

The Manchester Concert Hall Limited

Company Registration No. 2913221, Charity Registration No. 1040342

DIRECTORS

Rodger Pannone (Chairman)
Dr Ann Adeyemi
Howard Bernstein
Frances Done
John Glester
Sue Harrison
Councillor Kathleen Robinson
Warren Smith

SECRETARY

Manchester Professional Services Limited
P O Box 532
Town Hall
Manchester
M60 2LA

AUDITORS

Ernst & Young
100 Barbirolli Square
Manchester
M2 3EY

BANKERS

The Co-operative Bank plc
Olympic House
6 Olympic Court
Salford M5 2QP

SOLICITORS

City Solicitor
Town Hall
Manchester M60 2LA

REGISTERED OFFICE

Manchester City Council
c/o Julia Redman
Special Projects Officer
Chief Executive's Department
PO Box 532
Town Hall
Manchester
M60 2LA



The Manchester Concert Hall Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 1999.

RESULTS AND DIVIDENDS

The results for the year are shown on page 7. The income of the company is to be applied solely towards the promotion of its Objects as set out in the Memorandum of Association, as such no dividend is proposed.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Manchester Concert Hall Limited is a company limited by guarantee and does not have any share capital. It is also a registered charity (No. 1040342).

The Objects for which the company is established are to: promote, maintain, improve, develop and advance public education by the encouragement of the Arts, including opera, drama, singing, mime, dancing, painting and sculpture, cinema, literature and other arts and in particular to provide and operate a Concert Hall in the City of Manchester.

The company's responsibility is the provision and operation of The Bridgewater Hall, which is Manchester's Concert Hall.

The Bridgewater Hall is leased from Manchester City Council to the company at a peppercorn rental for a period of 35 years. The company is responsible within the lease for the operation of the Hall on terms acceptable to Manchester City Council and the company. The company itself has no fixed assets.

The company has appointed an operator to manage the Bridgewater Hall on its behalf. The principal activity of the company during the year has been to oversee the completion of the Bridgewater Hall, to administer the operating contract and to monitor the operator's compliance with the contract. The contract contains provisions relating to the artistic standards and programming for the Hall, as well as general operational standards.

In the period April 1998 to March 1999 the Board has met on four occasions and its regular business has been:

- to receive reports from the Company Secretary on outstanding matters in relation to outstanding snagging and post construction issues for the Hall;
- to receive and consider minutes of the Artistic Policy Group set up to co-ordinate the artistic programme of the Hall. Membership of the group comprises the Hallé Orchestra, the BBC Philharmonic, the Camerata Ensemble Orchestra, Hallogen and Raymond Gubbay promoter;
- to make decisions relating to the company's legal responsibilities in relation to the Head Lease, with Manchester City Council, the sub-lease to the Hallé Concerts Society for their offices in the Hall and the Management Agreement with Hallogen.

Additionally, the Board has also:

- reviewed Hallogen's business plan and marketing strategy for the operation of the Hall for 1998/99 including plans for the Artistic Season for September 1998 to September 1999;
- carried out a review of the sinking fund contributions required from Hallogen. This review resulted in the Board agreeing that Hallogen's contribution to the sinking fund be maintained at £50,000 for year 4 of the operating contract (i.e. 1999/2000), but that thereafter their sinking fund contribution will rise to £150,000 in years 5 and 6, with a final payment of £450,000 in year 7 should the operating contract terminate at that point;

The Manchester Concert Hall Limited

DIRECTORS' REPORT

- reviewed the joint venture agreement between the Hallé and Ogden;
- received reports updating the Board on the rescue plan and restructuring of the Hallé Concerts Society;
- considered the position of a statue of Sir John Barbirolli commissioned by the Sir John Barbirolli Commemoration Appeal.

DIRECTORS AND THEIR INTERESTS

The company is limited by guarantee and the directors were all guarantors at the year end.

In the event of the winding-up or dissolution of the company, any surplus assets shall be given or transferred to some other charitable institution having charitable Objects similar to the Objects of the company.

MEMBERS AND DIRECTORS

The members and directors who served during the year were as follows:

	<i>Date of Appointment</i>	<i>Date of Resignation</i>
Rodger Pannone (Chairman)	09.05.94	-
Dr Ann Adeyemi	02.07.98	-
Howard Bernstein	09.05.94	-
Baroness Brenda Dean	17.06.97	14.12.98
Frances Done	27.03.95	-
John East	24.04.97	31.12.98
John Glester	09.05.94	-
Sue Harrison	26.02.97	-
Councillor Kathleen Robinson	14.10.97	-
Warren Smith	09.05.94	-

REVIEW OF FINANCIAL POSITION

The company's accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in compliance with the provisions of Part VII of the Companies Act 1985 and Part VI of the Charities Act 1993.

