

Charity Registration Number 1053937
Company Registration Number 3169600

SYMPHONY HALL (BIRMINGHAM) LIMITED
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 1997



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Registered Office:
Symphony Hall (Birmingham) Limited
Birmingham B40 1NT

Tel No. 0121 780 4141

Certain elements of the programme, in particular the Sunday Music Series and the International Orchestral Series are underpinned by revenue funding from Birmingham City Council, see note 2 of the financial statements.

6 Review Of The Year's Activities And Achievements

The Season of 1996/97 has proved to be one of the strongest programmes of music presented in the six years of Symphony Hall's existence. Overseas orchestras have included the Chicago Symphony, Rotterdam Philharmonic, Czech Philharmonic, Slovenian Philharmonic (first ever performance in the UK), the Russian National Orchestra, the Royal Concertgebouw of Amsterdam, the Belgian National Orchestra and the Moscow Philharmonic. British orchestras appearing included the Bournemouth Symphony, the Philharmonia (twice), Royal Philharmonic, English Northern Philharmonia and the English Chamber Orchestra (including the traditional Good Friday performance of the St Matthew Passion). The City of Birmingham Touring Opera undertook a unique performance of Benjamin Britten's Church Parables which attracted great acclaim from all the National Musical Press.

Cecilia Bartoli led a series of universally acclaimed recitals, followed by Dame Kiri te Kanawa, Alfred Brendel, Teresa Berganza, Midori and Amanda Roocroft. Performances by young people have featured prominently. In the 'Rising Stars' Chamber Music Series recitals were given by Birmingham-born Philip Dukes, Michaela Ursuleasa from Vienna, the Osiris Trio from Germany, the Yggdrasil Quartet from Sweden and the Eroica Trio from the USA. The Akzo Nobel Concert for Young Talent returned featuring young international prizewinners. The Birmingham Schools Orchestra performed on a number of occasions, and the National Youth Orchestra of Great Britain made a return visit in April.

The Company's programme has been broadened and enhanced by a large number of popular and MOR concerts. Vanessa Mae, The Chinese Golden Acrobats, comedian Jack Dee, Suzanne Vega, Broadway - The Concert, Richard Clayderman, Daniel O'Donnell, Glen Campbell, Hank Marvin, David Essex, Wadaiko Ichiro Drummers and the Notting Hillbillies have provided a diversity of music and performance unrivalled in any regional concert hall. The ongoing development of this aspect of the programme is a priority, particularly in relation to the broadening of audiences and increasing accessibility for the general public.

Both the level of business and the year end financial position remain satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

7 Results

The results of the Group for the first 12 months are set out in the Statement of Financial Activities on page 6.

Directors

The Directors of the Company at 31 March 1997, all of whom were non Executive Directors were:

Mr R S Burman	appointed	11 September 1996
Councillor A Coulson	appointed	11 September 1996
Councillor P Tilsley	appointed	11 September 1996
Mr D Holmes	appointed	11 September 1996
Mr M Pedelty	appointed	11 September 1996
Ms A Bhalla	appointed	11 September 1996
Mr J Moir	appointed	11 September 1996
Mr G Jonas	appointed	16 September 1996
Professor G Caird	appointed	16 September 1996
Mr D Scard	appointed	27 September 1996
Miss T Slater	appointed	16 December 1996
Ms C Laine	appointed	10 February 1997

The only changes in the year were:

Mr P Green	appointed	05 March 1996
	resigned	12 July 1996
Mr M Cook	appointed	05 March 1996
	resigned	15 July 1996
Mr A Tyrer	appointed	05 March 1996
	resigned	12 July 1996
Mr C Leech	appointed	05 March 1996
	resigned	16 July 1996

Directors' Responsibilities For The Financial Statements

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Statement of financial activities for that period. In preparing these financial statements, the Directors confirm that they have:

selected suitable accounting policies and then applied them consistently;

made judgments and estimates that are reasonable and prudent;

stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepared the financial statements on the going concern basis.

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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Employees

Symphony Hall (Birmingham) Limited does not employ any employees in its own name. The management team are seconded from The National Exhibition Centre Limited and the associated costs recharged to the Company. All temporary employees are employed by The National Exhibition Centre Limited and the costs recharged to the Company.

Temporary employees are engaged on a daily basis from time to time as the fluctuations in the Company's business dictate.

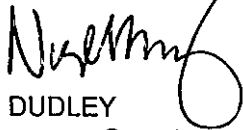
11 **Insurance of Directors**

The Company maintains insurance for the Directors in respect of their duties as Directors of the Company.

