

BRITTEN PEARS ARTS
(FORMERLY SNAPE MALTINGS)

Company Registration Number: 980281

Registered Charity Number: 261383

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

BRITTEN PEARS ARTS

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LEGAL AND ADMINISTRATIVE DETAILS

NAME	Britten Pears Arts (formerly Snape Maltings)
LEGAL STRUCTURE	The Charity is a company limited by guarantee and incorporated in England and Wales, registered number: 980281
CHARITY REGISTRATION NUMBER	261383
TRUSTEES AND COUNCIL MEMBERS	Sir Vernon Ellis (Co-Chair) (appointed 1 April 2020) Sir Simon Robey (Co-Chair) Sarah Faulder (appointed 1 April 2020) Jane Hay (appointed 1 April 2020, resigned 1 December 2020) Penelope Heath (appointed 1 April 2020, resigned 1 February 2021) Professor Christopher Higgins (appointed 1 April 2020, resigned 1 December 2020) Sir Christopher Howes (appointed 1 April 2020, resigned 6 December 2020) Miranda Kendall (resigned 30 November 2020) William Kendall (appointed 1 April 2020, resigned 22 December 2020) Dr Scot McKendrick (appointed 1 April 2020) Angela Mallinson (appointed 1 April 2020) Garth Pollard Oliver Rivers (appointed 1 April 2020, resigned 26 February 2021) David Robbie Clive Schlee (appointed 1 April 2020, resigned 16 December 2020) Andrew Staff (appointed 1 April 2020, resigned 16 December 2020) Janis Susskind (appointed 1 April 2020) Patricia Swannell (resigned 16 December 2020) Stephen Swift (appointed 1 April 2020, resigned 18 December 2020) Alasdair Tait Laura Wade-Gery (appointed 1 April 2020) Roger Wright Sarah Zins
HONORARY PRESIDENT	The Lord Stevenson of Coddensham
HONORARY VICE PRESIDENT	The Lord Geddes
CHIEF EXECUTIVE	Roger Wright
PRINCIPAL AND REGISTERED OFFICE	Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP
AUDITORS	RSM UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk IP32 7FA
COMMERCIAL BANKERS	Barclays Bank Plc, Suffolk Coastal Group, 4 Church Street, Woodbridge, Suffolk IP12 1DJ
INVESTMENT MANAGERS AND ADVISORS	CCLA Investment Management Limited, 85 Queen Victoria Street, London EC4V 4ET
LEGAL ADVISORS	Prettys Solicitors, 25 Elm Street, Ipswich IP1 2AD
INVESTMENT PROPERTY ADVISORS	Fenn Wright Limited, 1 Buttermarket, Ipswich IP1 1BA

INTRODUCTION

Snape Maltings and the Britten-Pears Foundation merged on 31 March 2020 to form one new organisation called Britten Pears Arts. Combining the two organisations into one body was a transformational moment in the history of this organisation. The new charity has a broad remit to reach a wide audience and be a leader in encouraging and engaging people with the arts in various forms, through performance, education, research and heritage. It will enable Britten Pears Arts to reach new audiences with clear and connected messages and develop its work across both its sites, with activity built on the vision of our two founders made fit for purpose for our times. Creating one multifaceted arts organisation which reaches communities regionally, nationally and internationally shows a truly dynamic and pioneering organisation embracing change. These have been much needed qualities during the tumultuous period of the pandemic and the continued determination of the staff, volunteers and artists we work with, to ensure that culture inspires everyone that Britten Pears Arts reaches, has been remarkable.

In this year we have continued to deliver a world-renowned performance and artist development programme. We have widened our work with our communities, embracing the opportunities provided by our heritage and collections, and continue to lead and challenge in the field of music and creative health. The year-round programme, digital engagement and work in a variety of settings enable us to work towards achieving essential access and equality goals.

The mixed economic model supporting our work includes a range of commercial activities, box office income and royalties as well as vital public and private philanthropy. The trading subsidiary continues to support our charitable objectives as well as enhancing the experience of visiting Snape Maltings.

When organisations merge, the accounts that they produce in the year of merger, and the comparative year accounts, show the results as if the merger had been true for the whole of both years, even when, as in this case, the date of the merger is at the end of the reporting year. In line with this, we write in our Trustees' Report about activities from both of the merged charities, as we had worked closely together for many years before the formal merger.

A week before the end of this financial year the UK entered lockdown as it attempted to deal with the Covid-19 pandemic. This has had a huge impact on the charity since that time, however most of the year was lived in pre-pandemic days and we are pleased to report on a very successful year of artistic activity as we continued to grow our reputation and the breadth of our charitable work.

We owe a great debt of gratitude to all our supporters, both the public bodies which provide vital funding, notably Arts Council England, and the trusts, foundations and individuals who give so generously. Arts Council England's continued support is a major commitment to our range of work and is more important now than ever. Our thanks also go to our board colleagues who have contributed so much during the year to deliver, and ensure the success of, the merger.

We appreciate that this support is provided so that we can deliver our exceptional work presented at Snape Maltings, The Red House and in our community. This is never taken for granted and our executive team is wholly committed to continuing to uphold the high standards of our Charity.

As Co-Chairs of the merged Britten Pears Arts charity, and on behalf of our fellow trustees, we would like to thank all our supporters, our audiences, our visitors and our staff for all that they do to ensure the ongoing success of the Charity.

Sir Vernon Ellis and Sir Simon Robey
Co-Chairs
Britten Pears Arts

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

The Trustees present their report along with the Charity's and Group's financial statements for the year ended 31 March 2020.

Britten Pears Arts brought together the Britten Pears Foundation with Snape Maltings. The Foundation was established to promote Britten's and Pears' legacy worldwide, to develop their vision and to inspire a new generation of composers, performers and listeners. Snape Maltings was established as a cultural enterprise supported by public and private philanthropy integrating commercial activity with the arts to support its unique site, musical and industrial heritage, environment and artistic mission.

Britten Pears Arts uses music to change and enrich thousands of lives every year: from nurturing young emerging artists to supporting people in challenging conditions, all whilst bringing world-class music to Suffolk. Inspired by Benjamin Britten's founding vision, the creative campus at Snape is a place where artists at all stages of their career are given the time and space to develop. It is also home to life-changing community projects, making the most of music's ability to help in the most difficult of circumstances.

