

The Manchester Concert Hall Limited  
Report and Accounts  
31 March 2013



## **Manchester Concert Hall Limited**

Company Registration Number 2913221

Company Registration Number 2913221

Charity Registration Number 1040342

### **Current Directors**

Warren Smith (Chair)

Sir Howard Bernstein

Colin Smith

Bill Enevoldson

Michael O'Connor

Alex Poots

David McKeith

Cllr Rosa Battle

### **Secretary**

Manchester Professional Services LTD

PO BOX 532

Town Hall

Manchester

M60 2LA

### **Auditors**

Percy Westhead and Company

Chartered Accountants and Statutory Auditors

Greg's Buildings

1 Booth Street

Manchester

M2 4AD

### **Solicitors**

The City Solicitor

Town Hall

Manchester

M60 2LA

### **Bankers**

The Cooperative Bank PLC

PO BOX 101

1 Balloon Street

Manchester

M60 4EP

### **Registered Office**

Manchester City Council

PO BOX 532, Town Hall

Manchester

M60 2LA

## **Directors Report**

The directors present their report and accounts for year end 31 March 2013

### **Structure, Governance and Management**

The Board currently consists of the Chairman and seven directors. The Board receives detailed papers on the business to be conducted at each meeting in advance. All directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for advising the Board on Governance matters and for ensuring compliance with Board procedures.

Directors are appointed for their cultural, artistic and business expertise and receive induction on appointment to the Board that has been tailored to their individual needs.

Because the principal activity of the Board is to oversee the management contract for the Bridgewater Hall, the Chief Executive of SMG Theatres (formally Hallogen) attends all Board meetings to present progress reports on the operating contract.

### **Objectives and Activities**

The Manchester Concert Hall Limited is a company limited by guarantee (reg no 2913221) 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 music, opera, drama, singing, mime, dancing, painting, sculpture, cinema, literature and other arts and in particular to provide and operate the Bridgewater Hall in the City of Manchester and ensure its ongoing public benefit.

The directors (trustees of the charity) confirm that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission on public benefit.

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 re-appointed SMG Theatres as operator to manage the Bridgewater Hall on its behalf.

**Achievements and performance and the resulting public benefit during the year to 31 March 2013**

The principal activity of the company during the year has been to administer the operating contact for the Bridgewater Hall and to monitor the operator's compliance with the contract. The contract provisions relating to the artistic standards and programming for the Hall, as well as general operating standards.

In the period April 2012 to March 2013 the Board has met on 3 occasions and its business was

- To receive and consider minutes of the Artistic Policy Group set up to coordinate the artistic programme of the Hall. Membership of the group comprises the main users of the Hall – Halle Orchestra, BBC Philharmonic, Manchester Camerata Ensemble Orchestra and SMG Theatres
- To receive progress reports on SMG Theatres' operation of the Hall, their financial performance, the programming intentions, marketing strategy and future business plans,

The Bridgewater Hall is a prestige music venue and key iconic building in Manchester. SMG Theatres, the operator of the Hall aims to deliver a world-class cultural programme to the Bridgewater Hall, comprising of classical and non-classical performances from the field of music, with a market appeal that transcends socio-economic boundaries.

Since the Bridgewater Hall opened in 1996, it has established a strong reputation as one of the country's leading concert halls for both classical and popular music and conferences.

Its acoustic is widely acclaimed, which has earned it an enviable national and international reputation. The role of the Board has been instrumental in guiding and supporting the SMG Theatres team to deliver within the original aspiration for the Hall established by Manchester City Council.

Key initiatives undertaken this year have included –

- The support of alternative marketing strategies, including the development of e-marketing software, newsletters and a mobile friendly website
- The continued focus on learning and participation, alternative funding streams and support for a range of programmes including a community membership scheme
- The development of a capital works programme to ensure the viability of the Hall, and maintain its aesthetics and facilities on offer to performers and visitors

### Plans for future periods

In the future period the principal plans for the Board are to continue to monitor the progress of the operating contract, in which SMG are committed to provide education and learning activities

### Directors and their interests

The company is limited by guarantee and the directors were all guarantors at the year-end Manchester City Council may appoint up to two directors of the Company The major risks to which the charity is exposed, as identified by the Directors have been reviewed and systems have been established to mitigate these risks

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 objectives similar to the objects of the company

