

**COMPANY REGISTRATION NUMBER 4109942**

**THE ACADEMY OF ANCIENT MUSIC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 AUGUST 2007**

**Charity Number 1085485**

**WEDNESDAY**



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# **THE ACADEMY OF ANCIENT MUSIC**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2007**

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<b>CONTENTS</b>	<b>PAGES</b>
Members of the board and professional advisers	<b>1</b>
Chairman's statement	<b>2</b>
Trustees' annual report	<b>3 to 6</b>
Independent auditor's report	<b>7 to 8</b>
Statement of financial activities (incorporating the income and expenditure account)	<b>9</b>
Balance sheet	<b>10</b>
Notes to the financial statements	<b>11 to 16</b>

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# THE ACADEMY OF ANCIENT MUSIC

## MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

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<b>REGISTERED CHARITY NAME</b>	The Academy of Ancient Music	
<b>CHARITY NUMBER</b>	1085485	
<b>COMPANY REGISTRATION NUMBER</b>	4109942	
<b>REGISTERED OFFICE</b>	10 Brookside Cambridge CB2 1JE	
<b>TRUSTEES</b>	Adam Broadbent	1*,2
	John Everett	1,2,3*
	Judith Goodison	1,2
	John Grieves	1,2
	Christopher Hogwood CBE	1
	Heather Jarman	1
	Christopher Purvis CBE (Chairman)	1,2,3
	Dr Christopher Tadgell	1,2
	Sarah Williams	1,2
<b>CHIEF EXECUTIVE</b>	Peter Ansell	2*
	1 = member of Nominations Committee	
	2 = member of Development Board	
	3 = member of Audit and Risk Committee	
	* = chair of Committee	
<b>SECRETARY</b>	Heather Jarman	
<b>AUDITOR</b>	Whitmarsh Sterland Chartered Accountants & Registered Auditors 62 Hills Road Cambridge CB2 1LA	
<b>BANKERS</b>	Lloyds TSB Gonville Place Branch 95 Regent Street Cambridge CB2 1BQ	

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# THE ACADEMY OF ANCIENT MUSIC

## CHAIRMAN'S STATEMENT

YEAR ENDED 31 AUGUST 2007

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The year ended 31 August 2007 was Richard Egarr's first as music director of the AAM. His performances won glowing praise from audiences and critics alike. The Pittsburgh Post-Gazette wrote, "with Richard Egarr's brilliance as its music director, this orchestra is playing better than ever".

During the year Egarr's first CD directing the orchestra, Handel Op 3 Concerti Grossi, was released. "The Academy of Ancient Music is in world-beating form" wrote Gramophone Magazine in April 2007. The CD was subsequently awarded the Gramophone Award for baroque instrumental music.

Our emeritus director Christopher Hogwood, who continues to have a close affiliation with the orchestra, presented concert performances of Amadigi, Re di Guala in May 2007. This was the first of three Handel operas which he will direct leading up to Arianna, which will be performed on a major European tour marking the 250th anniversary of Handel's death in 2009.

The orchestra also worked during the year with Paul Goodwin, our associate director, and guest directors including Pavlo Beznosiuk, Giuliano Carmignola, Stephen Cleobury, Federico Guglielmo, Edward Higginbottom, Robert Hollingworth and Stephen Layton.

Over the last year we were delighted to receive over £100,000 from individual supporters for the first time. In addition we received important grants from a number of trusts and foundations, and worked with corporate partners including Alix Partners, Cambridge University Press and XL Insurance. I would like to thank all our donors, without whom our work would not be able to continue. Notwithstanding this support, the AAM recorded a loss for the year of £39,694. Plans are being made not only to attract further members of the AAM Society but also to increase the number of engagements which make a positive contribution to our overhead.

During the year we welcomed John Grieves to the board. A development board, consisting of several trustees plus other committed supporters of the orchestra, was set up to assist with fundraising.

