, West Wiltshire Young Musicians, the Wiltshire Music Service and other core users and project partners including arts organisations based locally, regionally and nationally who share the Trust's commitment to education and community outreach work. This includes two long-term residencies, details of which are given below. The Trust is also an active member of two local arts networking groups – Wiltshire Arts Promoters and the Wiltshire and Swindon Arts Alliance.

Risk management

The Trust is rigorous in its approach to Risk Analysis and Management, its plan comprises

- an annual review and update of the risks the charity may face,
- the establishment of systems and procedures to mitigate those risks identified in the analysis and
- the implementation of procedures and other actions designed to minimise any potential impact on the charity should those risks materialise.

The review in July 2007 identified no serious risks where mitigating actions had not already been taken. Actions taken during the course of the year to mitigate against those minor to moderate new risks identified included on-going training with use of the new computerised Artifax diary system (installed at the start of the year and trialled from September, it fully replaced the paper diary in January), a new server was installed to support the Trust's IT systems more reliably, and noise control monitoring equipment has been acquired to comply with new noise regulations. Other measures included a better Fire Alarm connection with the school and new linking to the Centre's alarm monitoring service, additional CCTV, making one of the junior part-time posts full-time, consolidating some of the ad hoc staffing arrangements and making the operation more sustainable. The Trust continues to use Citations to support its health & safety and personnel management and worked with voluntary organisations to promote volunteering opportunities at the Centre, more volunteers were recruited and trained and a new Trustee with legal expertise recruited. David Pratley Associates helped with contingency planning and the Trust's VAT status and the potential impact of Cultural Exemption were researched. In view of market trends, the Trust's portfolio was reviewed with Investment Managers Rensburg Sheppards to crystallise recent capital growth reinvesting prudently for an optimum balance between income and growth. At the start of the new financial year a staff review identified further opportunities for greater operational efficiency and the aging photocopier was upgraded. A thorough risk analysis and extended public liability insurance were put in place for the 10th Anniversary Live and Free open day in May.

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Due to a shortfall in core public funding in each of the past four years, the Trust has had to set a deficit budget to sustain the current level of operation. Exceptional one-off fundraising or donations plus cost savings helped to narrow the gap, but for the last two years this has not been possible and the Trust has had to invest strategic reserves. This has been carefully managed to address areas of work that were critically under-resourced – especially marketing, PR, fundraising capacity and training, so as to be able to capitalise fully on the Centre's 10th Anniversary opportunities. Even so, for the second year running, the Trust recorded a deficit on its unrestricted general fund, and now has an accumulated deficit on this fund of over £11,000. The Trust is delighted to have secured a significant uplift in its core funding from ACE South West from 2009/10 although this means setting another deficit budget for 2008/9, the Trust can now plan for a sustainable and stable operation at the current high levels of productivity from April 2009.

Policy review and development

During the year the Trust reviewed its Health & Safety and Risk Management Policies, progressed its Race Equality Action Plan and drew this strand of work and its work with disabled people into a single Diversity & Inclusion Action Plan adopted in November. By the end of the year it had begun recruiting for Cultural Consultants to help progress plans to work more with black and other minority ethnic people across Wiltshire. During 2008 -10, Samina Zahir and Steve McLean of Hybrid will be working with the Trust on this project, building on two very successful Vibes Days (see below). The Trust's commitment to diversity and inclusion is reflected in its Business Plan and its new Business Plan 2008–12, to be completed in August 2008, will pick up on this. At the end of the year the Trust was also setting up an Environmental Working Group and drafting an Environmental Policy and Action Plan for adoption in 2008/9.

The objects of the charity

The object for which the Wiltshire Music Centre Trust was established is the advancement of music education for students of all ages residing in and around the county of Wiltshire. In pursuit of this, the Trust's principal aims, which have not changed during the year, are to

- provide an acoustically-designed, purpose-built facility for the teaching, rehearsal and performance of music
- provide a base for the diverse activities of music-making groups in West Wiltshire and beyond, and a home for the Wiltshire & Swindon Youth orchestra
- create an environment in which musicians can meet, communicate and develop their talents and potential, both individually and in groups, and thereby promote the study and practice of music

The Trust achieves these objectives through three key strands of work: its own programme of high quality publicly promoted concerts, a range of in-house and outreach community music and education projects, and by managing the Centre as a well maintained purpose-built facility available for others to run music education, participation and concert activities. Income generating activities underpin this work.

Keys to the success of the Centre are the Trust's commitment to working across a broad range of musical genres and interests, its insistence on work of real quality, whatever the genre or type of activity might be, and the ways in which it actively seeks to encourage cross-fertilisation between different strands of activity. The concert programme reflects this breadth, deliberately mixing a wide range of classical, folk, jazz and world music, as well as mingling student and community events with ensembles and soloists of international standing. Projects and residencies that encourage the cross fertilisation of these elements e.g. children working with international artists, linking education projects and workshops with high profile concerts, intensifies the sense of excitement and energy this mix generates. In its education and community work the Trust is equally committed to quality, to planning strategically and delivering in partnership to stimulate new activity, meeting identified needs and giving added value to existing work.

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Achievements and performance

The 2007/8 concert season and academic year marked the Centre's 10th anniversary and every opportunity was taken to celebrate a remarkably successful and productive first decade. Special events throughout the year culminated in Live and Free in May 2008 – an extraordinarily successful open day of free musical activities that drew some 3,000 visitors, many young families coming for the first time. This and a number of new initiatives to sustain the PR and marketing momentum, kept the Centre team very busy.

The Centre's Participation and education outreach programme

Much of the Centre's outreach work is delivered in partnership. Working inclusively with project participants, and partners ranging from formal education, arts and non-arts agencies to community organisations and local authorities, the Trust is building the capacity to respond to a growing community interest, enthusiasm and demand for its work. Evaluation is key, keeping the work fresh, moving forward, building on previous experience to secure successful outcomes. Another key factor is the Centre's success in raising project funding from trusts, foundations, companies and individuals to sustain this work. Young people are at the heart of this programme, yet the Trust always has and will continue to work with all age groups and abilities and now has plans to develop its work with older people.