The Charity aims to promote and encourage the knowledge, study, teaching and practice of the arts in all their forms throughout the world and advance education in matters related to peace for the benefit of the public; promote and encourage any other charitable object or purpose and to engage in any field of charitable grant making activity permitted by English Law. Britten Pears Arts maintains, conserves and develops The Red House as a major heritage site and uses it to encourage visitors to learn more about the life and work of Benjamin Britten and Peter Pears. It maintains, conserves and develops the unique archive of manuscripts, documents, artworks, and multimedia materials it holds to provide public access to the collections and disseminate them as widely as possible, both physically and virtually.

The Charity works with a wide range of audiences; families, young people, students, professional and amateur musicians, performers, academics, researchers and the general public to encourage a better understanding of Britten's music and to reach new and broader audiences throughout the world. It provides accommodation for composers of new music to work, actively encourages people to perform and enjoy Britten's music and classical music more widely.

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Charity meets the definition of a public benefit entity under the Charities SORP (FRS 102).

The information given on page 1 forms part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

STATUS AND GOVERNING INSTRUMENT

Britten Pears Arts is a registered charity and a company limited by guarantee and the organisation is governed by its Articles of Association.

MEMBERS OF THE COUNCIL

The governing body of Britten Pears Arts is its Board of Directors, or Council, which has responsibility to ensure the Charity is properly managed. As Britten Pears Arts is a charity, each Director is more usually referred to as a Trustee. New Trustees are appointed following a selection process a central feature of which is our commitment to equality diversity and inclusion. Confirmation of appointment is undertaken at the subsequent Annual General Meeting.

Trustees are provided with an induction programme involving all aspects and activities of the organisation, including its relationship with its subsidiary undertakings, Aldeburgh Music Endowment Fund, Snape Maltings Trading Limited and Britten Estate Limited. The Trustees recognise the need to maintain an up-to-date skillset which is applicable to today's changing charity environment.

ORGANISATIONAL STRUCTURE

Besides the Charity, the Group's main entities consist of Snape Maltings Trading Limited (company registration: 1519527), Aldeburgh Music Endowment Fund (charity registration: 282610) and Britten Estate Limited (company registration: 2063909). The financial statements for Britten Pears Arts consolidate the Charity's results with those of other Group members including their subsidiaries. Transactions between Group members are eliminated as part of the consolidation process.

TRUSTEES' REPORT (*continued*)

Snape Maltings Trading Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. The Company undertakes retail and catering activities at Snape Maltings along with ancillary sponsorship and advertising through the operation of shops, galleries and catering outlets. The Company also manages the hiring of the site's facilities for weddings, conferences and other non-artistic events, and operates a holiday lettings business. Its financial results are summarised in Note 3.

Britten Estate Limited is a wholly owned subsidiary of the Charity and functions to generate commercial profits in support of the charitable activities of Britten Pears Arts. The Company promotes the music of Benjamin Britten and receives income in the form of royalties, and its financial results are summarised in Note 3.

Snape Maltings Trading Limited has a wholly owned subsidiary, Elm Property Management (Snape Maltings) Limited (company registration: 6371788), which undertakes the care and management of residential properties at Snape Maltings on behalf of the leaseholders. For statutory purposes, this company was dormant for the year.

Aldeburgh Music Endowment Fund is an unincorporated charity established to hold endowment and revenue funds and property of which members of the Group are the principal beneficiaries. A process to merge Aldeburgh Music Endowment Fund with Britten Pears Arts started during the year to 31 March 2020 and will complete during the year to 31 March 2021.

Aldeburgh Music Endowment Fund's wholly owned subsidiary, Elm Property Investments (Snape Maltings) Limited (company registration: 9641832), owns the freehold of a number of properties at Snape Maltings and receives an annual ground rent from the leaseholders.

GOVERNANCE

Council

The activities of Britten Pears Arts are ultimately controlled by its Council, which holds regular meetings throughout the year and is committed to the principles of the Charity Governance Code. By providing a range of experience and skills, it helps the operational management team to achieve artistic success with stable finances. The Trustees provide guidance and knowledge across the organisation's activities, specifically in areas including artistic, financial and risk management, strategy, logistics, human resources, marketing, property and investments. They also support the organisation in maintaining a wide network of stakeholders, including existing and potential funders.

Ability to hold office

Prior to appointment, Trustees are required to confirm they are not barred from holding office as a Trustee or Director. In line with Charity Commission requirements, all Trustees completed an automatic disqualification declaration ahead of the implementation of new trustee disqualification guidelines on 1 August 2018. No Trustee completed a declaration indicating that they are disqualified from acting in this capacity.

Declaration of interests

In order to ensure that decision-making is transparent, all Trustees and senior managers of the Group are required to sign a Declaration of Interests and a standing agenda item requires Trustees and others present to declare any interests that may arise in the course of each Council meeting.

Audit Committee

The Audit Committee is chaired by David Robbie, and includes Council members Jane Hay, Christopher Higgins, Garth Pollard, Oliver Rivers, Patricia Swannell, Andrew Staff, Stephen Swift and Roger Wright. Any Trustee may attend meetings. The Audit Committee oversees the Group's relationship with its auditors and investigates anything that financially threatens or adversely affects:

- the accomplishment of the Group's aims and objectives;
- the Group's assets;
- the reliability of the Group's accounting records; and
- compliance with all relevant laws, regulations, policies and governing instruments.

The Audit Committee meets at least twice each year with at least one meeting including the Group's external auditors. The performance and re-appointment of the auditors is reviewed each year and the Audit Committee Chairman makes an appropriate recommendation to the Trustees ahead of the Annual General Meeting.

Since 1 April 2020 the Audit Committee membership has changed and a separate Finance Committee has been established to oversee more operational matters. This will be reported in the 2020/21 accounts.

TRUSTEES' REPORT (*continued*)

Remuneration and Nominations Committee

As at 31 March 2019 the Remuneration Committee comprised Sir Simon Robey, David Robbie and Sarah Zins. Sir Vernon Ellis, Sarah Faulder, Garth Pollard and Janis Susskind joined the Committee during the year. Sir Vernon Ellis was previously a member of the Remuneration Committee of the Britten-Pears Foundation. The Committee meets as necessary to review and make recommendations relating to changes to employees' salaries and benefits, including that of the Chief Executive. The Committee is also responsible for making recommendations to the Council on the appointment of new Trustees.