In March 2007 Christopher Lawrence, who had managed the AAM for ten years, resigned in order to take up the position of bursar of Wolfson College, Cambridge. I would like to thank him for his leadership during an important period of development for the orchestra. The board appointed Peter Ansell as the new chief executive. I am grateful to him and our small team in Cambridge for managing the orchestra so efficiently.

With Richard Egarr now firmly established as our music director, with the orchestra playing as well as ever and with our management team making exciting plans for the 2008-9 season and beyond, I am confident that the future prospects for the orchestra are very bright.



Signed by Christopher Purvis on 11 March 2008

# **THE ACADEMY OF ANCIENT MUSIC**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2007**

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The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2007

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements

### **THE TRUSTEES**

The trustees who served the charity during the period were as follows

Adam Broadbent

John Everett

Judith Goodison

Christopher Hogwood CBE

Heather Jarman

Christopher Purvis CBE (Chairman)

Dr Christopher Tadgell

John Grieves

(Appointed 5 June 2007)

Sarah Williams was appointed as a trustee on 23 October 2007

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Status**

The charity is a company limited by guarantee, incorporated on 17th November 2000 (company no 4109942 and charity no 1085485) and governed by a memorandum and articles of association

#### **Background**

This is the seventh annual report for The Academy of Ancient Music ('the company'), which was incorporated in 2000. The company was formed to continue the work of the ensemble the Academy of Ancient Music ('AAM'), which was founded by Christopher Hogwood in 1973.

#### **Organisational structure**

The AAM is overseen by a board of trustees who meet at regular intervals to provide strategic direction and monitor and review the work of the orchestra. During the year the board met five times, once for an "awayday" at which longer term strategic issues were considered. Board meetings include members of staff as appropriate. The day-to-day running of the orchestra is carried out by the permanent staff of the organisation under the leadership of the chief executive, Peter Ansell, who regularly reports to the chairman and the board.

#### **Trustees**

Trustees are elected by the members at the annual general meeting and casual vacancies may be filled by the existing trustees. During the year John Grieves was appointed to the board.

There is a nominations committee, chaired by Adam Broadbent. This committee reviews the tenure of board members, the skills that are required on the board from time to time and the succession policy, and it makes recommendations to the board on possible future appointments.

The development board which met five times during the year is responsible for raising approximately £150,000 annually in contributed income. In addition to trustees the development board includes Matthew Ferrey, Madelaine Gunders, Elizabeth Hartley-Brewer, Annie Norton and Peter Thomson.

# THE ACADEMY OF ANCIENT MUSIC

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2007

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### Risk management

The audit and risk assessment committee is chaired by John Everett. The whole board reviews financial performance and risks at each board meeting. They are satisfied that all major risks have been identified, that awareness of these risks is the most effective way of identifying them and that systems are in place to manage the charity's exposure.

### Staff

During the year Christopher Lawrence resigned. The board appointed a new chief executive, Peter Ansell. In addition to Peter Ansell there are three full-time staff positions: orchestra manager (Karen Foster), marketing and development manager (Simon Fairclough) and administrator (Rosemary Taylor).

## OBJECTIVES AND ACTIVITIES

### Charity objectives

The objects of the charity are to advance the education of the public in the art of baroque and early classical music and allied arts.

## ACHIEVEMENTS AND PERFORMANCE

In the 12 months September 2006 to August 2007, the AAM appointed Richard Egarr as the new Music Director and performed 54 concerts, of which 69% were in the United Kingdom and 31% were abroad, in Germany, Netherlands, Poland, Spain and the USA. Among the UK concerts 13 were in London (including the Barbican, Wigmore Hall and St John's, Smith Square) and 11 were in Cambridge. UK touring has been a strength of the AAM in recent years and in 2006-2007 the towns and cities the orchestra visited included Aldeburgh, Bristol, Canterbury, Chelmsford, Holyhead, Leicester, Oxford, Poole, Reading, Shrewsbury and Thaxted.