Projects target and engage with existing and new audiences and participants, encouraging creativity, the development of skills and self esteem and above all, fun. For the past ten years the Trust has played a key role in developing the hugely successful Wiltshire & Swindon Special Schools Festival. Presented at the Centre each July, the emphasis is increasingly on the process – extending access, participation and ownership to the widest range of pupils. New artforms introduced this year included dance, led by Anjali Dance Co., a celebrated company of disabled dancers.

Working in five Trowbridge primary schools, the Orchestra of the Age of Enlightenment (OAE), as part of its South West Residency, gave a second very successful set of workshops and schools' concerts and a third project is planned for January 2009. Another remarkably successful residency with the brilliant young Doric String Quartet comes to a conclusion in June 2008. With generous support from Roper Rhodes and the John Lewis Partnership, and run in collaboration with Wiltshire Music Service, this project has seen over 50 high quality workshops and schools concerts given to some 7,000 children across the county over the last five years. The Trust has now found gifted young ensembles to continue this work, collaborating with the Music Service to extend the scheme to embrace jazz, world and folk music too. From autumn 2008, subject to a further three year's funding from the John Lewis Partnership, the aim is to deliver this through the Music Manifesto Wider Opportunities scheme, and increase the number and range of schools involved.

At the end of the year, following outreach visits to nineteen rural village schools, preparations were in hand for the sixth county-wide Small Schools Festival. Hosted at the Wiltshire Music Centre in June and Marlborough College in July, this project has supported the delivery of music to key stage 2 in schools which typically have no music specialist, taking diversity, community cohesion, the environment and transient communities as its key themes. Plans for 2008/9 include schools workshops on environmental and cultural themes by a unique Icelandic folk duo Funi, and the female *a cappella* quintet Black Voices.

Equally important is the Centre's work in the wider community. The OAE's Musicians On Call project played for patients at Dorothy House Hospice and on a home visit to a terminally ill patient, both sessions are to be repeated in 2008/9. Music Xpress, a music technology project for young people at risk run with Wiltshire Youth Arts Partnership, has just completed three very successful years of outreach workshops and intensive sessions. Following evaluation, there are plans to expand its activities, taking opportunities into more rural areas of the county as well as continuing with regular intensive weeks at the Centre.

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One of a small network of venues throughout the South West committed to developing a regular programme of disability arts, thanks to funding from the Vodafone UK Foundation the Trust will launch the next phase of its innovative and acclaimed Making Waves project with learning disabled young people living in the community in 2008/9. This project was commended by its Independent Evaluator as being work *'of outstanding quality'* and *'a benchmark of best practice in the field of music and disability, regionally, nationally and internationally'*.

VIBES, launched two years ago in partnership with Wiltshire's Ethnic Minority Achievement Service, Music Service and Youth Development Service, plus Wiltshire Youth Arts Partnership and Wiltshire Dancing, aims to develop a strategic approach to work with and for diverse communities in Wiltshire. The Centre hosted its second highly successful VIBES day in February. Attended by over 100 black and other minority ethnic families from throughout Wiltshire, it was a memorable day of great music-making and performance led by outstanding black musicians from within and beyond the region.

In December the Lloyds TSB Foundation awarded the Trust a grant of £60,000 over the next three years, to help develop its work with diverse communities in Wiltshire and Swindon. Samina Zahir and Steve McLean of Hybrid have been appointed as Cultural Consultants and, during 2008 -10, will be working with the Centre on this project. Supporting the delivery of the Trust's Diversity and Inclusion Action Plan, a three year programme of action research will help build contacts, relationships and experience, informing the Centre's future diversity work and integrated into plans for long-term sustained development.

The Trust has played a key role in helping to set up South West Music School (SWMS), a new region-wide collaboration to establish a 'virtual' Centre for Advanced Training (CAT) for exceptionally talented and gifted young musicians. Launched in March 2007, with funding from the DCSF Music and Dance scheme, SWMS is the latest in a national network of CATs complementing the work of existing specialist music schools. The Trust's partners in this are the Bournemouth Symphony Orchestra, Dartington Plus, Wells Cathedral School and the Federation of Music Services, South West plus a Wiltshire and Swindon sub-regional stakeholders group to help advocate for and monitor the scheme's development. The Centre is hosting the next intensive SWMS residential weekend in October 2008.

Regular activities at the Centre include a very successful series of Summer Workshops including singing, dancing, performing arts, crafts and video + animation workshops each August. Each term the Centre also hosts weekly workshops for young children aged 18 months upwards, Jazz Factory workshops for all ages every Monday evening, twilight rehearsals three days a week by West Wiltshire Young Musicians, weekly Singing in the Round workshops and a range of other adult education and community group activities. Two thirds of the Centre's 60,000 visitors each year come to take part in the wide range of activities and projects it offers for people of all ages, backgrounds and levels of ability.

Future plans include two new weekly Steel Pan workshops for 7-11 and 12-18 year olds run in partnership with Wiltshire Music Service and starting in September 2008, and more work with older people (models of best practice are being researched including the inspiring Young @ Heart project run by Bob Cilman in Northampton, Massachusetts). Other ideas include a Cultural Olympiad partnership project in which the Trust would like to include a Para Cultural Olympiad theme, building on its disability work. A pilot 'Artists as Educators' training day in collaboration with WOMAD (world music) and the OAE (classical music) is being planned, and possibly a song writing residency for isolated young people throughout Wiltshire, managed through MusicXpress. Research is also underway to fundraise for the next Creative Factory project. Run in partnership with Bath Festivals this is a high quality, innovative, creative and intensive holiday music course, it is also open-access enabling young people with no previous musical experience to fully take part. Discussions are also underway over establishing an on-going programme of work with, and for, people with dementia.

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The Centre's concert programme

The Centre's broad ranging concert programme presents events of exceptional quality and variety, encompassing a wide range of high quality folk, jazz and world music. Now established nationally as a key regional venue for small to mid-scale music touring, the Centre presents concerts with support from Orchestras Live and Music in the Round. It is a key venue in the Orchestra of the Age of Enlightenment's South West Residency and has hosted the Doric String Quartet as quartet in residence for five years.