Working Group

A Working Group is chaired by the Chief Executive and includes Council members, Christopher Higgins, Christopher Howes, Garth Pollard, Laura Wade-Gery and Sarah Zins. The Working Group is an informal sub-committee of Britten Pears Arts and meets between Council meetings to address issues where a more detailed review is required. The Working Group may co-opt members who are not Trustees. The Working Group has been stood down during 2020/21 as Committee structures have changed.

KEY MANAGEMENT PERSONNEL

All Trustees and non-executive directors of Group subsidiaries, together with Roger Wright (Chief Executive Officer), Sarah Bardwell (Executive Director), Harry Young (Chief Operating Officer) and Terry Comer (Head of Finance, retired 30 June 2020) are considered to be the Group's key management personnel.

Remuneration levels for key management employees are set within the context of budgets and plans which are approved by Council before implementation and include, where appropriate, recommendations from the Remuneration Committee. Details of payments to key management personnel are provided in Note 7.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees undertake a formal process to review risks and risk management strategies proposed by the operational management team. A risk register is reviewed at least twice each year to identify the financial, reputational and organisational risks the Group faces and priority in terms of potential impact, likelihood of occurrence and means of mitigation.

The closure of arts and retail activities as a result of the Covid-19 pandemic has presented a major challenge to the charity since March 2020 and there is continuing uncertainty regarding its longer-term impact.

The Trustees consider that their plans for achieving the Charity's objectives provide a satisfactory means of mitigating risk and uncertainties to the extent reasonably achievable. The Trustees have considered the adequacy of the Group's internal controls and believe them to be appropriate.

OBJECTIVES AND ACTIVITIES

The Charity is established to promote and assist in the advancement of education in the arts and crafts including music, drama, dancing, mime, painting, sculpture, graphic and other visual arts, literature, poetry and digital arts, and to extend and increase the appreciation, knowledge and understanding of the arts and crafts in all their forms.

AIMS AND OBJECTIVES

Objectives for the year

The main objectives for the past and coming year are:

- bedding-in the merger between Snape Maltings and the Britten Pears Foundation to deliver our charitable objectives in the most effective manner;
- a group reorganisation to complete the transfer of the assets and liabilities of Aldeburgh Music Endowment Fund into Britten Pears Arts.
- effectively reacting to the challenges presented by the covid-19 pandemic;
- building on the success of previous artistic activities through maintaining the distinctiveness of the organisation's work, whilst building audience and public awareness;
- developing and expanding the archive at the Red House and further encouraging its wider use;
- developing the reputation and impact of the Britten-Pears Young Artist Programme and Residencies;

TRUSTEES' REPORT (*continued*)

- delivering music-based learning and inclusion projects in the region with national and international dimensions and impact;
- develop and embed a culture of Equality, Diversity and Inclusion across the whole organization;
- continue to give strategic priority to the fundraising department to build income and increase the stability of the Charity's long-term business model;
- continue to establish and develop the Britten Pears Arts brand and how it works together with the existing brands within the organisation;

Achieving Objectives

The Charity's activities and achievements in pursuit of its objectives for the year are highlighted in the Strategic Report. The challenges of the covid-19 pandemic have led to rapid improvements in the Charity's abilities to deliver its work digitally and, the Charity remains well placed to achieve its ongoing objectives through:

- critically acclaimed artistic leadership, acknowledged internationally with creative input from key stakeholders and partners;
- world class events including Festival performances and artist development masterclasses and courses throughout the year;
- a leading archive and heritage site;
- maintaining a focus on activity in schools, prisons and the local community, developing our ground-breaking work in Lowestoft and Ipswich and the expansion of work in the area of creative health;
- ongoing professional and focus group work on branding and marketing, public relations and programming to widen and grow the audience base;
- develop, test and build a new website for Britten Pears Arts .

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

In line with the aims and objectives of the organisation, Britten Pears Arts continues to build on the success of its reputation as a leading international creative campus across two sites, renowned as a performance centre, an artist development hub, critically acclaimed for its learning and inclusion work, unique archive and heritage house and museum offer and developing its growing reputation as a distinctive leader in the area of creative health with music.

Artistic Activities

With over 80,000 tickets sold and almost 5,000 new bookers, this period has seen a further development of Britten Pears Arts' acclaimed performance programme.

The 72nd Aldeburgh Festival continued to build the festival's renowned reputation for distinctive programming and featured three extraordinary artists-in residence: Thomas Larcher, Mark Padmore and Barbara Hannigan. Larcher's opera *The Hunting Gun* opened the Festival with its UK premiere to much acclaim. Mark Padmore took part in eight inspiring concerts and led a Poetry and Music series focussing on the poets and texts set by Britten. Barbara Hannigan sang a suite of songs from Gershwin's *Girl Crazy*, a poignant cycle of Satie songs in recital with Reinbert de Leeuw as well as conducting the Ludwig Orchestra in Stravinsky's *The Rake's Progress*, featuring young singers from her Momentum programme.

Ryan Wigglesworth conducted debut performances by the Knussen Chamber Orchestra in tribute to the late Oliver Knussen. There were premieres of new works by Charlotte Bray and Freya Waley-Cohen, and three return performances from Lionel Meunier's Vox Luminis choir. *Tenebrae* gave an atmospheric concert at Blythburgh Church. BBC Symphony Orchestra was conducted by Karina Cannellakis, making her Snape debut and the Festival closed with the City of Birmingham Symphony Orchestra playing Tippett, Beethoven and Larcher with pianist Stephen Hough and cellist Alisa Weilerstein.

TRUSTEES' REPORT (*continued*)

At the 2019 Aldeburgh Festival we hosted three exhibitions at Snape Maltings, in addition to those at The Red House. In painter Stuart Pearson Wright's large-scale exhibition *Halfboy*, which took four years to create, visitors were invited to immerse themselves in Pearson Wright's childhood and adolescence, his not-quite-right realism bringing an uncanny nostalgia to the minutiae of life growing up on a 1980s council estate.

Meanwhile the celebrated war artist John Keane marked the 25th anniversary of the 1994 Rwandan genocide with his exhibition of paintings entitled "If you knew me. If you knew yourself. You would not kill me". Following a visit to the country in 2015, Keane's beautiful paintings of richly coloured Rwandan clothing, fabrics and banners drew visitors to look closely, before leaving them with the powerful realisation of the absence of the items' owners. The exhibition took place in three spaces around Snape Maltings and at the Peter Pears Gallery in Aldeburgh.