### Members and Directors

The members and directors who served during this year were as follows

	Date of appointment	Date of resignation
Warren Smith (Chairman from 13 12 07)	09 05 94	N/A
Councillor Rosa Battle	28 06 13	N/A
Sir Howard Bernstein	09 05 94	N/A
Colin Smith	11 09 00	N/A
Bill Enevoldson	13 12 07	N/A
Michael O'Connor	13 12 07	N/A
Alex Poots	13 12 07	N/A
David McKeith	10 06 09	N/A
CLlr M Amesbury	14 05 08	17 05 12

### Financial Review

The company's accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and in compliance with the provisions of Part 15 of the Companies Act 2006 and the Charities Act 2011

The company's balance sheet as at 31 March 2013 shows a balance of £14,137 on the General Fund (2011/12 £10,228) This balance remains sufficient to meet all outgoing items of expenditure and future plans and commitments

As the operator makes no further contributions, Manchester City Council has now taken direct responsibility for the replacement of items of capital equipment within the Hall The operator still has a responsibility for the day-to-day maintenance costs of the building

## **Manchester Concert Hall Limited**

Company Registration Number 2913221

The company received income from the Hallé Concerts Society by way of rent 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**

The directors are responsible for preparing the directors' report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts in accordance with the UK Generally Accepted Accounting Practice. Under company law the directors must not approve the accounts unless they are satisfied that they 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 the 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 business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Small companies' exemption**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The statutory profit and loss account heading 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.

### **Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken the steps that he ought to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

Elective resolutions to dispense with holding annual general meetings, the laying of accounts before the company in a general meeting and the appointment of auditors are currently in force. The auditors, Percy Westhead and Company will therefore be deemed to have been re-appointed at the end of the period 28 days beginning with the day on which copies of their report and accounts are sent to members unless a resolution is passed to the effect that their appointment be brought to an end.

By order of the Board

For and on behalf of Manchester Professional Services Limited



Allan Sparrow  
Company Secretary  
Date:

25/9/18

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MANCHESTER CONCERT HALL LIMITED**

We have audited the financial statements of The Manchester Concert Hall Limited for the year ended 31st March 2013 on pages 10 to 14 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st March 2013 and of its incoming resources and application of resources, including its income and expenditure account, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.



**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime and take advantage of the small company's exemption in preparing the Directors Report



Mr Timothy A R Elston (Senior Statutory Auditor)  
for and on behalf of Percy Westhead & Company  
Chartered Accountants  
and Statutory Auditors  
Greg's Buildings  
1 Booth Street  
Manchester  
M2 4AD

Date 25.9.2013

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT**  
**For the year ended 31 March 2013**

	Notes	Unrestricted General Fund £	Total Unrestricted funds 2013 £	Total 2012 £
<b>INCOMING RESOURCES (INCOME)</b>				
<b>Incoming resources from charitable activities:</b>				
Rental income from orchestra		23,000	23,000	23,000
Donations from Mcr City Council	2	0	0	0
		23,000	23,000	23,000
<b>Incoming Resources from generated funds</b>				
<b>Investment income:</b>				
Bank interest receivable		92	92	71
Total incoming resources	2	23,092	23,092	23,071
<b>RESOURCES EXPENDED (EXPENDITURE)</b>				
<b>Charitable Activities:</b>				
Monitoring the performance of the Operator of the Hall		5,569	5,569	5,569
		5,569	5,569	5,569
<b>Governance Costs.</b>	3	13,614	13,614	13,128
		13,614	13,614	13,128
Total resources expended		19,183	19,183	18,697
<b>NET INCOME/(EXPENDITURE)</b>				
<b>FOR THE YEAR</b>	4	3,909	3,909	4,374
Balances brought forward at 1st April 2012		10,228	10,228	5,854
<b>BALANCES CARRIED FORWARD</b>				
<b>AT 31 MARCH 2013</b>		14,137	14,137	10,228

There were no recognised gains or losses other than the net income for the year of £3,909 (2012 net income of £4,374)