In September a superb concert by John Williams and John Etheridge launched the Centre's Tenth Anniversary Concert Season, which was sponsored by First Great Western. Like seven other 'tenth specials' in the autumn, this drew an enthusiastic capacity crowd. As part of Black History month, a memorable concert by Black Voices commemorated the 200th anniversary of the ending of the north Atlantic slave trade. In one of three concerts during the year, the Orchestra of the Age of Enlightenment imaginatively used marionettes in a powerfully moving semi-staged production of Dido & Aeneas, they returned in March with English Voices to give a marvellous performance of Handel's Messiah.

Signdance Collective brought an intense show 'But Beautiful' depicting Art Pepper's self-destructive yet highly creative genius. It was challenging and alone of the 10th anniversary special events proved hard to draw an audience to, yet everyone there enthusiastically stayed on for an impromptu and very enjoyable jam session in the foyer after the show.

The European Chamber Orchestra brought John Lill and a wonderful Mozart Piano Concerto, while the Britten Sinfonia with Imogen Cooper in November were in breathtakingly good form for Beethoven's 4th Piano Concerto and Brittwistle's marvellous Bach Measures. These concerts, plus another typically imaginative programme by the 'Britten's' earlier in the year, were among four superb events supported by Orchestras Live, as was the Orchestra of the Swan's concert in January. Opening the Spring Summer series, supported by Roper Rhodes, they gave the world premiere of Errollyn Wallen's new cello concerto written for the soloist Mathew Sharp. Imogen Cooper also returned in February to give a stunning account of Wolf's splendid Morike Lieder with the Austrian baritone Wolfgang Holzmair.

A very impressive, high profile world premiere marked the tenth anniversary of the completion of the Centre itself. BBC National Orchestra of Wales gave the first performance of a remarkable new BBC Radio 3 commission *Wreath* from the gifted young British composer Luke Bedford. They brought with them the celebrated baritone Christopher Maltman to sing Vaughan Williams' glorious Songs of Travel, Ravens' Mother Goose completed their lovely programme. Relayed on BBC Radio 3 a few days later, this made the perfect high quality, high profile concert to mark a very memorable occasion.

At the beginning of the year the exceptionally talented young Gaelic singer, and Radio 2 Folk Award winner, Julie Fowlis gave a splendid concert marking the release of her new album. It went so well that she returned in March to give the last concert of the year too, appearing with her excellent six piece band Dochas and a mix of Scottish and Irish folk music equally enthusiastically greeted by a capacity crowd. In January 2008 The Demon Barbers brought an entirely different aspect of British folk music, their charismatic and youthful reinterpretations of traditional English music drawing another excited crowd.

The Courtney Pine Band brought the Centre's second VIBES day in February to a rousing conclusion with *Transition in Tradition* – their tribute to the legendary New Orleans jazz icon Sidney Bechet. In March the immensely gifted Acoustic Triangle brought Malcolm Creese, Tim Garland and Gwilym Simcock to give a captivating and serenely beautiful mix of acoustic styles from around the world. This was one of four excellent small scale tours organised by Music in the Round (MitR) through their Around the Country scheme, others included a wonderful concert by the Emperor Piano Trio and two by the exciting young Ensemble 360 whose performances of Poulenc's and Dohnanyi's Sextets plus Herbert Howells beautiful Rhapsodic Quintet were outstanding.

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One of the most interesting concerts of the year was a sublime performance by The Orlando Consort of Guillaume de Machaut's ravishingly beautiful *Messe de Notre Dame* in April 2007. They were joined by a specially formed handpicked choir of local singers conducted by Keith Bennett, and imaginatively interspersed between the movements were medieval plainchant and pieces by three contemporary composers – Elizabeth Liddle, Tarik O'Regan and Nicholas Broad, plus a rarity by Robert Carver. Another fascinating rarity was Sophie Yates' virginals recital featuring Bull, Byrd, Gibbons and Tomkins among other Elizabethan masters coupled with a fascinating talk by Bill Badley and an exhibition of some beautiful contemporary but faithful copies of virginals of the period.

A performance of English sea shanties and Caribbean quadrilles in May 2007 was one of five concerts for family audiences. Celebrating the end of the North Atlantic slave trade, Boka Halat showed how the songs and dances of the plantations had fused with those of the English sailors and the children were able to join in. A wonderful concert of contemporary percussion music by Duo Vertigo, brought through the British Music Information Centre's Cutting Edge Tours, and a programme of traditional Japanese Taiko drumming in March were equally popular. Two other great family events were brought by Ensemble 360 with Polly Ives through the MitR scheme, including the Centre's first concert for 2 – 7 year olds.

Support from the John Lewis Partnership and The Mercers' Company was key to keeping the family ticket prices accessible and underpinning special family deals for most of the Centre's promotions. John Lewis Partnership has also supported the remarkable five year residency by the enormously gifted young Doric String Quartet that concluded in April 2008. In addition to two successful family concerts and many highly appreciated outreach visits to schools, the quartet have given 17 public concerts over this period, each featuring a substantial 20th century work alongside established classics and relative rarities. With their compelling playing audiences grew, averaging well over 80% overall, and in the end each concert sold out. As this report was being completed, news broke of the quartet's success in winning first prize at the prestigious Osaka International Chamber Music Competition. The Trust is delighted, and not least because the Dorics have agreed to continue visiting the Centre regularly as Quartet in Association.

The late cancellation of a planned Community Play and a lack of funding to run Creative Factory with Bath Festivals, meant the Trust could introduce the planned slight reduction in the overall number of concerts sooner than otherwise would have been possible. A slight imbalance resulted that affected folk and world music, but it was felt to be the right decision in the current economic climate. Classical concerts have longer planning lead times and the reduction will continue to be phased in during 2008/9.

At the same time, the Trust is working hard to promote the Centre and to develop new audiences. While series booking in particular has clearly been affected by the current economic downturn, and some individual events have proved harder to sell than normal, overall the Centre's concerts continue to sell well. Of 68 events over the year, almost half achieved over 80% of capacity and 18 sold out. The average attendance was 72% of capacity with an encouraging upturn in the last 4 months of the year to an average of 82% of capacity as the Centre's new marketing initiatives began to bite. The First Great Western sponsorship was invaluable through the number of good poster sites given to the Trust at key railway stations.