Inspired by the work of writer W.G. Sebald, who was inspired by landscapes and places, the Arca Project invited 17 writers and 17 artists – including Bruce McLean, Abigail Lane, Simon Patterson, Tony Grisoni, Craig Burnett, Oona Grimes, Ana Milenkovic and Jaeho Kang – to respond to a single image of a house. The results were an intriguing mix of fact and fiction, documentary and reality.

The 2019 **Snape Proms** offered an impressive variety of music from jazz funk saxophonist Pee Wee Ellis to trumpeter Alison Balsom. Leading UK country music duo The Shires and folk group Blazin' Fiddles were among the other acts represented and there were outstanding recitals by young stars, Sheku & Isata Kanneh-Mason and Jess Gillam. Performers also included keyboardist and raconteur Rick Wakeman and the legendary Don McLean appeared at Snape for the first time.

The **Britten Weekend** in October celebrated the composer's enduring relationships with Russian artists, particularly Rostropovich and Shostakovich. Soprano Julia Sitkovetsky, pianist Roger Vignoles and cellist Alban Gerhardt gave compelling performances of Britten's *The Poet's Echo*, Shostakovich's *Hebrew Songs* and Britten's *Cello Suites* and sonata. Alban Gerhardt gave a critically acclaimed performance of Britten's *Cello Symphony* with the BBC National Orchestra of Wales with conductor Jac van Steen.

In November, after 25 years **Richard Alston Dance Company** made an exhilarating final appearance on the concert hall stage with a programme including the world premiere of Alston's piece *Shine On*, memorably danced to a live performance of Britten's song cycle *On This Island*.

Community

Our Community team worked with over 2,500 young people and continued to improve the wellbeing of people across Suffolk and beyond, strengthening connections between individuals in a variety of settings.

Group A, our un-auditioned vocal group of 8-18s in Lowestoft and Ipswich performed a newly commissioned 'beach opera' for the finale of the Lowestoft First Light Festival. August saw a celebration of our 20 years of work in Criminal Justice settings, as we partnered Koestler Arts on "A Feeling We All Share". The exhibition was curated around 3 songs written and recorded by men at HMP Warren Hill.

The Friday Afternoons website was relaunched on 22 November, including three new songs and Project Ambassadors were introduced to guide the development of new resources and deliver national training opportunities. There was also a Friday Afternoons Big Sing in collaboration with Hull Music Hub. In addition to this, our projects supporting music in schools continued and included Celebration, a six-day festival of performances by young people from Suffolk schools and community groups.

Monthly Participate sessions provided Carers and Cared-for with afternoons of musical connection including Tea Dances bringing together local care homes, community groups and dancers.

Over 17,000 people engaged with the Red House in person. Of these, over 8,000 were young people and children engaged in one of the learning activities either on site or in their school. 2,875 people attended one of the 92 events that were delivered during the year. Activities were aimed at all ages including higher education students, adult learner groups, and members of the general public.

TRUSTEES' REPORT (*continued*)

Artistic Development

Aldeburgh Young Musicians (AYM)

74 artists worked across 71 days in delivering workshops and mentoring for our young musicians on this unique programme. After a year of celebrating the programme's 10th anniversary, AYM started its next decade by offering a diverse range of musical experiences. The young musicians collaborated with professional musicians to explore musical worlds such as Indian Music, Contemporary Music, Chamber Music and Musical Theatre.

Aldeburgh Young Musicians continues to support young musicians, unlocking their potential through a range of courses, masterclass, and mentoring opportunities. Traditionally a residential programme, at the end of the financial year 2019-20 AYM has responded to the Covid-19 pandemic by offering an immersive and interactive online experience; a vibrant range of creative activities led by inspiring professionals.

Britten-Pears Young Artist Programme

The Britten Pears Young Artist Programme worked with 148 young musicians and provided artist development opportunities for excellent, international emerging professional artists, delivered by some of the world's most established musicians. Courses focussed on the three pillars of the programme – vocal & piano, composition, and instrumental music. They were led, amongst others, by Antonio Pappano, Mark Padmore, Colin Matthews, Mark Anthony Turnage, Jessica Cottis, Jorja Fleezanis, Julie Landsman and Phillippe Herreweghe. Participants worked in public and private coaching with their tutors and were given performance opportunities across the year.

Residencies

The Residencies programme delivered 28 residencies and worked with 190 creative practitioners. It targeted new organisations and corners of the musical spectrum to reach new artists, and build a diverse programme working with artists from a wide variety of musical genres and collaborations, with 182 applications submitted over the course of the year.

We continued to offer Open Sessions for artists to share work-in-progress with audiences and industry colleagues, which generated interest in their ideas and projects. This was magnified in our second Festival of New in September 2019, celebrating new work created by ten Residency artists including Israeli artist Yael Rasooly's Silence Makes Perfect and the return of folk favourites Sam Lee and Firefly Burning for a Saturday night double-bill, as well as a raw and emotional contribution from Hip Hop artist Reload.

We welcomed a number of national and international colleagues from other organisations to share in the new work and lend their insight and feedback. The group Bastard Assignments finished its 2-year Residency with a performance at the Aldeburgh Festival, whilst Perhaps Contraption took its show Nearly Human to the Edinburgh Fringe to great acclaim. This year also explored collaborations with BT Adastral Park, offering artists Residency time in its Acoustic Laboratory; and with the British Council to support a composer from Russia providing him with time and space to work here.

In addition to our residencies programme at Snape, The Red House site continued to welcome composers, performing musicians and the wider creative community on retreat to develop their skills and create new work.

Wild Plum Arts and the National Youth Choir of Great Britain were important partners in devising projects and encouraging composers from diverse backgrounds and genres to use the properties.

Creative Health

Around 300 musicians, participants, and researchers were directly involved in leading and developing our creative health work. Our 2017 feasibility study laid out a 10-year vision, strategy and activity plan. This has been received nationally with respect, excitement and energy. Our forward-thinking vision landed at the right time to play a significant role in the surge of activity and thinking around arts and health over the last few years.

Our activity has included convening and curating national and international conversations bringing together musicians, academics, clinicians and communities in order to develop significant dialogue and partnerships. These interactions are successfully laying the foundations for programmes of activity that can start to be delivered through our programme framework: Professional Development, Community and Shared Thinking.