The company's balance sheet as at 31 March 1999 shows a surplus of £176 on the General Fund and a surplus of £122,460 on the Designated Fund for repair and maintenance of the Bridgewater Hall representing a fund balance of £122,636. The balances remain sufficient to meet all outgoing items of expenditure and future plans and commitments.

The Manchester Concert Hall Limited

DIRECTORS' REPORT

The company received income from the Hallé Concerts Society by way of rent, the operator in respect of provision for the repair and maintenance of the Bridgewater Hall, and interest on bank balances. Expenditure represents management and administration costs and costs in monitoring the operator's performance in accordance with the Management Agreement.

The company did not engage in any investment activity during the financial year.

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the net income or expenditure of the company for that period. In preparing those accounts, the directors are required to:

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

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

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. The statutory profit and loss account headings set out in the Companies Act have been amended to reflect the charitable nature of the company and that it is not trading for profit.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board.



Penny Boothman

For and on behalf of Manchester Professional Services Limited

Date 23/6/99

REPORT OF THE AUDITORS

to the members of The Manchester Concert Hall Limited

We have audited the accounts on pages 7 to 12 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors, who also act as Trustees for the charitable activities of The Manchester Concert Hall Limited, are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

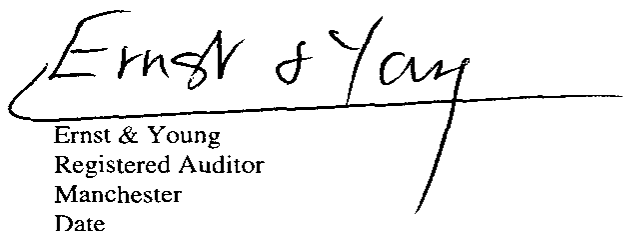
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the charitable company as at 31 March 1999 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 provisions of the Companies Act 1985 applicable to small companies.

A handwritten signature in dark ink, appearing to read 'Ernst & Young', is written over a horizontal line. Below the line, the text 'Ernst & Young', 'Registered Auditor', 'Manchester', and 'Date' is printed in a small, sans-serif font.

Ernst & Young
Registered Auditor
Manchester
Date

27 July 1999

The Manchester Concert Hall Limited

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 1999

	<i>Notes</i>	<i>General Fund £</i>	<i>Designated Fund for repair and maintenance of the Hall £</i>	<i>Total 1999 £</i>	<i>Total 1998 £</i>
Income and Expenditure					
Incoming Resources					
Rental Income from Orchestra		23,000	-	23,000	23,000
Contribution from Operator for future repair and maintenance of the Bridgewater Hall		-	50,000	50,000	50,000
Bank Interest Receivable		-	4,977	4,977	1,400
Total Incoming Resources		23,000	54,977	77,977	74,400
Resources Expended					
Direct charitable expenditure	2	5,071	13,084	18,155	2,957
Management and administration of the Charity	3	17,210	-	17,210	20,680
Total Resources Expended		22,281	13,084	35,365	23,637
Net movement of funds		719	41,893	42,612	50,763
Balances brought forward at 1 April		(543)	80,567	80,024	29,261
Balances carried forward at 31 March		176	122,460	122,636	80,024

The Manchester Concert Hall Limited

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 1999

	Notes	1999 £	1998 £
TURNOVER	4	73,000	73,000
Repair and maintenance		57,892	51,400
		<u>15,108</u>	<u>21,600</u>
Administration expenses		19,366	23,637
Net Operating Expenditure	5	<u>(4,258)</u>	<u>(2,037)</u>
Bank Interest Receivable		4,977	1,400
NET INCOME/(EXPENDITURE) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>719</u>	<u>(637)</u>
Taxation on ordinary activities		-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		<u><u>719</u></u>	<u><u>(637)</u></u>

There were no recognised gains or losses other than the net income for the year of £719 (1998, net expenditure of £637)

The Manchester Concert Hall Limited

BALANCE SHEET

at 31 March 1999

	Notes	1999 £	1998 £
CURRENT ASSETS			
Debtors	7	26,689	1,591
Cash at the bank and in hand	8	116,428	97,100
		<u>143,117</u>	<u>98,691</u>
CREDITORS: amounts falling due within one year	9	<u>20,481</u>	<u>18,667</u>
NET CURRENT ASSETS		122,636	80,024
PROVISION FOR LIABILITIES AND CHARGES	10	<u>122,460</u>	<u>80,567</u>
		<u>176</u>	<u>(543)</u>
CAPITAL AND RESERVES			
Profit and loss account	11	<u>176</u>	<u>(543)</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities and Part VI of the Charities Act 1993.