Drawing on information from the most recent audience research, the Trust plans to develop new audience streams sustainably without in any way deterring, or losing, the audiences so successfully built up over ten years. To achieve this both the phased overall reduction in events, and any elements programmed, will need to be kept in careful balance and skilfully managed and monitored. Above all, each programme development will be subject to the Trust's firm commitment to work of the very highest quality, suitable in scale and to the Centre's characteristics all presented and marketed to the very best of the Trust's ability.

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Marketing and PR

With unexpected staff movements in 2006/7, by early 2007 the Trust had had no dedicated marketing capacity for almost 12 months. This, coupled with its longstanding under-resourcing of marketing due to inadequate core funding and audience research over three years old, was critical in the run up to the Centre's 10th Anniversary. In February 2007 the experienced Arts Marketing Consultant Miranda Jacobs was engaged to audit the Centre's marketing operation and develop a new, more comprehensive and effective, marketing strategy. The Trust needed to know more about current and potential audiences and invest more adequately in its marketing in order to achieve better profile and recognition amongst both stakeholders and audiences locally, regionally and nationally. With the agreement of ACE South West the Trust made a Grants for the arts application and drew on its strategic reserves to achieve this.

Kate Schweizer, a young music graduate recruited to the Box Office Team in July 2006, was promoted into a trainee marketing role for one year. With formal training opportunities including the week long TMA residential course at Druidstone, she has worked alongside Miranda Jacobs as mentor in planning and executing marketing campaigns for the tenth anniversary season, and at the start of the new financial year 2008-9 has taken on responsibility for the day to day management of the marketing operation in the newly created role of Marketing Coordinator. New planning processes have been instigated and there is already a proven response to marketing campaigns undertaken. These have included

- Investigating the audience database, comparing it to Arts Council data about the region and establishing some priorities for new audiences and encouraging repeat attendance
- Establishing an ACORN profile of the audience to understand attenders and their habits better and using this to inform PR and marketing campaigns
- Analysing the Saver Bookers scheme with a view to developing it during 2008/9
- Collecting regular reports on web usage and reviewing the site's effectiveness
- Setting up a system for collection of seasonal monitoring data in order to evaluate the effectiveness of both programming decisions and marketing campaigns
- Carrying out internal and external focus groups looking at design and content of the season brochure

Much of this work was funded by the Arts Council's Grants for the arts Programme which awarded £23,736 to enable the marketing strategy over 18 months.

In September the Trust engaged Alison Byard as PR Consultant to mentor Kate Schweizer, set up PR systems and ensure greater coverage in relevant publications. This has already seen considerable success in increased coverage gained. In January the Centre tendered its design work and appointed a new design agency, Steers McGillan, to work with it initially on a new season brochure and in time on other marketing tools. The new brochure will be published and distributed in June 2008.

Networking and advocacy

During the year the Trust has forged closer links with the Wessex Chambers of Commerce, who now regularly host their West Wilts Economics Partnership Conference at the Centre, and Business West, with whom there are events planned in 2008/09. The Trust is also an active member of two arts networking groups: Wiltshire Arts Promoters (WAP), and the Wiltshire and Swindon Arts Alliance (W&SAA). WAP represents Wiltshire arts organisations that present a significant amount of professional art providing a valuable forum in which issues affecting the arts can be considered. W&SAA is a strategic alliance of regularly funded arts organisations in Wiltshire and Swindon with each of the local authorities.

While each group in its own way plays an active role in initiatives to raise the profile of, and to make the case for public investment in, the arts W&SAA is currently the key forum in which strategic thinking about arts development for the whole sub-region can be moved forward. WAP's members work

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towards common concerns and solutions and each can, as appropriate, act as a delegate of his own arts organisation. Members of W&SAA though serve as individuals, as representatives of the arts as a whole, sharing a collective, objective vision for overall regional arts development.

These groups reflect the different structures for the arts in the two areas, Swindon having a hands-on Arts Development Manager and Wiltshire having no corresponding role at a county level. W&SAA is currently commissioning a further social and economic impact study of the arts in Wiltshire and Swindon, and WAP is collaborating to undertake market research into arts audiences and opportunities for audience development in the whole sub-region. Together with Salisbury Arts Centre, Wiltshire Music Centre represented WAP on the steering group for Wiltshire Forward in 2004, and these initiatives are implementing the study's recommendations. Staff and Trustees have also played an active part in Bradford on Avon's and the District's community planning processes, working to ensure that the arts remain central to the development of cultural strategies for the area. In these ways, the Trust is pursuing a broad agenda to provide a well coordinated, collective and coherent voice for the arts in the area. Its wider networking for regional strategic development (e.g. South West Music School) is dealt with above.

Financial Review

The lack of core funding when the Wiltshire Music Centre opened ten years ago, its relatively rapid and successful growth and, once public funding had been won, the challenges of securing proportionate increases from those sources, have each resulted in the Trust having to work very hard to generate its own income and raise funds from elsewhere. Most available funding is, however, restricted to supporting the Centre's developmental projects rather than to sustaining or developing the organisation itself. The Trust owes the success of the Centre in no small measure to three highly significant tranches of three-year development funding from the Esmée Fairbairn Foundation which, coupled with steady increases in public core funding – especially from ACE South West – have helped to secure its development.

The Trust acknowledges, with great appreciation, the Grants for the arts award of £29,336 received from ACE South West in 2007/8. Targeted towards three vital aspects of organisational development it has enabled the Trust to engage David Pratley Associates to facilitate its contingency planning, to work with its marketing consultant to develop and support the implementation of its crucial new marketing initiatives, and to invest in the professional development of the Centre's Marketing Coordinator to take forward this work and help ensure the Centre's audience development plans bear fruit.