We have proved the draw of Snape Maltings as a setting for these events. The exceptional heritage, sense of place and reputation for excellence and innovation have acted as a magnet for some of the best thinkers and experts in this world. This has meant we have collected a valuable group of critical friends to help us on our journey.

TRUSTEES' REPORT (*continued*)

People are welcomed and supported in a way that allows risk and new thinking between and across sectors. Through testing our model and framework and our convening power we provide a neutral, safe space for conversation. We are an 'incubator' to develop partnerships, activity and knowledge. There is a magic to Snape which is now being experienced on a national scale beyond our performance and artist development programmes.

Archive, Exhibitions and The Red House

Britten Pears Archive

There were 2,000 in person visitors to the archive of which there were 151 research visits and 619 school children visitors. The majority of people who enjoyed the archive were members of the general public who attended small exhibits and short presentations by the archivists. There were 410 digital enquires. The archivist made the collections even more accessible with over 50,000 new records made available online during the year.

The schoolchildren visited the archive as part of 18 different group visits. Particularly notable were the visit from the entire new year 7 intake of Benjamin Britten Academy, Lowestoft – now an annual feature in which the pupils of the school learn about the local boy after whom their school is named – and six visits in autumn 2019 by groups from two local special schools.

The extensive Archive documents Britten and Pears' lives as well as their professional musical activities. It explains who they were as people their relationship with each other, their friends and family ties, their interests and passions. The depth and extent of the holdings mean that it is not only musical academics who engage with the archive. It enables all visitors to learn from the past and understand the world now, it encourages an element of time travel, reflection on identity and what has helped make us. It also plays an increasingly important role in understanding 20th century British gay life in LGBT studies.

A number of important new acquisitions were made including the papers of Rita Thompson, Britten's long-standing nurse and the collection of Lennox Berkeley, the composer and Britten friend. We raised £75,000 to purchase the Lennox Berkeley collection which includes the manuscript score of Britten's Piano Concerto. The collection is an incredibly valuable addition to the archive. The Trustees acknowledge the generous support of the V&A Purchase Fund, Friends of the National Library, the Pilgrim Trust and the John R Murray Charitable Trust towards this acquisition. Another significant acquisition during the year was a gift of 6 John Piper stain glass windows of Venice, kindly donated by the Scarfe Charitable Trust.

The Red House

Activities and engagement at the Red House were extensive during this period and this was recognised publicly and by museum colleagues when The Red House was awarded the Suffolk Large Museum of the Year Award for 2019.

The central exhibition was "Tippett and Britten; Portrait of a Wartime Friendship". It explored Britten's enduring friendship with the composer Michael Tippett and was curated by Oliver Soden publisher of Tippett's autobiography. There were two further exhibitions, one presented all of the works that Pears collected by Indian artist Francis Souza including a portrait of Pears himself. The "Facing the Music" exhibition curated by Dr Mandy Bentley included many of the portraits that Britten and Pears had in their collection.

Events ranged from concerts in Britten's library, Discovery Sessions, our Scratch choir sessions, tours and outdoor theatrical performance. A particular highlight was the collaboration with the Royal College of Music Museum. They brought artworks from their collection to display alongside the works of Milein Cosman in the Britten Pears Collection, supplemented with a wide range of activities for all audiences, including a Mini-Music session for 0-5 year olds.

Other exhibitions

In the summer we welcomed a new artwork in addition to our permanent sculpture collection – the mysterious and fun To Give Light (Northern Aspirational Charms) by Ryan Gander. Located on the Hepworth Lawn at Snape Maltings, it has proved a hit with both adults and children. In August we exhibited mesmerising largescale photographs and drawings of East coast seascapes by Harry Cory Wright and watercolours by Suffolk-based artist Michael Coulter.

In the autumn Maggi Hambling's magisterial collection of paintings, War Requiem, inspired by Britten's 1962 piece and the horrors of war, returned to the Dovecote Studio.

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW

GROUP FINANCIAL OVERVIEW FOR THE YEAR

The complexity of charity accounting guidelines can make it difficult to understand underlying year on year performance. Charities are required to follow income recognition concepts contained within the Charities SORP (FRS 102) which requires recognition of income as soon as entitlement to the funds has been confirmed, it is probable the resources will be received and the monetary value can be measured with sufficient reliability. This is often at the time of promise rather than when the income is spent.

This principle differs from the recognition of income and expenditure relating solely to the delivery of activities during the period in question. For the purposes of management accounts, budgets and forecasts the Trustees and executive management use the matching principle where income is deferred to correspond with associated expenditure.

The Statement of Financial Activities on page 18 indicates an increase in total Group reserves of £727,000. If adjustments were made to remove the effect of £524,000 relating to the net negative impact of income recognition under the Charities SORP (FRS 102) and add back £449,000 of depreciation and amortisation charges, Group reserves rose by £1,700,000 (2019: £470,000).

As part of the group reorganisation that is in progress to transfer the assets and liabilities of Aldeburgh Music Endowment Fund into Britten Pears Arts, in March 2020 the loan made to Snape Maltings Trading Limited of £2,000,000 was transferred by Aldeburgh Music Endowment Fund to Britten Pears Arts. £1,000,000 of this was then capitalised through the issue of redeemable preference shares to Britten Pears Arts. At a Group level this has resulted in a transfer of £2,000,000 from Endowment funds to Unrestricted general funds.

Table 1 summarises Group income for the year from Note 2 and is stated in line with accounting requirements under the Charities SORP (FRS 102). It includes amounts relating to future periods while excluding grants and donations received in previous years for activities undertaken in 2019/20.

Table 1 – Group income	2020	2020	2019	2019
	£'000	%	£'000	%
Arts Council England core grant	1,403	11.1%	1,403	11.7%
Trusts and foundations	574	4.6%	1,382	11.6%
Private, including memberships and Gift Aid	876	6.9%	732	6.1%
Legacies	808	6.4%	23	0.2%
Local authority and corporate donations	167	1.3%	182	1.5%
Box Office and admissions	1,102	8.7%	1,033	8.6%
Theatre and Orchestra Tax Relief	155	1.2%	230	1.9%
Other charitable activities, including course fees	271	2.1%	260	2.2%
Trading activities, including retail and catering	5,115	40.5%	5,207	43.5%
Royalties	1,782	14.1%	1,249	10.5%
Investments, including interest, dividends and rent	278	2.2%	265	2.2%
Other income	110	0.9%	-	0.0%
Total income and endowments	12,641	100.0%	11,966	100.0%

Table 2 highlights Group expenditure for the year and includes costs associated with activities undertaken during 2019/20 only. More information can be found in Note 4.