Approved by the Board
and signed for an on their behalf by



Rodger Pannone, Chairman

Date:

6/7/99

The Manchester Concert Hall Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Repair and Maintenance of the Bridgewater Hall

The repairing obligations of the Bridgewater Hall remain with Manchester City Council as Freeholder. The company, on behalf of Manchester City Council, invoices the Operator for a contribution towards those costs. The amount of this contribution is specified in the lease agreement with the Operator. The money is held in a provision (referred to as a 'sinking fund' in the Directors' report) in the accounts of the Manchester Concert Hall Limited until such time as it is drawn down by the City Council to meet repair and maintenance expenditure. Should the provision be insufficient to meet the ongoing repairing obligations of the Hall then the excess costs will be met by the City Council.

2. DIRECT CHARITABLE EXPENDITURE

	<i>General Funds</i>	<i>Designated Fund</i>	<i>Total 1999</i>	<i>Total 1998</i>
Provision and operation of the Bridgewater Hall				
Monitoring the performance of the Operator	2,156	0	2,156	2,957
Repair & Maintenance of Hall	2,915	13,084	15,999	0
	<u>5,071</u>	<u>13,084</u>	<u>18,155</u>	<u>2,957</u>

3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	<i>Total 1999</i>	<i>Total 1998</i>
	<i>£</i>	<i>£</i>
Insurance	13,001	13,605
Legal and professional fees	3,909	6,875
Auditors' remuneration	300	200
	<u>17,210</u>	<u>20,680</u>

4. TURNOVER

Turnover, which is stated net of value added tax, represents rent from the Halle Orchestra and a contribution for the maintenance of the Bridgewater Hall from its Operator.

5. NET OPERATING (EXPENDITURE)/INCOME

This is stated after charging/(crediting):

	<i>1999</i>	<i>1998</i>
	<i>£</i>	<i>£</i>
Auditors' remuneration	300	200
Directors' remuneration	-	-
Rental income from Orchestra	(23,000)	(23,000)

The Manchester Concert Hall Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

6. PARTICULARS OF STAFF

The Manchester Concert Hall Limited does not employ any staff, the company is served by the staff of Manchester City Council for which a management charge is payable.

7. DEBTORS

	1999	1998
	£	£
Trade debtors	26,230	1,591
Other debtors	459	-
	<u>26,689</u>	<u>1,591</u>

8. CASH AND CASH EQUIVALENTS

	1999	1998
	£	£
Cash at bank and in hand	<u>116,428</u>	<u>97,100</u>

9. CREDITORS

	1999	1998
	£	£
Trade creditors	19,360	18,667
Other creditors and accruals	1,121	-
	<u>20,481</u>	<u>18,667</u>

10. PROVISION FOR LIABILITIES AND CHARGES

This represents monies received from the Operator for future repairs and maintenance of the Hall. The Manchester Concert Hall Limited holds these monies on behalf of Manchester City Council.

	£
Balance on the fund at 1 April 1998	80,567
Contributions received during the year from the Operator of the Hall	50,000
Bank Interest Receivable	4,977
Reimbursement of repair and maintenance expenditure incurred by the City Council	(13,084)
Balance on the fund at 31 March 1999	<u>122,460</u>

The Manchester Concert Hall Limited

NOTES TO THE ACCOUNTS

at 31 March 1999

11. RESERVES

	<i>Profit and Loss Account</i>
	£
At 1 April 1998	(543)
Net income for the year	719
At 31 March 1999	<u>176</u>

12. MEMBERSHIP

The Manchester Concert Hall Limited is a company limited by guarantee with a permitted maximum membership of 11.

Every member of the company undertakes to contribute one pound to the assets of the company in the event of the company being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member.

If upon the winding-up or dissolution of the company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the surplus shall be given or transferred to some other charitable institution having charitable Objects similar to the Objects of the company.

THE FOLLOWING PAGE
DOES NOT FORM PART OF THE
AUDITED STATUTORY ACCOUNTS
OF THE COMPANY

The Manchester Concert Hall Limited

DETAILED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 1999

	1999 £	1998 £
TURNOVER		
Rent from Halle	23,000	23,000
Contribution from Operator for repair and maintenance of the Bridgewater Hall	50,000	50,000
Bank interest receivable	4,977	1,400
	<hr/>	<hr/>
	77,977	74,400
 Contribution to provision for repair and maintenance of the Bridgewater Hall	54,977	51,400
Repair and maintenance	2,915	-
 ADMINISTRATION		
Insurance	13,001	13,605
Professional Services	6,065	9,832
Auditors' remuneration	300	200
	<hr/>	<hr/>
NET INCOME/(EXPENDITURE) ON ORDINARY ACTIVITIES BEFORE TAXATION	<hr/> 719	<hr/> (637)