

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(A charitable company limited by guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS

31 MAY 2020

Registered company number 03433055
Registered charity number 1072960

JOSEPH MILLER
Chartered Accountants
Newcastle upon Tyne

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REPORT AND FINANCIAL STATEMENTS

31 MAY 2020

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NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

31 MAY 2020

Charity number: 1072960 **Company number:** 03433055

Website: www.newcastlechambermusicsoc.org.uk

Trustees

Malcolm Critten
Antony Cullen
Sarah Fearon
George Fox (deceased 18 July 2020)
Roger Jay
Elspeth Scott (Chairman)
Elizabeth Tilling
Gabriel Waite (appointed 23 July 2020)

Company secretary

Sarah Fearon

Registered office

14 Lansdowne Gardens
Newcastle upon Tyne
NE2 1HE

Independent Examiner

D R Gold
Joseph Miller
Milburn House
Dean Street
Newcastle upon Tyne
NE1 1LE

Bankers

National Westminster Bank
Leeds Customer Service Centre
1 Victoria Place
Holbeck
LS11 5AN

CAF Bank Limited
Kings Hill
West Malling
Kent
ME19 4JQ

Shawbrook Bank Limited
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
Essex
CM13 3BE

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MAY 2020

The trustees are pleased to present their report together with the unaudited financial statements of the Society for the year ended 31 May 2020 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

Reference and administrative details set out on page 1 form part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – Charities SORP FRS102 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

Governing document

The Newcastle upon Tyne Chamber Music Society Limited, a charitable company limited by guarantee, is governed by its Memorandum and Articles of Association.

Appointment of trustees

The Board shall consist of the following: The Chairman of the Society, the Vice Chairman, the Hon. Secretary of the Society, the Hon. Treasurer and not more than four other members, all to be elected at the AGM.

The Board may, if a trustee dies, resigns or becomes ineligible to hold office, appoint a Member to fill a vacancy until the next AGM.

All trustees shall retire from office each year at the AGM but are eligible for re-election.

The trustees for the purpose of charity law, who are also directors for the purpose of company law, who served during the year and up to the date of this report are set out on page 1.

It is with sadness that we record the death, in July 2020, of George Fox, Treasurer for the Society for nearly 30 years. George's detailed knowledge of financial matters and meticulous work for the Society have been greatly appreciated by all the trustees and he will be much missed.

Induction and training of trustees

The induction and training of trustees is dealt with according to individual need.

Organisation

The charitable company is managed by a board of trustees who are responsible for different aspects of the Society's activities. Trustees meet at regular intervals to review progress with the season's programmes, manage individual concerts, exercise financial control and make plans for future seasons.

Risk management

The trustees have examined the major strategic, business and operational risks which the Society faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to both lessen these risks and take advantage of key opportunities.

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MAY 2020

Objectives and activities

The objective of the Society is to promote high class chamber music concerts in order to foster the public knowledge and appreciation of such music by means of public performances.

The trustees present a series of six chamber music concerts given by artists of international reputation. The aim is to present performances of both standard and less usual works from the chamber music repertoire, performed at the highest level.

In planning and carrying out the Society's activities for the year, the trustees have considered the guidance produced by the Charity Commission on public benefit including the guidance 'public benefit: running a charity (PB2)' and are confident that this is achieved through the chamber music concert series.

Achievements and performance

The 2019 to 2020 Season has been unlike any previous season in living memory. In Spring 2020, as the coronavirus pandemic spread across the world, the UK along with all other countries imposed 'lockdown' conditions, prohibiting public gatherings of any kind for reasons of safety; thus after the first 4 concerts of the Society's season, the series came to a sudden halt, and the last two concerts (of six) had to be cancelled.