Table 2 – Group expenditure	2020	2020	2019	2019
	£'000	%	£'000	%
Fundraising	263	2.2%	246	2.0%
Trading, including retail and catering	5,029	42.1%	4,925	40.8%
Artistic activities	2,073	17.4%	2,322	19.3%
Artistic development	1,020	8.5%	1,316	10.9%
Archive, Exhibitions and The Red House	515	4.3%	421	3.5%
Community	332	2.8%	357	3.0%
Operations	1,197	10.0%	1,179	9.8%
Administration, including IT and Finance	1,375	11.5%	1,175	9.7%
Governance, including audit fees and legal advice	134	1.1%	80	0.7%
Other expenditure, incl. loss on disposal of fixed assets	11	0.1%	35	0.3%
Total expenditure	11,949	100.0%	12,056	100.0%

TRUSTEES' REPORT (continued)

Table 3 summarises Group reserves at year end. Greater levels of detail will be found in the Statement of Financial Activities on page 19, the Balance Sheets on page 20 and disclosures to the accounts from page 22.

Table 3 – Group reserves	2020	2020	2019	2019
	£'000	%	£'000	%
Unrestricted	5,490	9.8%	3,082	5.6%
Restricted	19,406	34.7%	20,029	36.2%
Endowment	31,074	55.5%	32,132	58.2%
Total reserves/net assets	55,970	100.0%	55,243	100.0%

The Group's net assets of £55,970,000 are mainly comprised of fixed assets to the value of £52,093,000, which includes £25,778,000 of tangible fixed assets and £20,172,000 of heritage assets. £802,000 of intangible fixed assets reflects goodwill and software used in the organisation. The remaining £5,341,000 represents income generating investments designed to provide funding stability for the long-term.

Unrestricted reserves increased by £2,408,000 which is predominantly the result of the restructuring of £2,000,000 of debt within the group. Restricted reserves decreased by £623,000, largely reflected by £555,000 net negative impact of future period funding, plus depreciation of £105,000, less net investment income and losses of £46,000. Endowment funds decreased by £1,058,000, which is represented by the £2,000,000 restructuring of debt within the group, less £808,000 legacies income received, less £99,000 revaluation gain on heritage assets.

Further details in respect of the on-going impact of Covid-19 on the forecast position is provided in note 1 to the accounts. Having considered all factors explain in note 1 and recognising the likely continuing effects of COVID-19, the trustees have a reasonable expectation that the group and parent charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

BRITTEN PEARS ARTS

As a standalone entity, Britten Pears Arts' total reserves rose £2,303,000 to close at £42,325,000. Unrestricted funds increased by £2,610,004, predominantly as a result of the restructuring of £2,000,000 of debt within the group. Restricted reserves decreased by £577,000, largely reflected by a £555,000 net negative impact of future period funding, plus depreciation of £23,000.

Trust and foundations income for the year decreased significantly by £808,000 to £574,000 (2019: £1,382,000), of which £378,000 related to the net negative impact of future period funding (2019: £646,000 net positive impact).

ALDEBURGH MUSIC ENDOWMENT FUND

Aldeburgh Music Endowment Fund holds the main assets of the Group and uses its income to make grants to Britten Pears Arts in support of its activities. During the year, the Charity made core and project grants to Britten Pears Arts totalling £533,060 (2019: £533,060) allowing this charity to provide, alongside other activities, 162 places for participants on the Britten–Pears Young Artist Programme and 14 opportunities for young people to take part in the Hesse Student Scheme during the Aldeburgh Festival in June 2019. In addition, Aldeburgh Music Endowment Fund assigned the benefit of a £2m loan due from Snape Maltings Trading Limited to Britten Pears Arts. Grants and the loan assignment are eliminated on consolidation of the Group's accounts.

Shops and office space owned by the Charity generated £83,195 (2019: £97,155) in the year from tenants. Dividend income received in the year was £156,837 (2019: £132,379).

There were no purchases or sales of market investments during the year (2019: £250,000 were sold, generating a realised gain of £19,962). The revaluation of market investments at 31 March 2020 generated an unrealised loss of £63,344 (2019: gain of £297,552). The Trustees believe market investments administered through CCLA Investment Management Limited are an appropriate way of investing funds for the long-term. In the context of general stock market movements during the year, and in an extended period of low interest rates, the Trustees are satisfied that investments managed by CCLA provided a suitably secure vehicle within which to maintain and increase capital while generating sufficient returns to allow it to be a significant and reliable source of income.

SNAPE MALTINGS TRADING LIMITED

The company continued to deliver a wide range of retail and catering activities with turnover decreasing very slightly to £5,241,890 (2019: £5,351,894). The amortisation of goodwill, which is being written off as an administrative expense over ten years, masks the profitable nature of the business. When adjusted to exclude interest, tax, depreciation and amortisation, the company would have reported earnings of £117,484 (2019: £200,584). The loss of trade in March 2020 had an impact on both turnover and earnings. As there are no distributable profits due to the cumulative amortisation of goodwill, the company was unable to make a distribution to Britten Pears Arts (2019: £nil).

Britten Pears Arts Financial Statements 2019/20

TRUSTEES' REPORT (*continued*)

In March 2015, the company purchased retail and other business activities through the advance of a loan of £2,312,937 from Aldeburgh Music Endowment Fund which carries a fixed annual interest rate. Ahead of the planned group reorganisation, in March 2020 the remaining loan of £2,000,000 was assigned by Aldeburgh Music Endowment Fund to Britten Pears Arts. £1,000,000 was capitalised through the issue of redeemable preference shares to Britten Pears Arts. The remaining balance of the loan at the year end was £1,000,000 (2019: £2,000,000).

BRITTEN ESTATE LIMITED

The company continued to promote the music of Benjamin Britten and receive income in the form of royalties. Turnover increased to £1,721,336 (2019: £1,235,810), with profit increasing to £1,632,743 (2019: £1,124,882). The profit generated was fully distributed to Britten Pears Arts.