Two concerts were broadcast by BBC Radio 3, and three CD recordings were made: Handel's Organ Concertos Op 4 & Op 7 with Richard Egarr for Harmonia Mundi, and Handel's *Te Deum* de Dettingen, *Zadok the Priest* and Organ Concerto No 14 HWV296a with Stephen Layton and the Choir of Trinity College, Cambridge for Hyperion. The AAM premiered one work - *Winter Chorale* by Adrian Williams, commissioned by I Fagiolini.

As well as Richard Egarr (Music Director), Paul Goodwin (Associate Conductor) and Christopher Hogwood (Emeritus Director), the orchestra was directed/conducted by Pavlo Beznosiuk, Giuliano Carmignola, Stephen Cleobury, Federico Guglielmo, Edward Higginbottom, Robert Hollingworth, Stephen Layton and Jan Lukaszewski. Choirs with whom the AAM worked in the course of the year included I Fagiolini, King's College, Cambridge, New College, Oxford, Polish Chamber Choir and Polyphony.

## FINANCIAL REVIEW

The net loss for the year was £39,694.

Total income was £811,490, comprising trading income of £662,705 (82%) and non-trading income of £148,785 (18%), almost exactly the same ratio as the previous year. The non-trading income included (i) grant income of £45,668 from various trusts and foundations, and (ii) private donations of £101,412 (including Gift Aid) from members of the AAM Society and other donors, a 31% increase on the total for individual donations the previous year. We are grateful for this financial support, without which the orchestra would have been unable to support its varied programme.

### Reserves and investment policy

At the end of the year the company had reserves of £81,570. The reserves policy is to retain a level of funds in cash on deposit and to invest a proportion of reserves in bond and equity funds designed for charities, sufficient to provide security against the high degree of volatility in fee income.

# THE ACADEMY OF ANCIENT MUSIC

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2007

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### PLANS FOR FUTURE PERIODS

With Richard Egarr now firmly in place as Music Director, the AAM stands at an exciting point in its history. The 2007-08 season will see Richard Egarr continuing to stamp his artistic personality on the orchestra and his association with it will be strengthened through touring both in the UK and across the globe. The season includes a residency at Handel House in London. Plans include performances of works by Finzi and Britten as well as the usual baroque and classical repertoire. The orchestra will continue its strategy to perform to the highest standards at leading venues throughout the world. Having expanded its UK presence through establishing bases in London and Cambridge and extensive regional touring, the organisation continues to build up its foreign touring to its previous high levels. In 2007-08, the AAM performs in Cyprus, Germany, The Netherlands, Spain and the USA, as well as 40 concerts in the UK. Guest directors in the season include Pavlo Beznosiuk, Giuliano Carmignola, Stephen Cleobury, Stephen Layton and Masaaki Suzuki. In addition to its regular choral collaborators (King's College and Trinity College Cambridge, Holst Singers and Polyphony) the AAM will tour with the Choir of the AAM, newly auditioned by Richard Egarr.

A number of recordings - and associated concerts - are planned with Harmonia Mundi USA completing the Handel set of opus-numbered works. The first of these is the sonatas Op 1 & 2 and thereafter the Op 5 sonatas, both recordings of which are due for release in the 2007-08 season. The AAM directed by Richard Egarr will also record all six of JS Bach's Brandenburg Concertos for release in the 2008-09 season.

The season 2007-08 will continue to see the AAM perform the larger works of Handel, with performances of Messiah as well as the second of three Handel operas in concert, Flavio, Re de'Langobardi, leading up to the 250th anniversary of the composer's death in 2009. The AAM will also work with some of the world's best known vocal soloists such as Carolyn Sampson, Ian Bostridge and Sandrine Piau, reaffirming its position in the market as one of the world's greatest period instrument orchestras.

### RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report, the Chairman's statement and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,

- make judgements and estimates that are reasonable and prudent,

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with 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 so far as the trustees are aware

- there is no relevant audit information of which the charity's auditors are unaware, and

- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

# THE ACADEMY OF ANCIENT MUSIC

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2007

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## AUDITOR

A resolution to re-appoint Whitmarsh Sterland as auditor for the ensuing year will be proposed at the Annual General Meeting

Signed by order of the trustees



Heather Jarman  
Charity Secretary

11 March 2008



# **THE ACADEMY OF ANCIENT MUSIC**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACADEMY OF ANCIENT MUSIC**

**YEAR ENDED 31 AUGUST 2007**

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We have audited the financial statements of the Academy of Ancient Music for the year ended 31 August 2007 on pages 9 to 16 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages 11 to 12

This report is made solely to the 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 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 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 THE TRUSTEES AND AUDITORS**

The responsibilities of the trustees (who also act as directors of The Academy of Ancient Music 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 Responsibilities of the Trustees on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK 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, and whether the information given in the Trustees' Annual Report is consistent with the financial statements. The information given in the Trustees' Report includes that specific information presented in the Chairman's statement that is cross referred from the Business Review section of the Trustees' Report.

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 remuneration of the trustees and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Annual Report and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK 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 judgements made by the trustees 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in the related note to the financial statements.

### **OPINION**

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 August 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,

# THE ACADEMY OF ANCIENT MUSIC

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACADEMY OF ANCIENT MUSIC

YEAR ENDED 31 AUGUST 2007

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the financial statements have been properly prepared in accordance with the Companies Act 1985, and  
the information given in the Trustees' Annual Report is consistent with the financial statements

*Streets Whitmarsh Sterland*

STREETS WHITMARSH STERLAND AUDIT  
Chartered Accountants  
& Registered Auditors  
62 Hills Road  
Cambridge  
CB2 1LA

*10 April 2008*

# THE ACADEMY OF ANCIENT MUSIC

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2007

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds					
Voluntary income	2	129,825	17,255	147,080	123,411
Investment income	3	1,705	–	1,705	3,014
Incoming resources from charitable activities	4	659,705	3,000	662,705	554,412
<b>TOTAL INCOMING RESOURCES</b>		<b>791,235</b>	<b>20,255</b>	<b>811,490</b>	<b>680,837</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
Costs of generating voluntary income		(7,789)	–	(7,789)	(138)
Charitable activities	5	(825,187)	(14,752)	(839,939)	(691,282)
Governance costs	6	(8,359)	–	(8,359)	(8,602)
<b>TOTAL RESOURCES EXPENDED</b>		<b>(841,335)</b>	<b>(14,752)</b>	<b>(856,087)</b>	<b>(700,022)</b>
<b>NET OUTGOING RESOURCES BEFORE TRANSFERS</b>	7	<b>(50,100)</b>	<b>5,503</b>	<b>(44,597)</b>	<b>(19,185)</b>
Transfer between funds	8	1,503	(1,503)	–	–
<b>NET EXPENDITURE FOR THE YEAR</b>		<b>(48,597)</b>	<b>4,000</b>	<b>(44,597)</b>	<b>(19,185)</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>					
Losses on revaluation of investment assets		4,903	–	4,903	7,069
<b>NET MOVEMENT IN FUNDS</b>		<b>(43,694)</b>	<b>4,000</b>	<b>(39,694)</b>	<b>(12,116)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		121,264	–	121,264	133,380
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>77,570</b>	<b>4,000</b>	<b>81,570</b>	<b>121,264</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 11 to 16 form part of these financial statements.

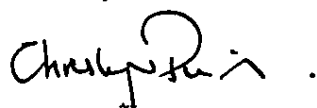
# THE ACADEMY OF ANCIENT MUSIC

## BALANCE SHEET

31 AUGUST 2007

	Note	£	2007 £	£	2006 £
<b>FIXED ASSETS</b>					
Tangible assets	10		2,028		632
Investments	11		71,688		66,785
			<u>73,716</u>		<u>67,417</u>
<b>CURRENT ASSETS</b>					
Stocks	12	3,075		—	
Debtors	13	14,773		16,367	
Cash at bank and in hand		44,055		109,373	
		<u>61,903</u>		<u>125,740</u>	
<b>CREDITORS: Amounts falling due within one year</b>	14	(54,049)		(71,893)	
<b>NET CURRENT ASSETS</b>			<u>7,854</u>		<u>53,847</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>81,570</u>		<u>121,264</u>
<b>NET ASSETS</b>			<u>81,570</u>		<u>121,264</u>
<b>FUNDS</b>					
Restricted income funds	15		4,000		—
Unrestricted income funds	16		77,570		121,264
<b>TOTAL FUNDS</b>			<u>81,570</u>		<u>121,264</u>