The most recent award from the Esmée Fairbairn Foundation, to help underpin the artistic programme and enable development, totals £99,000: £44,000 in 2007/8, £33,000 in 08/9 and a final £22,000 in 09/10. The Arts Council uplift will replace this from April 2009 and, by overlapping in 2009/10, will at the same time enable the Trust to consolidate its resourcing for marketing and PR, securing the stability of the organisation while its next phase of capital development gets underway (ref Capital improvements below). The profile-raising achieved during the Trust's 10th Anniversary year has been hugely beneficial, not only underpinning the Centre's audience development campaigns in the year, but helping to make the most of the Trust's investment from strategic reserves in additional fundraising capacity too.

As noted above, despite this support the Trust had to set a deficit budget for 2007/8 and again for 2008/9, and draw on strategic reserves in the last two years to sustain the current level of operation. The work undertaken with David Pratley showed starkly just how little room for manoeuvre there was and what changes would have had to be made had the Trust not been in a position to move towards setting balanced budgets again. Recognising the shortfall in the Trust's public core funding, and the time-limited nature of Esmée Fairbairn's support, the Arts Council, as part of its recent funding review, confirmed a very significant increase for the Centre from April 2009. Indeed the Trust understands that it was the only music organisation in the country to have its Arts Council grant doubled.

THE WILTSHIRE MUSIC CENTRE TRUST LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2008 (Contd)

The additional £50,000 a year will bring the annual grant from ACE South West to £106K which, with the combined local authority funding from the new unitary Wiltshire Council, will raise the Centre's annual public core funding to just under £140K. This is hugely heartening news for the Trust and a very encouraging endorsement of the value and quality of its work.

The uplift in the Arts Council's support was hard won against many other competing claims and the Trust recognises that this happy outcome sets the Centre and its other stakeholders a real challenge. The Centre's success in winning this is equally Wiltshire's success, and the challenge is a shared one if the inward investment is to be sustained. But it's an exciting challenge. With the core-funding issues hopefully behind us from 2009/10, and the Trust able to plan sustainably and longer-term at its current level of operation, there's a real opportunity to show what this investment in our sub-region can help to achieve. The Centre's new Business Plan will set out the ambitious programme of work it is planning to do, and how, by continuing to work in close partnership with Wiltshire's new unitary authority, it will be achieved.

Following staff movements and temporary staffing in 2006/7, two self-employed staff members have been taken on as permanent staff members during the year, regularising their position. Eleanor Sullivan, the Trust's very able bookkeeper for nine years, retired and the appointment of Julie Cure in the new position of Finance Officer was an opportunity to review systems used. The Trust installed an upgraded Sage Accounting system with more report writing functions at the year-end, ready to start with effect from April 2008. There are also plans to acquire a computerised payroll system in 2008/9. Both measures will help maximise administrative efficiency, procedures for BACS payments are also being reviewed.

The Trust depends heavily on its highly skilled and trained team of volunteers, and could not run the Centre nearly as cost effectively without them. They help to steward events and performances, enabling more activity, longer opening hours, higher standards of customer care and lower staff costs than would otherwise be possible. It is estimated that this voluntary help is equivalent to 3 - 4 additional full time staff for 'front-of-house', an annual contribution in excess of £40,000. Many of the volunteers are also members of the 'Friends' scheme providing additional help and support to the Trust in that capacity too.

The Trust's Supporters

The Trust is very grateful, as always, for the valuable support given by the Friends and Benefactors of the Wiltshire Music Centre, many of whom also help as volunteers. During 2007/8 the Trust worked with the Friends Committee and a Consultant to review the management of the Friends scheme. In accordance with its Auditors recommendations, the Trust brought the Friends' financial and accounting procedures – very well managed by voluntary members of the Friends Committee for some 9 years – in-house, and thus within the scope of the Trust's audit. This took immediate effect though some of the changes will continue to be phased in during 2008/9.

With approval from the Friends AGM in November, the Friends Committee was disbanded and succeeded by a Friends Advisory Group that functions as a sub-committee of the Board of Trustees. Its role is to advise on the management of the scheme and it includes two members of the former Friends committee, providing good continuity. At the same time Peter Measday, who chaired the old Friends Committee, stepped down and Rona Fineman kindly agreed to chair the new group.

The Friends Advisory group is now recruiting new members to build the capacity to help develop the scheme and provide members with new benefits and activities. Close liaison is also achieved through staff involvement on the Group, and the Trust is working with the Group to review the scheme and its administrative procedures. While the Friends AGM will be superseded by a less formal Annual Forum each November, this will provide an equally good social and feedback opportunity allowing for good contact with members.

THE WILTSHIRE MUSIC CENTRE TRUST LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2008 (Contd)

Thanks go to the Trust's many other public and private supporters. In addition to the core funding received from Arts Council England, South West, Wiltshire County Council and West Wiltshire District Council, several Town and Parish Councils voted support to the Centre again in 2007/8 including Bradford on Avon, Calne, Corsham, Devizes, Keevil, Trowbridge and Westbury Town Councils. In addition, Swindon Borough Council and Kennet District Council awarded grants towards specific projects.

The Centre also gratefully acknowledges support received during the year by others who do not wish to remain anonymous. Arts & Business, BBC Children in Need, BLB Solicitors, Colonel William Lewellen Palmer Educational Trust, Community Foundation for Wiltshire & Swindon, Ernest Cook Trust, Feilden Clegg Bradley Architects, First Great Western, First Priority, HPH Commercial Property, John Lewis Partnership, Joyce Fletcher Charitable Trust, Kitchens at No 32, Lloyds TSB Foundation for England and Wales, Medlock Trust, Mercers' Company, MFPA Trust Fund, Music in the Round, Orchestras Live, Photostatic Copiers, Pixiella Trust, Prince's Foundation for Children and the Arts, PRS Foundation, R J Harris Charitable Trust, Roper Rhodes, RVW Trust, Somer 2000, Swindon Music Centre, Trowbridge Trust, Wessex Water, William 'Doc' Couch Trust.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest resources. The Trust's Investment Managers are charity specialists Rensburg Sheppards and its Investment Policy, developed with their advice, takes account of the Trust's Reserves and Ethical Policies. The Trust's policies and investment arrangements are reviewed each year and the work of the Board in doing this is supported by its Investments Working Group, the membership of this group includes the Chair, the Treasurer, a third Trustee and the Chief Executive.