FUNDS HELD AS CUSTODIAN TRUSTEE

Creditors include £28,096 (2019: £46,477) of means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development.

PRINCIPAL FUNDING SOURCES

Besides revenue generated by retail and catering operations, box office and project fees, a considerable proportion of the Group's income is philanthropic and derives from grants and private sources, including legacies. The Trustees are indebted to many generous individuals and organisations for their support of artistic activities, including: Department for Education, Esmée Fairbairn Foundation, and The Leverhulme Trust.

In June 2017, the Charity received confirmation that it had been successful with its application to receive continued annual core funding of £1,403,019 from Arts Council England for the years 2018/19 to 2021/22. The grant was made following their prior agreement of a four-year business plan and the Trustees are enormously grateful to Arts Council England for its continued support.

The Trustees gratefully acknowledge the receipt of donations and legacies from its supporters. The largest legacy received in the year was £765,000 from the estate of the late Dr John Hamilton Rees.

FINANCIAL POLICIES

Reserves Policy

Following the merger of Snape Maltings and the Britten Pears Foundation, the trustees have started the process of considering the reserves policy of the merged organisation. Pending completion of this work the reserves policy of Snape Maltings has been:

Unrestricted General Reserves

In the light of budgets and draft plans the trustees seek to build and maintain, long-term general free reserves (excluding designated funds and fixed assets) of up to 10% of the Charity's usual incoming resources over the following 12 months – a target of approximately £550,000. General free reserves were calculated as unrestricted net assets (£2,736,000 per Note 20) less designated reserves (£2,719,000 per Note 18). Free reserves at 31 March 2020 were accordingly £17,000 (2019: £209,000 deficit). The increase in designated funds since the merger has reduced free reserves, Snape Maltings' free reserves in 2019, pre-merger, were £728,000.

Unrestricted Designated Reserves

The Trustees adopted a policy of designating certain funds for specific use, including an Artist Fund which underpins the expansion in artist development and an Opera and Commission Fund to provide support for the development of opera, an area noted for high production costs and needing long-term planning.

Restricted and Endowment Reserves

Certain reserves bear restrictions on their use imposed by donors, with some of these limiting, or barring, access to the donated capital. Details of restricted and endowment funds, including those of a permanent endowment nature, are provided in Notes 18 and 19. The Snape Maltings Trustees agreed a number of principles to act as guidelines in the future creation and use of reserves. The aim was set of building a £950,000 Contingency Reserve through the use of unrestricted legacies. Timing is very dependent on receipt of such legacies. This Contingency Reserve, when added to the target for general free reserves of £550,000, would provide a total of £1,500,000 to be used to cover known and likely costs payable over a notional 12 to 24 month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders. The value of the Contingency Reserve, which forms part of designated expendable endowment funds totalling £7,050,121 at year end (2019: £6,980,298), was £949,952 (2019: £231,996).

TRUSTEES' REPORT (*continued*)

The reserves policy of the Britten Pears Foundation has been that:

1. The Foundation is able to continue to meet its obligations and fulfil its strategic objectives despite fluctuations in income.
2. The Foundation continues in the future to have resources available to fund activities after copyright income ceases

Unrestricted Designated capital funds have been maintained for heritage assets and other fixed assets at book value. The Foundation had two designated activity funds, a capital fund of £100,000 and a grants fund of £200,000. This had meant the Foundation had been able to continue to support Snape Maltings and maintain the fabric of the Britten Pears Foundation site, even when income fluctuates unexpectedly.

A general fund has been maintained at a level to cover at least six months' operating costs (£650,000). Any available surplus after maintaining the above funds at their target levels has been transferred to the Royalty continuity fund. This would be utilised in future when royalty income declines. Following merger with the main grant recipient the grants fund has been transferred to the royalty continuity fund.

Restricted funds are held on receipt of various grants and awards until the funds are fully expended, and the balance at year end stood at £9,407. The general fund balance at year end was £650,000. The designated asset and activity funds were at their target values, and the continuity fund had a closing balance of £667,125.

On merger of Snape Maltings with the Britten Pears Foundation, restrictions were placed on some of the assets transferred as part of the merger (see note 29). Permanent endowment funds have been created firstly for the archive collection and secondly for the Red House, its outbuildings and its collection. The archive building and other property fixed assets have been transferred as Expendable endowment funds.

Investments

The Trustees are responsible for setting the Fund's investment policy and strategy and are authorised to make any investment they consider to be beneficial. The Trustees confirm they have remained within this power and continue to keep their investment policy and strategy under review.

Investment Properties

The Trustees consider it appropriate to invest in commercial property where there is a strategic fit with the activities of the Group and such action provides a rate of return in excess of 5% of investment cost after the deduction of operational expenses. When vacant periods arise, local agents are appointed to manage new tenancy advertising and to provide advice regarding rent levels.

Market Investments

Meetings are held with investment advisors at least once during the year to monitor performance and review strategy. Key aspects of the investment policy include the achievement, within acceptable levels of risk, of at least market-rate income whilst taking a long-term view regarding capital growth. The current income target is to achieve a yield in excess of the FTSE All-Share Index yield after the deduction of management charges and for capital growth to outperform the FTSE All-Share Index over the long-term, a period defined as being not less than ten years. There is also an investment fund invested in an interest-bearing cash account with Scottish Widows.

Investment Performance

All investment properties were tenanted during the year, with the exception of one property which was vacant from January 2019. The income yield was above 5% of cost. Market investment targets were met.

KEY PERFORMANCE INDICATORS

Britten Pears Arts and its Group entities measure progress against a number of indicators set out in annual budgets and plans. It has been following SMART objectives agreed with the Arts Council England particularly focussed on the Creative Case for Diversity. Non-financial indicators include public engagement and reach, the number of Festival commissions and targeting a rise in international collaborations. The main financial indicators include royalty income, box office performance, fundraising income, retail sales and investment returns. Council reviews key performance indicators at their meetings during the year through receiving summary papers and within the Group's management accounts.

TRUSTEES' REPORT (*continued*)

PUBLIC BENEFIT

The Charity Commission has distilled a number of principles of public benefit which must be addressed by charities. Any benefit arising from an organisation's activities must be to the public or a section of the public, in respect of which the opportunity to benefit must not be unduly restricted by ability to pay any fees charged; and that people in poverty must not be excluded from the opportunity to benefit.