# Manchester Concert Hall Limited

Company Registration Number 2913221

## BALANCE SHEET

At 31 March 2013

	Notes	2013 £	2012 £
<b>CURRENT ASSETS</b>			
Debtors	6	18,451	6,770
Cash at bank and in hand		8,987	16,663
		<u>27,438</u>	<u>23,433</u>
 CREDITORS amounts falling due within one year	 7	 13,301	 13,205
 TOTAL NET ASSETS		 <u>14,137</u>	 <u>10,228</u>
 <b>UNRESTRICTED FUNDS</b>			
General fund	8	14,137	10,228
		<u>14,137</u>	<u>10,228</u>

The accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Charities Act 2011

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



Warren J Smith, Chairman

Date 28/09/13

NOTES TO THE ACCOUNTS

For the year ended 31 March 2013

**1 ACCOUNTING POLICIES**

Accounting Convention

The accounts are prepared under the historical cost convention and in accordance with The financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006

Format of Accounts

The accounts have been prepared in a form required by the Companies Act 2006, although advantage has been taken to adapt the format and headings of the accounts to recognise the special nature of the company's activities and the recommendations of the Statement of Recommended Practice "Accounting and Reporting by Charities"

Repair and Maintenance of the Bridgewater Hall

The capital repairing obligations of the Bridgewater Hall remain with Manchester City Council as Freeholder. The company, on behalf of Manchester City Council, previously invoiced the Operator for a contribution towards those costs. The amount of this contribution was specified in the lease agreement with the Operator. However, Manchester City Council agreed that the operator be released from the obligation to make further contributions from January 2004 onwards. The money was held in a designated fund (referred to as a 'sinking fund' in the Directors' report) in the accounts of the Manchester Concert Hall limited until it was drawn down by the City Council to meet repair and maintenance expenditure. The fund has now been exhausted and the ongoing capital repairing obligations of the Hall will be met by the City Council.

Incoming Resources

All incoming resources are included in the statement of financial activities on a receivable basis.

Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and where possible is allocated to charitable activities. All other costs are treated as governance costs.

NOTES TO THE ACCOUNTS

For the year ended 31 March 2013

Taxation

The company, being a registered charity, is not liable for income and corporation tax on its net income

**2 INCOME**

Turnover, which is stated net of value added tax, represents rent from the Hallé Orchestra and donations from Manchester City Council

**3 GOVERNANCE COSTS**

	2013	2012
	£	£
Insurance*	4,960	4,584
Legal & professional fees	6,974	6,924
Auditors' remuneration	1,680	1,620
	<u>13,614</u>	<u>13,128</u>

\*Insurance includes £890 in respect of directors and officers liability insurance

**4 NET INCOME/(EXPENDITURE) FOR THE YEAR**

This is stated after charging/(crediting)

	2013	2012
	£	£
Auditors' remuneration	1,680	1,620
Directors' remuneration	-	-
Rental income from Orchestra	(23,000)	(23,000)

**5 STAFF COSTS AND NUMBERS**

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  
No expenses were paid to the trustees during the year

NOTES TO THE ACCOUNTS

For the year ended 31 March 2013

**6 DEBTORS**

	2013	2012
	£	£
Trade debtors	17,003	5,494
Prepaid expenses	1,448	1,276
	<u>18,451</u>	<u>6,770</u>

**7 CREDITORS**

	2013	2012
	£	£
Other creditors and accruals	13,301	13,205
	<u>13,301</u>	<u>13,205</u>

**8 UNRESTRICTED FUNDS - GENERAL FUND**

	2013	2012
	£	£
At 1 April	10,228	5,854
Incoming resources	23,092	23,071
Resources expended	<u>(19,183)</u>	<u>(18,697)</u>
At 31 March	<u>14,137</u>	<u>10,228</u>

**9 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

**RELATED PARTY TRANSACTIONS**

- 10** At 31 March 2013, an amount of £43 was owing to MCHL by Manchester City Council (2012 £34)

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

For the year ended 31 March 2013

	2013	2012
	£	£
<b>INCOME</b>		
Rent from Hallé Orchestra	23,000	23,000
Bank Interest Receivable	92	71
	<u>23,092</u>	<u>23,071</u>
<b>EXPENDITURE</b>		
Monitoring the performance of the Operator of the Hall	5,569	5,569
Administration costs		
Insurance	4,960	4,584
Legal and professional fees	6,974	6,924
Auditor's remuneration	1,680	1,620
	<u>19,183</u>	<u>18,697</u>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>	<u><u>3,909</u></u>	<u><u>4,374</u></u>