12 **Auditors**

A resolution to reappoint Coopers & Lybrand as the Company's auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD


N DUDLEY
Company Secretary

Symphony Hall (Birmingham) Limited
Birmingham B40 1NT

14 October

1997

REPORT OF THE AUDITORS TO THE MEMBERS OF SYMPHONY HALL (BIRMINGHAM) LIMITED

We have audited the financial statements on pages 6 to 14, in accordance with the Charities (accounts and reports) Regulations 1995 and under section 43 of the Charities Act 1993.

Respective Responsibilities Of Directors And Auditors

As described on page 3 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis Of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 Company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 1997 and of its incoming resources and application of resources, including its income and expenditure, on the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
Birmingham



1997

STATEMENT OF FINANCIAL ACTIVITIES

For the 12 months ended 31 March 1997

	Notes	General Fund £000	Total 1997 £000
Income And Expenditure			
Income Resources			
Donations and gifts		1	1
Less: deferred income		(1)	(1)
Grants receivable	2	503	503
Investment income		38	38
Income from trading activities	3	2,530	2,530
Less: deferred income		(10)	(10)
Income of trading subsidiaries	5	153	153
Income from parent company		1,339	1,339
Total Incoming Resources		4,553	4,553
Resources Expended			
Direct charitable expenditure	6	2,633	2,633
Other expenditure:			
Management and administration of the charity	7	1,920	1,920
Total Resources Expended	8	4,553	4,553
Net incoming/(outgoing) resources		NIL	NIL
Net movement on funds		NIL	NIL
Fund balances brought forward at 1 April 1996		NIL	NIL
Fund Balances Carried Forward At 31 March 1997		NIL	NIL

The results for the Company are all in respect of continuing operations.

There are no recognised gains and losses other than as shown above and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the results from ordinary activities before taxation and the unappropriated surplus at the end of the year stated above, and their historical costs equivalent.

The Statement of Financial Activities replaces the General Income and Expenditure Account, as the Company complies with the Statement of Recommended Practice for Charities. A summary Income and Expenditure Account has been presented on page 7.

The notes on pages 9 to 14 form part of these financial statements

SUMMARY INCOME AND EXPENDITURE ACCOUNT**For the 12 months ended 31 March 1997**

	1997
	£000
Gross income of continuing operations	3,061
Non charitable trading activities: income	1,492
Total Income Of Continuing Operations	4,553
Total expenditure of continuing operations	(4,553)
Net Income/(Expenditure) For The Year From Continuing Operations	NIL

The notes on pages 9 to 14 form part of these financial statements.

BALANCE SHEET

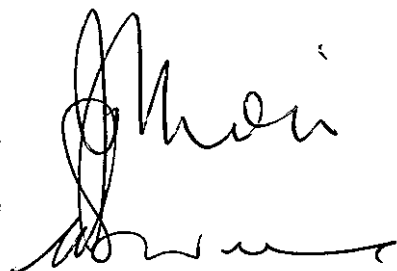
at 31 March 1997

	Notes	1997 £000
Current Assets		
Debtors	10	37
Investments	11	127
		164
Creditors - Amounts Falling Due Within One Year	12	(164)
Net Current Assets		NIL
Total Assets Less Current Liabilities		NIL
Net Assets		NIL
Financed by:		
Funds		NIL

Approved by the Board of Trustees on
and signed on its behalf by

Trustee

Trustee



The notes on pages 9 to 14 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. Principal Accounting Policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and under the Statement of Recommended Practice of Accounting for Charities. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis Of Accounting

The financial statements are prepared under the historical cost convention.

The financial statements are prepared on the basis of the accrual concept.

Cash Flows

The Company is a wholly owned subsidiary of The National Exhibition Centre Limited, and the cash flows of the Company are included in the consolidated group cash flow statement of The National Exhibition Centre Limited. Consequently, the Company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

Related Party Transactions

The Company is a wholly owned subsidiary of The National Exhibition Centre Limited. The Company is therefore exempt from disclosing transactions and balances with group entities that have been eliminated on consolidation under the terms of Financial Reporting Standard No 8.

Basis Of Consolidation

The Company is a wholly owned subsidiary of The National Exhibition Centre Limited. The results of the Company and its trading subsidiary, Symphony Hall (Enterprises) Limited are reflected within the financial statements of The National Exhibition Centre Limited. Therefore, under Financial Reporting Standard No 2, the Company is exempt from preparing consolidated accounts.

Income

The Company's income represents the invoice value, excluding value added tax, which was generated from the organisation of, and the letting of facilities in respect of the performing musical and non musical events pursuant to the Company's objective of education of the arts and music.

Grants Receivable

Grants of a revenue nature are credited to income in the period to which they relate. Grants in respect of capital expenditure are credited to a deferred income account and are released to income over the expected useful life of the relevant assets by equal annual instalments.

Direct Charitable Expenditure

Expenditure is included on the basis of the accruals concept.