The concerts that did take place were of a high standard, opening with the Divertimenti Ensemble (in string quintet line-up): an eclectic programme, ending with Schubert's famous Quintet, one of the greatest of all chamber works. Next, the supremely gifted Arcadia Quartet from Romania performed a concert of Mozart, Bartók and Brahms, then we celebrated Beethoven in his 250th anniversary year with his famous 'Ghost' Trio, performed by the Leonore Piano Trio, who were joined by violist Rachel Roberts for piano quartets by Dvořák and Judith Weir. Lastly, in their farewell tour, the renowned Endellion Quartet played Beethoven and Ravel. This turned out to be this great ensemble's final concert, as lockdown was imposed soon afterwards.

The Society aims to bring less familiar ensembles to perform to the discerning audience at Sage Two, Gateshead, as well as to invite performers who are more widely known. This policy allows a blend of experience, innovation and revelation. It is to be hoped that despite the pandemic of 2020, future seasons will continue to fulfil these aims.

Newcastle Chamber Music Society is both a charity and a company limited by guarantee. It is run by a Board of trustees, all of whom are volunteers. The stated aim of the Board is to promote chamber music performance of the highest calibre, to enrich the lives of audiences in the region. The Society mainly relies on its subscribers, donors and Friends to help to fund the concert series. The Board members are extremely grateful to all the Society's supporters for this invaluable help.

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MAY 2020

Financial review

During the 2019/20 financial year the society generated a surplus of £3,323, the first since 2016/17, compared with a deficit of £2,587 in the preceding year. The circumstances behind this year's surplus are extraordinary due to the cancellation of our final two concerts of the season because of the coronavirus pandemic.

Donations increased by an unprecedented 109% to £9,416 and we have to thank our subscribers for donating much of their cancelled ticket money (£3,183) and also a generous contribution from the Pen and Palette Club. The Judith Weir's Piano Quartet performance at the January concert was supported by a grant from The Schubert Ensemble Trust. As a result of the cancellation of two concerts, our concert income was reduced by £5,565 compared to the previous year and an ongoing downward trend in single ticket sales was also noted. We were able to hold our fundraising event this year, which generated a record surplus of £1,703. Overall expenditure was lower by £3,642 as a direct result of the two cancelled concerts, with reduced spending on artists and hall hire.

Reserves policy

By the end of 2019/20, the total funds had increased by some 13% to £28,908. Of the total, £23,908 (83%) was unrestricted and therefore freely available for the general purposes of the Society, while the remaining £5,000, as in previous years, was classified as an endowment fund.

The trustees are mindful of the need to maintain an adequate level of funds unrestricted (freely available) reserves to allow the long held policy of planning and committing future programmes well in advance. The trustees continue to be satisfied that available funds are adequate to commit to a future programme of concerts and also secure the availability of Sage 2, Gateshead in advance of the 2020/21 season.

Plans for future seasons

We are now entering very uncertain times, especially as far as live performances are concerned, with the possibility of severely reduced audience numbers due to social distancing rules. The trustees are in contact with Sage Gateshead, its funders and are closely following government guidelines to determine how the charity can prepare for, and safely deliver future concerts. The trustees will need to bear in mind that we could need to run at a loss for several years to come and face the cancellation of concerts at short notice.

Trustees will continue to look for opportunities to broaden the scope of concerts and promote chamber ensembles at Sage Gateshead. In addition, trustees will continue to explore more thoroughly what other sources of income may be available to the Society to help promote its core activities.

The potential impact of the COVID-19 pandemic is referred to in note 14 to the financial statements.