The Trust prudently invests across a broad range of collective investment schemes, benchmarking the performance of the fund. The objectives are to ensure, through longer-term investment of most of the reserve, sufficient interest to provide a minimum level of unrestricted core income to contribute to the Trust's annual revenue needs plus sufficient capital growth to protect the value of the investment. Taking account of market trends and movements during the year, the Trust worked with its Investment Managers Rensburg Sheppards to review and restructure its portfolio. As the Trust needed to draw on strategic reserves as set out above, the aim was to crystallise recent capital growth and reinvest prudently for an optimum balance between growth and income. Given the movement of funds and market trends, the book value of the Trust's strategic reserves had inevitably fallen by the year end. Nevertheless, the Trust is confident that its investment strategies are prudent, effective and fit for purpose.

Reserves policy

The Trustees' reserves policy, adopted in June 2004 and reviewed annually, sets the optimum level of reserves as equivalent to six months operational costs plus a designated fund for essential improvements to the Centre. In addition, there are earmarkings for installing recording hardwiring and the new marketing strategy, plus contingencies for major items (a new office extension in 2009 and carpet replacement).

With these plans and its reserves policy in mind, the Trustees consider that the optimum level of strategic reserves at 31 March 2008 would have been £475,000. However, market fluctuations and the need to draw down reserves as planned during the year led to a year-end valuation of the Trust's investments of just over £369,000.

Capital improvements

The Trust continues to implement and update its on-going improvements and refurbishments plan and as part of the approved reserves figure above, £20,000 has been allocated over each of the next three years to invest in the building and its equipment. Improvements made during the year included new improved

THE WILTSHIRE MUSIC CENTRE TRUST LTD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2008 (Contd)

local signage, refurbished blinds and blinds now motorized at the back of the auditorium, hard wiring of certain rooms for the portable loop system, upgrading the fire alarm system for the curriculum wing, a new IT server, an additional data projector and laptop, plus an additional CCTV camera in the corridor

Plans for future periods

With the building more heavily used than ever, reserves are earmarked to carry out a rolling programme of improvements over the next three years and to replace major items such as the auditorium carpets and to provide live show relay to front of house areas, an objective set out in the Trust's Disability Action Plan. Hard wiring for recording purposes will be installed in August 2008 and the auditorium carpets will be replaced in summer 2009. The hard wiring work will also help progress plans to install house PA, which it is recognised the Centre very much needs (in the Business Plan). It will also enable the relatively easy installation of live show relay (in the Disability Action Plan). Following the new concert brochure design, the Trust will be redeveloping and redesigning the Centre's website, focusing on the user experience as well as search engine optimisation. The aim is to bring a content management system in-house, so the website can be used as a more flexible marketing tool. An audit is currently being undertaken to enhance the building's lighting and the many different ways in which it's used and a new Environmental Working Group is developing an Environmental policy and action plan to reduce the Centre's carbon footprint.

Trustees' responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make sound judgments and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going-concern basis unless it is appropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting on 20 September 2007 that Moore Stephens be re-appointed as auditors to the charity for the ensuing year.

By order of the Trustees



Caroline Kay (Chair)
17 July 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WILTSHIRE MUSIC CENTRE TRUST LTD

We have audited the financial statements of The Wiltshire Music Centre Trust Ltd for the year ended 31 March 2008 set out on pages 16 to 23. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of The Wiltshire Music Centre Ltd for the purposes of Company Law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition, we report to you if in our opinion the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) 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 significant estimates and judgments 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE WILTSHIRE MUSIC CENTRE TRUST LTD cont**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs at 31 March 2008 and of its incoming resources and application of resources including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements

Moore Stephens
Registered Auditors and Chartered Accountants
30 Gay Street
Bath BA1 2PA

28th July 2008.

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2008

	Note	Unrestricted Funds		Restricted Funds	Total 2008	Total 2007
		General £	Designated £	£	£	£
Incoming Resources						
From Generated Funds						
Voluntary income	2	150,027	-	38,963	188,990	125,874
Activities for generating funds	2	112,909	-		112,909	118,503
Investment income	2	16,210	-		16,210	14,034
		279,146		38,963	318,109	258,411
From Charitable Activities						
Operation of Music Centre	3	134,258	-	25,884	160,142	164,660
Education projects	3	16,818	-	62,105	78,923	44,626
Total incoming resources		430,222	-	126,952	557,174	467,697
Resources Expended						
Costs of generating funds	4	20,830	2,400	7,325	30,555	26,560
Charitable expenditure	5	421,447	9,938	135,580	566,965	539,776
Total resources expended		442,277	12,338	142,905	597,520	566,336
Net outgoing resources before transfers		(12,055)	(12,338)	(15,953)	(40,346)	(98,639)
Transfers between funds	14	10,477	(10,477)	-	-	
Net outgoing resources for the year and deficit of income over expenditure	9	(1,578)	(22,815)	(15,953)	(40,346)	(98,639)
Other recognised gains and losses						
(Losses)/gains on investments	11	-	(37,249)		(37,249)	22,472
Net movement in funds		(1,578)	(60,064)	(15,953)	(77,595)	(76,167)
Funds brought forward		(9,852)	485,741	1,875,519	2,351,408	2,427,575
Funds carried forward		(11,430)	425,677	1,859,566	2,273,813	2,351,408

The above results relate wholly to continuing activities, 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

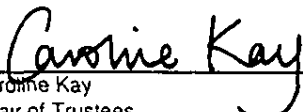
THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

BALANCE SHEET AT 31 MARCH 2008

	Note	Unrestricted Funds		Restricted Funds	Total 2008	Total 2007
		General £	Designated £	£	£	£
Fixed assets						
Tangible fixed assets	10	32,682	51,862	1,799,834	1,884,378	1,928,252
Investments	11	-	369,019		369,019	434,567
		32,682	420,881	1,799,834	2,253,397	2,362,819
Current assets						
Stocks items for resale		1,070	-	-	1,070	484
Debtors and prepayments	12	58,981		-	58,981	19,235
Cash at bank and in hand		(22,417)	4,796	59,732	42,111	26,569
		37,634	4,796	59,732	102,162	46,288
Creditors amounts due within one year	13	(81,746)			(81,746)	(57,699)
Net current (liabilities) / assets		(44,112)	4,796	59,732	20,416	(11,411)
Total assets less current liabilities		(11,430)	425,677	1,859,566	2,273,813	2,351,408
Funds						
Unrestricted Funds						
General funds		(11,430)			(11,430)	(9,852)
Designated funds	14		425,677		425,677	485,741
		(11,430)	425,677		414,247	475,889
Restricted Funds	15			1,859,566	1,859,566	1,875,519
		(11,430)	425,677	1,859,566	2,273,813	2,351,408