Direct charitable expenditure are direct costs which are incurred from the organisation of, and the letting of facilities in respect of performing musical and non musical events pursuant to the Company's objective of education of the arts and music.

Cost Of Management And Administration Of The Charity

Expenditure is included on the basis of the accruals concept.

These are indirect costs which are not incurred as a direct result of the organisation of, and the letting of facilities in respect of performing musical and non musical events.

Operating Leases

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

2. Grants Receivable

		1997 £000
	Note	
Birmingham City Council	(a)	493
BASA awards		10
		503

(a) Revenue funding from Birmingham City Council is received by The National Exhibition Centre Limited (parent) and is held in a trustee capacity.

3. Income From Trading Activities

		1997 £000
	Notes	
Rentals, admissions	4	2,048
Advertising and sponsorship		153
Other		329
		2,530

4. Rental And Admissions Analysis

	1997 £000
City of Birmingham Symphony Orchestra	196
Middle of the road events	925
International concert season	804
Local music users	74
Sunday afternoon, pre-concert and platform performances and other	49
	2,048

5. Net Income From Trading Activities Of Subsidiaries

Profit And Loss Account

	1997 £000
Turnover from continuing operations	639
Operating costs from continuing operations	(486)
Profit on continuing operations	153
Amount covenanted to Company (a)	(153)
Retained by subsidiary	NIL

(a) Under a deed of covenant dated 26 March 1997, the Company received the operating surplus of its trading subsidiary, Symphony Hall (Enterprises) Limited.

6. Direct Charitable Expenditure

	1997 £000
Staff costs	364
Artist's fees	1,614
Education expenditure	8
Other	647
	2,633

All employees are employed by The National Exhibition Centre Limited and the costs recharged to the Company.

7. Management And Administration Of The Charity

	Note	1997 £000
Staff costs	(a)	364
Audit fee		3
Operating leases - hire of other assets		14
NEC management	(b)	1,162
Other		377
		1,920

- (a) The services of the Symphony Hall Director and his management team have been seconded from The National Exhibition Centre Limited.
- (b) The National Exhibition Centre Limited provides management services to the Company which include:
- i) Box Office service
 - ii) Provision of energy
 - iii) Security services
 - iv) Stewarding services
 - v) Finance and Administration
 - vi) Cleaning, cloakroom, medical, estates and technical services, all of which has been charged as a due proportion of the total costs incurred by The National Exhibition Centre Limited in providing these services to the International Convention Centre as a whole.

8. **Total Resources Expended**

	Staff Costs £000	Other Costs £000	Total 1997 £000
Direct charitable expenditure	364	2,269	2,633
Management and administration of the charity	364	1,556	1,920
	<u>728</u>	<u>3,825</u>	<u>4,553</u>

Staff Costs Analysis

	1997 £000
Employment Costs (including temporary labour):	
Wages and salaries	670
Social Security costs	26
Other pension costs	32
	<u>728</u>

Employment costs includes the services of the seconded management team of the Symphony Hall as described in 7(a) above

The average number of employees seconded was 13

The above also includes temporary employees engaged on a daily basis from time to time as the fluctuations in the Company's business dictate. All temporary employees are employed by The National Exhibition Centre Limited and the costs recharged to the Company.

9. **Directors**

The Directors of the Company do not receive any emoluments for their services.

10. **Debtors**

	1997
	£000
Amounts Falling Due Within One Year	
Income tax in respect of charitable covenants	37
	37

Under a deed of covenant dated 26 March 1997, the Company received the operating surplus net of income tax at 24%, of its trading subsidiary, Symphony Hall (Enterprises) Limited.

11. **Investments**

	1997
	£000
Trade Investments:-	
Short term deposits - bank deposits	127
	127

12. **Creditors - Amounts Falling Due Within One Year**

		1997
		£000
	Note	
Amounts owed to group undertakings	(a)	153
Accruals and deferred income	(b)	11
		164

- (a) All day to day transactions are administrated by the Company's ultimate parent company, The National Exhibition Centre Limited, which has resulted in an amount due to the group undertakings.
- (b) Deferred Income

13. **Operating Lease Annual Commitments**

	1997
	£000
Lease of land and buildings which expire:	
within one year	-
between one and five years	-
after five years	-
Other leases which expire:	
within one year	1
between one and five years	13
after five years	-
	14

14. **Ultimate Parent Company**

The Directors regard The National Exhibition Company Limited, a company registered in England and Wales, as the ultimate parent company. According to the register kept by the Company, The National Exhibition Centre Limited has a 100% interest in the equity capital of Symphony Hall (Birmingham) Limited at 31 March 1997. Copies of the parent's consolidated financial statement may be obtained from The Secretary, The National Exhibition Centre Limited, Birmingham B40 1NT .