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MAY 2020

Responsibilities of the trustees

The trustees (who are also the directors of Newcastle upon Tyne Chamber Music Society Limited for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the trustees

Elsbeth Scott
Chairman
Date: 12 December 2020

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 May 2020, which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the Act 2006').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those accounting records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

D R GOLD BA, FCA
Independent Examiner
Joseph Miller
Milburn House
Dean Street
Newcastle upon Tyne
NE1 1LE
Date: 16 December 2020

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MAY 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2020 £	Total 2019 £
Income from:						
Grants and donations	4	9,416	400	-	9,816	4,498
Charitable activities	5	14,137	-	-	14,137	19,702
Other trading activities	6	2,514	-	-	2,514	-
Investments		180	-	-	180	179
Total income		26,247	400	-	26,647	24,379
Expenditure on:						
Raising funds		811	-	-	811	119
Charitable activities		22,113	400	-	22,513	26,847
Total expenditure	7	22,924	400	-	23,324	26,966
Net income (expenditure) and net movement in funds		3,323	-	-	3,323	(2,587)
Reconciliation of funds:						
Total funds brought forward		20,585	-	5,000	25,585	28,172
Total funds carried forward	12	23,908	-	5,000	28,908	25,585

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

The notes on pages 9 to 13 form part of these financial statements

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

Company number: 03433055

BALANCE SHEET

AS AT 31 MAY 2020

	Note	£	2020 £	£	2019 £
Current assets					
Debtors	9	1,563		2,313	
Cash at bank and in hand		<u>32,363</u>		<u>32,807</u>	
		33,926		35,120	
Creditors: amounts falling due within one year	10	<u>(5,018)</u>		<u>(9,535)</u>	
Net current assets			28,908		25,585
Net assets			<u>28,908</u>		<u>25,585</u>
Funds of the charity					
Unrestricted income funds	12		23,908		20,585
Restricted income funds	13		-		-
Endowment fund			5,000		5,000
Total charity funds	11		<u>28,908</u>		<u>25,585</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps proper accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the trustees and authorised for issue on 12 December 2020 and are signed on their behalf by:

Elspeth Scott
Chairman

Malcolm Critten
Director

The notes on pages 9 to 13 form part of these financial statements

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

1. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The address of the registered office is 14 Lansdowne Gardens, Newcastle upon Tyne, NE2 1HE. The liability of each member in the event of winding up is limited to £1.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102 - Charities SORP FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Newcastle upon Tyne Chamber Music Society Limited meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional and presentation currency of the charity.

b) Preparation of the accounts on a going concern basis

The charity has reviewed its forecasts and there is a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the next twelve months and on this basis the charity is considered to be a going concern.

c) Fund accounting

Unrestricted funds

Unrestricted funds are donations, concert income and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds

Grants and donations obtained for specific purposes are recognised in the financial statements as restricted funds.

Endowment fund

The endowment fund was created by a gift of £5,000 in 1997 and is held in a capital fund to provide an unrestricted income flow for the charity. Although the endowment is expendable at the trustees discretion, they take the view that the fund would only be spent in exceptional circumstances.

d) Cash at bank

Cash at bank consists of a National Westminster Bank current account, a CAF Bank deposit account and a Shawbrook Bank CAF 60 day notice account.

e) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

2. Accounting policies (continued)

f) Financial instruments

The charity only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement value.

g) Income recognition

All income is included in the statement of financial activities when the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants and donations are included in the statement of financial activities when receivable.

Legacy income is recognised when it is probable that it will be received. Receipt is normally probable when there has been a grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

Income from other trading activities comprises income from fundraising events and is included when receivable.

Income from investments arises from interest bearing deposit accounts and is recognised on a receivable basis.

Income from charitable activities includes income from concerts and is included when receivable.

h) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure on raising funds comprise the costs incurred in raising income from fundraising events.

Charitable expenditure comprises all costs of activities in furtherance of the objects of the charity.