These financial statements were approved by the members of the board on the 11 March 2008 and are signed on their behalf by



Christopher Purvis (Chairman)

The notes on pages 11 to 16 form part of these financial statements.

# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

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### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985

#### **Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

#### **Grants, donations and gifts**

These comprise amounts receivable during the period, provided that there are no donor imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the precondition is met

#### **Charitable trading activities**

This relates to income receivable from concerts, recordings, CD sales and royalties in the year

#### **Fundraising costs**

Fundraising costs include the direct costs of fundraising and other related publicity costs

#### **Fixed assets**

Fixed assets are recorded at cost at the time of acquisition

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Office equipment - 25% straight line

#### **Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes a gain arising on revaluation

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **Investment income**

Investment income is recognised in the accounts when it is received

#### **Recording production costs**

Recording production costs are carried forward as a prepayment at the lower of cost (net of donations) and estimated net realisable value, until the recording is released at which point the CDs become stock

# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

### 1. ACCOUNTING POLICIES *(continued)*

#### Taxation

No provision has been made for corporation tax or deferred tax as the company is a registered charity and is therefore exempt

#### Foreign exchange

Assets and liabilities denominated in foreign currencies are translated at year end exchange rates Exchange differences are included in the Statement of Financial Activities

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>Donations</b>				
The AAM Society and other donors	101,412	—	101,412	77,158
<b>Grants</b>				
Arts Council England - Touring	—	—	—	28,903
Eastern Orchestral Board	—	2,525	2,525	3,100
Esmee Fairbairn Foundation	5,000	—	5,000	—
Garfield Weston Foundation	10,000	—	10,000	—
John Fisher Foundation	5,000	—	5,000	—
The John S Cohen Foundation	—	3,000	3,000	8,000
Mercers Charitable Foundation	5,000	—	5,000	—
Other	3,413	11,730	15,143	6,250
	<u>129,825</u>	<u>17,255</u>	<u>147,080</u>	<u>123,411</u>

### 3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Bank interest receivable	<u>1,705</u>	<u>1,705</u>	<u>3,014</u>

### 4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
CD sales and royalties	12,913	—	12,913	9,668
Engagements	544,265	—	544,265	431,976
Own promotions	84,826	—	84,826	73,876
Miscellaneous concert income	934	—	934	1,202
Recordings	16,767	3,000	19,767	37,690
	<u>659,705</u>	<u>3,000</u>	<u>662,705</u>	<u>554,412</u>

# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

### 5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Advancement of baroque and early classical music	640,320	14,752	655,072	527,154
Support costs	184,867	—	184,867	164,128
	<u>825,187</u>	<u>14,752</u>	<u>839,939</u>	<u>691,282</u>

### 6 GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Accountancy fees	6,049	6,049	6,047
Audit fees	2,100	2,100	2,000
Legal fees	210	210	555
	<u>8,359</u>	<u>8,359</u>	<u>8,602</u>

### 7. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging

	2007 £	2006 £
Depreciation	554	1,355
Auditors' remuneration		
- audit of the financial statements	2,100	2,000
Exchange (gains)/losses	<u>6,118</u>	<u>1,563</u>

### 8. FUND TRANSFERS

Fund transfers relate to income received in excess of expenditure incurred for recordings. This surplus or deficit is then transferred to unrestricted fund.

### 9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2007 £	2006 £
Wages and salaries	129,779	133,123
Social security costs	13,739	14,501
	<u>143,518</u>	<u>147,624</u>

No remuneration was paid to the directors during the year. Fees paid to directors for their professional services are disclosed in note 19.

# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

### 9. STAFF COSTS AND EMOLUMENTS *(continued)*

#### Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2007 No	2006 No
Management	1	1
Administration	1	1
Direct charitable	2	2
	<u>4</u>	<u>4</u>

No employee received emoluments of more than £60,000 during the year (2006 - Nil)

### 10 TANGIBLE FIXED ASSETS

	Office equipment £
<b>COST</b>	
At 1 September 2006	8,201
Additions	1,950
<b>At 31 August 2007</b>	<b><u>10,151</u></b>
<b>DEPRECIATION</b>	
At 1 September 2006	7,569
Charge for the year	554
<b>At 31 August 2007</b>	<b><u>8,123</u></b>
<b>NET BOOK VALUE</b>	
<b>At 31 August 2007</b>	<b><u>2,028</u></b>
At 31 August 2006	<u>632</u>

### 11. INVESTMENTS

#### Movement in market value

	2007 £	2006 £
Market value at 1 September 2006	66,785	59,716
Net gains on revaluations in the year ended 31 August 2007	4,903	7,069
<b>Market value at 31 August 2007</b>	<b><u>71,688</u></b>	<u>66,785</u>

#### Analysis of investments at 31 August 2007 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>Other investments</b>				
Listed UK investments	<u>71,688</u>	<u>-</u>	<u>71,688</u>	<u>66,785</u>



# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

### 12. STOCKS

	2007	2006
	£	£
Stock	<u>3,075</u>	<u>-</u>

### 13. DEBTORS

	2007	2006
	£	£
Other debtors	<u>14,773</u>	<u>16,367</u>

### 14. CREDITORS. Amounts falling due within one year

	2007	2006
	£	£
Trade creditors	6,586	1,506
Taxation and social security	19,148	15,640
Other creditors	10,999	21,886
Accruals	17,316	32,861
	<u>54,049</u>	<u>71,893</u>

### 15. RESTRICTED INCOME FUNDS

	Incoming resources	Outgoing resources	Transfers	Balance at 31 Aug 2007
	£	£	£	£
Eastern Orchestral Board	2,525	(2,525)	-	-
PRS Foundation	2,000	(2,000)	-	-
Recordings	15,730	(10,227)	(1,503)	4,000
	<u>20,255</u>	<u>(14,752)</u>	<u>(1,503)</u>	<u>4,000</u>

The income from the Eastern Orchestral Board was to support four concerts in Cambridge

The recording income above relates to income received as a result of The Academy of Ancient Music's Recording Club. Monies are donated to cover expenses incurred when recording music and producing CDs

### 16. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2006	Incoming resources	Outgoing resources and transfers	Gains and losses	Balance at 31 Aug 2007
	£	£	£	£	£
General Funds	<u>121,264</u>	<u>791,235</u>	<u>(839,832)</u>	<u>4,903</u>	<u>77,570</u>

# THE ACADEMY OF ANCIENT MUSIC

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2007

### 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Total £
<b>Restricted Income Funds:</b>				
Recordings	—	—	4,000	4,000
<b>Unrestricted Income Funds</b>	<b>2,028</b>	<b>71,688</b>	<b>3,854</b>	<b>77,570</b>
<b>Total Funds</b>	<b><u>2,028</u></b>	<b><u>71,688</u></b>	<b><u>7,854</u></b>	<b><u>81,570</u></b>

### 18. APB ETHICAL STANDARDS

In common with many other businesses of its size and nature, the charity uses its auditors to assist with the preparation of its financial statements. They also assist with its bookkeeping, management accounts and payroll.

### 19. TRANSACTIONS WITH THE TRUSTEES

During the year, the charity has bought conducting services from Christopher Hogwood to the value of £9,400 (2006 £nil) and consultancy services from Heather Jarman to the value of £558 (2006 £578). In addition, Christopher Hogwood has been reimbursed for providing accommodation and services in the sum of £7,145 (2006 £7,329). All transactions have been conducted on a normal commercial basis.