These financial statements have been prepared in accordance with the provisions of part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the Trustees at their meeting on 17/7/08 and are signed on their behalf by


Caroline Kay
Chair of Trustees


Harriet Feilding
Secretary and Treasurer

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

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention (modified by the revaluation of investments) and in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) issued in March 2005 applicable UK Accounting Standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

Incoming resources

Income from concerts is included in the period in which the relevant performance takes place.
Legacies are included when the charity is advised that payment will be made or property transferred and the amount involved can be quantified.
When donors specify that donations and grants including grants for the purchase of fixed assets are for particular restricted purposes the income is included as incoming resources of restricted funds when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.
Grants received are deferred and recognised through the statement of financial activities in full when conditions for receipt are complied with.
Investment income is included when receivable.
Intangible income including gifts in kind, is included at the trustees' valuation when known.
No amounts are included in the financial statements for services donated by volunteers.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered.

Pensions

The charity operates a defined contribution pension scheme for the benefit of the staff. The scheme funds are administered by trustees and are independent of the charity's finances. Benefits under the scheme are dependent on contributions paid and the charity is not committed to the provision of a pension related to final salary. The charity's contributions are charged against income in the year in which they are made.

Tangible Fixed Assets – freehold land and buildings

Freehold property is included at original cost plus subsequent costs of additions. Depreciation is charged so as to write down the cost of the freehold property to its estimated residual value on a straight line basis over its expected useful economic life, estimated to be 50 years.
Freehold land is not depreciated.
Depreciation is charged on property additions so as to write down their cost to nil over their expected useful economic life of 20 years.

Tangible Fixed Assets – other fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is calculated to write off the cost less estimated residual values of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are as follows:

Plant and machinery	10 years/4 years
Musical instruments	10 years
Fixture, fittings & furniture	10 years/4 years
Office equipment	5 years

Investments

The investments held by the charity are stated at their open market value at the Balance Sheet date.
Quoted investments are valued at mid market prices. Gains and losses on disposal and revaluation of investments are credited or charged to the Statement of Financial Activities.

Stock

Stock is valued at the lower of cost and net realised value.

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1 ACCOUNTING POLICIES (continued)

Fund accounting

Funds held by the charity are either

Unrestricted general funds these can be used in accordance with the charitable objects at the discretion of the trustees. Certain of these funds have been set aside (designated) by the trustees for specific future purposes or projects.

Restricted funds these can only be used for particular restricted purposes within the objects of the charity. Amounts received in respect of the capital costs of the Centre have been shown as restricted funds. This treatment has been adopted as the trustees recognise that monies received have been earmarked by the donors for that particular project.

2 INCOME FROM GENERATED FUNDS

	Unrestricted Funds General £	Designated £	Restricted Funds £	Total 2008 £	Total 2007 £
<u>Voluntary income</u>					
Donations General	10,383		26,403	36,786	27,099
Donations Restricted			2,560	2,560	13,200
Charitable Trusts	51,811		10,000	61,811	
Grants Core Funding	87,833			87,833	85,575
	150,027	-	38,963	188,990	125,874
<u>Activities for generating funds</u>					
Rental income	59,708	-		59,708	58,863
Lettings income	26,848	-		26,848	32,038
Bar income	18,622			18,622	19,183
Box office income	7,731			7,731	8,419
	112,909			112,909	118,503
<u>Investment income</u>	16,210	-		16,210	14,034
	279,146	-	38,963	318,109	258,411

3 INCOME FROM CHARITABLE ACTIVITIES

	£	£	£	£	£
<u>Operation of Music Centre</u>					
Concert income	131,062		16,850	147,912	151,953
Charitable Trusts				-	8,400
Sponsorship	3,196		9,034	12,230	4,307
	134,258		25,884	160,142	164,660
<u>Education project income</u>	16,818		62,105	78,923	44,626
	151,076	-	87,989	239,065	209,286

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

4 COSTS OF GENERATING FUNDS

	Unrestricted Funds		Restricted Funds	Total	Total
	General	Designated		2008	2007
	£	£	£	£	£
General marketing and PR costs	9,505		7,325	16,830	10,808
Bar, Box office and lettings expenses	11,325			11,325	13,336
Investment brokers charges		2,400		2,400	2,416
	<u>20,830</u>	<u>2,400</u>	<u>7,325</u>	<u>30,555</u>	<u>26,560</u>

5 COSTS OF CHARITABLE ACTIVITIES

	£	£	£	£	£
Cost of operation of Music Centre					
Direct concert expenditure	105,044		21,850	126,894	125,082
Concert marketing costs	26,936			26,936	25,511
Expenditure from Restricted Funds				-	9,667
	<u>131,980</u>		<u>21,850</u>	<u>153,830</u>	<u>160,260</u>
Education project costs	<u>4,382</u>		<u>51,238</u>	<u>55,620</u>	<u>54,075</u>
Management and administration					
Staff costs (including freelance staff) Note 6	187,605	3,000	11,000	201,605	157,605
Music Centre running costs	64,110			64,110	59,904
Office costs	18,661			18,661	35,941
Professional fees	5,982		5,600	11,582	6,782
Miscellaneous costs	3,191			3,191	3,401
Depreciation charges Note 10	5,536	6,938	45,892	58,366	61,808
	<u>285,085</u>	<u>9,938</u>	<u>62,492</u>	<u>357,515</u>	<u>325,441</u>
Total expenditure	<u>421,447</u>	<u>9,938</u>	<u>135,580</u>	<u>566,965</u>	<u>539,776</u>

6 STAFF COSTS

	2008	2007
	£	£
Wages and salaries (excluding freelance staff)	148,751	140,254
Social security costs	13,888	12,203
Pension costs Note 8	4,619	5,148
	<u>167,258</u>	<u>157,605</u>

The average full time equivalent number of employees during the year was 7.6 (2007: 7) employed in running the Centre. No employee earned more than £60,000 per annum (2007, none).