Governance costs comprises all costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

3. Net income (expenditure)

	2020	2019
	£	£
Net income (expenditure) for the year is stated after charging:		
Independent examination and accountancy services	768	660

4. Grants and donations

	Unrestricted	Restricted	Endowment	Total	Total
	funds	funds	fund	2020	2019
	£	£	£	£	£
Grants	-	400	-	400	-
Donations	9,416	-	-	9,416	4,498
	9,416	400	-	9,816	4,498

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

5. Income from charitable activities	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2020 £	Total 2019 £
Concert income:					
<i>Subscription income</i>	9,117	-	-	9,117	10,735
<i>Single ticket sales</i>	4,410	-	-	4,410	7,963
<i>Programme sales</i>	610	-	-	610	1,004
	<u>14,137</u>	<u>-</u>	<u>-</u>	<u>14,137</u>	<u>19,702</u>

6. Other trading activities	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2020 £	Total 2019 £
Fundraising events	<u>2,514</u>	<u>-</u>	<u>-</u>	<u>2,514</u>	<u>-</u>

7 Total expenditure	Raising funds £	Charitable activities £	Governance costs £	Total 2020 £	Total 2019 £
Concert costs:					
<i>Artists' fees and expenses</i>	-	12,780	-	12,780	14,500
<i>Hall hire</i>	-	4,800	-	4,800	7,200
<i>Programme costs</i>	-	185	-	185	150
<i>Box office and programme commission</i>	-	495	-	495	880
<i>Ticket handling fee</i>	-	361	-	361	651
<i>PRS payments</i>	-	456	-	456	275
<i>Subscription refunds</i>	-	350	-	350	-
<i>Piano hire and tuning</i>	-	190	-	190	350
Publicity	-	1,514	-	1,514	1,608
Fundraising costs	811	-	-	811	119
Office costs	-	-	614	614	573
Accountancy and independent examination	-	-	768	768	660
	<u>811</u>	<u>21,131</u>	<u>1,382</u>	<u>23,324</u>	<u>26,966</u>
Governance costs		1,382			
Total expenditure on charitable activities		<u>22,513</u>			

8 Trustees' remuneration and related party transactions

The trustees consider the key management personnel comprise the trustees. No remuneration was paid to the trustees in the current or preceding year. During the year, various costs of £1,347 (2019: £587) have been reimbursed to three (2019: three) trustees.

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

9 Debtors	2020	2019
	£	£
Other debtors	1,488	631
Prepayments and accrued income	75	1,682
	<u>1,563</u>	<u>2,313</u>

10 Creditors: amounts falling due within one year	2020	2019
	£	£
Accruals and deferred income	<u>5,018</u>	<u>9,535</u>

Included in deferred income are grants received during the year, totalling £4,250, towards an anniversary concert which is to be rearranged.

11 Analysis of net assets between funds	Net current assets	Total 2020	Total 2019
	£	£	£
Unrestricted income funds	23,908	23,908	20,585
Restricted income funds	-	-	-
Endowment fund	5,000	5,000	5,000
	<u>28,908</u>	<u>28,908</u>	<u>25,585</u>

Analysis of net assets between funds - previous year

	Net current assets	Total 2019	Total 2018
	£	£	£
Unrestricted income funds	20,585	20,585	23,172
Endowment fund	5,000	5,000	5,000
	<u>25,585</u>	<u>25,585</u>	<u>28,172</u>

12 Unrestricted income funds	Balance 2019	Income	Expenditure	Balance 2020
	£	£	£	£
General fund	20,585	26,247	(22,924)	23,908

Unrestricted income funds - previous year

	Balance 2018	Income	Expenditure	Balance 2019
	£	£	£	£
General fund	23,172	24,379	(26,966)	20,585

NEWCASTLE UPON TYNE CHAMBER MUSIC SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

13 Restricted income funds	Balance			Balance
	2019	Income	Expenditure	2020
	£	£	£	£
Judith Weir's Piano Quartet (2000)	-	400	(400)	-

During the year a grant of £400 was received from The Schubert Ensemble Trust towards the performance of Judith Weir's Piano Quartet (2000) in the January 2020 concert.

14 Post balance sheet events

As a result of the COVID-19 pandemic, the charity is entering very uncertain times, especially as far as live performances are concerned. Although there is a risk of reduced subscription income and ticket sales, this is mitigated by a corresponding reduction in concert costs. At this stage, it is impossible to estimate the longer term financial effects on the charity.