7 TRANSACTIONS WITH THE TRUSTEES

The trustees of the company received no remuneration or reimbursed expenses (2007: nil).

One of the trustees, Lyndsay Holdoway, is a director of HPH Ltd, a company which is a Business Partner of the centre. Any business can apply to become a Business Partner, being a fundraising and networking initiative. The standard annual fee of £900 was receivable at the year end and is included in trade debtors.

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

8 PENSION COSTS

The charity's contribution in the year was £4 619 (2007: £5 148). The amount of contributions due by the charity to the scheme at the year end is £nil (2007, £nil).

9 NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging		2008 £	2007 £
Depreciation	Note 10	58,365	61 808
Auditors remuneration	External audit	3,450	3 300
	Other services	515	1,515

10 FIXED ASSETS

	Freehold land and buildings £	Fixtures fittings and instruments £	Plant and machinery £	Office equipment £	Total £
Cost					
At 1 April 2007	2 207 687	85 416	43 089	53 457	2,389,649
Additions		5 970		8 521	14,491
At 31 March 2008	2 207 687	91 386	43 089	61 978	2,404,140
Depreciation					
At 1 April 2007	353 944	46 853	19 145	41,455	461,397
Charge for the year	39,162	9 212	4 387	5 604	58,365
At 31 March 2008	393 106	56 065	23 532	47 059	519,762
Net Book Value					
At 31 March 2008	1 814 581	35 321	19 557	14 919	1,884,378
At 31 March 2007	1 853 743	38 563	23 944	12 002	1,928 252

11 INVESTMENTS

	2008 £	2007 £
Valuation at beginning of the year	434,567	414 511
Amounts withdrawn during the year	(25,899)	
Brokers fees charged during the year	(2,400)	(2 416)
Realised and unrealised gains in the year	(37,249)	22 472
Valuation at end of the year	369,019	434 567
Cost at end of the year	359,098	363 551

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

11 INVESTMENTS (continued)

	2008			2007
	UK	Non UK	Total	
The investments are held as follows	£	£	£	£
Equities	23 052	73 216	96,268	149 890
Investment and Unit Trusts	85,496		85,496	182 741
Fixed Interest	65 962	49 445	115,407	44 254
Properties	23,633	-	23,633	19 965
Uninvested cash balances	48 215		48,215	37 717
	<u>246 358</u>	<u>122 661</u>	<u>369,019</u>	<u>434 567</u>

The following holdings represent more than 5% of the total portfolio

Henderson Investments	23,850	6.5%
New Star Investments	21,709	5.9%
Traditional Funds Thames River Bond	27,400	7.4%
Norwich Union International Bond Fund	22,045	6.0%
Perpetual Inv	22,250	6.0%
Neptune Investment Management	22,755	6.2%
Edinburgh Investment Trust	22,179	6.0%
Invesco Inc	20,403	5.5%
Lyxor Gold Bullion	23,052	6.2%
Balance of portfolio	163,376	44.3%

12 DEBTORS

	£	£
Trade debtors	23,820	12 077
Prepayments	16,937	1 865
Other debtors and accrued income	18,224	5 293
	<u>58,981</u>	<u>19 235</u>

13 CREDITORS AMOUNTS DUE IN LESS THAN ONE YEAR

	£	£
Trade creditors	20,897	11 830
Other taxes and social security	5,379	2 847
Other creditors and accruals	12,435	7,096
Third party concert ticket sales	15,152	20 683
Deferred income ticket sales for after date concerts	27,883	15 243
	<u>81,746</u>	<u>57 699</u>

All income deferred at 31 March 2007 has been released in the year to 31 March 2008

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

14 DESIGNATED RESERVES

	At 1 April 2007 £	Outgoing resources £	Loss on investment £	Transfers £	At 31 March 2008 £
Strategic Reserve	434 567	(25 899)	(39,649)		369 019
Expenditure on assets	44 309	7 553			51,862
Cash Balances	6,865	8 408		(10 477)	4,796
	<u>485 741</u>	<u>(9 938)</u>	<u>(39 649)</u>	<u>(10 477)</u>	<u>425,677</u>

The designated reserve arose when the Centre received three legacies in 2002 mainly shares which were sold in 2004 giving rise to a fund value of £425 648. The Trustees have used these legacies to create a Strategic Reserve with the intention that there be annual allocations for certain prioritised capital improvements.

15 RESTRICTED FUNDS

	At 1 April 2007 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2008 £
Capital Fund					
Funding cost of Music Centre	1 845 726		(45 892)		1,799,834
Revenue Funds					
Education Projects fund	20 919	62 105	(51 238)		31,786
Grants for the Arts		26 403	(16 800)		9,603
Graham Ruthen donation		2 560			2,560
The Medlock Charitable Trust		5 000	(5,000)		
The Mercers Company		5 000	(5 000)		
Orchestras Live		16 850	(16 850)		
Various donors	8 874				8,874
Friends of the Centre		9 034	(2 125)		6,909
	<u>1 875 519</u>	<u>126 952</u>	<u>(142 905)</u>		<u>1,859,566</u>

The funds of the charity include restricted funds being donations and grants held on trust to be applied for specific purposes.

Capital Funds represent donations to the charity to fund the initial development of the Centre including a Lottery award amounting to £1 768 024 and to undertake subsequent improvements to the premises or to purchase specific assets. The annual charge for depreciation of these assets is charged against the appropriate funds.

Revenue Funds represent funding received by the charity to undertake specific projects or fund certain costs.

The administration of the Friends scheme was reviewed during the year and the funds held by the Friends have been transferred to the Centre and held as a restricted fund to be utilised at the direction of the Friends Advisory Group. This Group succeeded the Friends Committee of the Centre and functions as a sub committee of the Board of Trustees.

16 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2008 there were capital commitments of £nil (2007 £5 605) and no contingent liabilities (2007 none).