In setting the level of ticket prices, fees, charges and concessions, the Trustees give careful consideration to the accessibility of concerts and other projects to those on low incomes. Britten Pears Arts' pricing reflects its aim of enabling all members within our community, whatever their means, to take part in its activities. Ticket pricing is generally dependent on event costs and seat location. Ensuring wide access is a priority, resulting in ticket prices for the Proms and many other events starting below £10. Concessionary prices are available at most concerts.

Some events, such as Bandstand on Aldeburgh beach as part of the Aldeburgh Festival, are undertaken to generate public interest in the Charity's activities and are free to all. We are fortunate to have a loyal supporter base of Friends and other supporters who are able to access a priority booking period. However, a number of tickets are held back to allow the general public the opportunity of purchasing seats at an otherwise sold-out concert.

Activities led by the Learning and Inclusion team, including working in care homes with people with dementia, are making a positive difference to the physical and mental wellbeing of the public. Some projects undertaken by the Charity require participants to pay for their travel and other costs. Financial support is made available to those in need such that, in appropriate circumstances, all costs are waived.

The Snape Maltings and Red House sites are steeped in history and are amongst Suffolk's most visited tourist venues. The Maltings has open access and is available to the public for recreational use such as walking, although it is anticipated that visitors will also enjoy the site's performance, catering and shopping facilities.

VOLUNTEERS

Britten Pears Arts is grateful to have the support of a body of unpaid volunteers who perform important front-of-house duties at events including ushering, programme selling and gallery invigilation. During the year, we were pleased to have 173 volunteers (2019: 164) who worked a total of approximately 12,300 hours (2019: 12,000 hours) and which would otherwise have cost an estimated minimum wage of £101,000 (2019: £94,000). Without the loyalty and dedication of these people, the organisation would be forced to reduce its programme of events or increase concert prices.

FUNDRAISING

Sections 13 and 14 of the Charities Act 2016 address public concern about how charities raise funds. The Charity Commission has issued guidance requiring trustees to confirm that fundraising activities are compliant with standards set out in the Code of Fundraising Practice as well as those required under other guidelines and legislation covering areas such as data protection.

Monitoring fundraising activities

The Director of Development for Britten Pears Arts monitors activities undertaken by this department across all Group entities. Regular reports are provided to the Chief Executive and each Board meeting of Britten Pears Arts includes a review of activities undertaken by the Fundraising team. During the year, all fundraising activities, were performed by Britten Pears Arts' staff. No professional fundraisers were used to carry out fundraising activities on behalf of the Charity or any Group entity. Consequently, no fees or commission was paid to professional fundraisers (2019: £nil).

Voluntary self-regulation

The Fundraising Regulator is an independent regulator of charitable fundraising, established to strengthen the system of regulation and restore public trust in the not-for-profit sector. The Charity has voluntarily registered with the Fundraising Regulator and supports the aims and objectives of this organisation.

Compliance with standards

The Charity's fundraising activity complies with all relevant legislation and regulation, including the EU General Data Protection Regulation, which came into force in May 2018, and the Privacy and Electronic Communications Regulations 2003. The Trustees are not aware of any breaches of the Code of Fundraising Practice or other standards.

TRUSTEES' REPORT (*continued*)

Complaints relating to fundraising activities

The Charity has a policy regarding complaints received in relation to its fundraising activities. No complaints were received in the year (2019: none).

Vulnerable people, unreasonable behaviour and undue pressure

The Charity has never used telephone or doorstep methods to induce donations from members of the public and has stopped sharing its data with other organisations. Existing supporters and potential donors are required to provide their prior consent to the use of their data, particularly in relation to receiving communications about future events. The Charity's website and printed brochures encourage members of the public to participate in a number of supporter schemes or to consider leaving a legacy in their Wills. The Charity does not send unsolicited mail or use other methods of contact that are not initiated first by the prospective supporter.

EQUAL OPPORTUNITIES, DIVERSITY AND DISABILITY AWARENESS

Britten Pears Arts is an equal opportunities employer and has appropriate policies in place. The Group acknowledges the importance of maintaining dignity at work and a diversity action plan is reviewed by the Trustees, one of whom has been nominated to be a diversity champion.

ENVIRONMENT

Britten Pears Arts recognises the importance of preserving and protecting the environment and endeavours to take all reasonable steps to reduce the environmental impact of its actions. Examples of initiatives include a biomass boiler and a rainwater harvester system which reduces the amount of mains water used in the Hoffmann Building by up to 20%. Photovoltaic panels are housed in inconspicuous positions on the Snape Maltings site, reducing the amount of electricity the organisation needs to purchase by approximately 5% while providing an income stream of approximately £7,000 each year through the Feed-in-Tariff scheme.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Charity has made qualifying third-party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

AUDITORS

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Britten Pears Arts for the purpose of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year. In preparing those financial statements, 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 financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 charitable company and which enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

TRUSTEES' REPORT *(continued)*

STATEMENT OF TRUSTEES' RESPONSIBILITIES *(continued)*

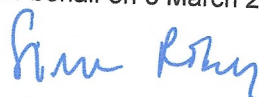
- there is no relevant audit information of which the Group's auditors are unaware; and
- Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Trustees and signed on their behalf on 5 March 2021.



Sir Vernon Ellis
Co-Chair



Sir Simon Robey
Co-Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS

Opinion

We have audited the financial statements of Britten Pears Arts (the "parent charitable company") and its subsidiaries (the 'Group') for the year ended 31 March 2020 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, 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.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and Section 151 of the Charities Act 2011, and report in accordance with these Acts. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are approved for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report and the incorporated Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITTEN PEARS ARTS

(continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 15 and 16, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Sutherland (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA
26 March 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and legacies	2	2,071	934	823	3,828	3,723
Charitable activities	2	1,527	-	-	1,527	1,522
Other trading activities	2	6,897	-	-	6,897	6,456
Investments	2	32	74	173	279	265
Other income	2	31	-	79	110	-
Total income and endowments		10,558	1,008	1,075	12,641	11,966
Expenditure on:						
Costs of fundraising	4	383	-	-	383	331
Costs of other activities (trading)	4	5,236	-	157	5,393	5,292
Charitable activities	4	4,360	1,780	22	6,162	6,400
Other expenditure		11	-	-	11	34
Total expenditure		9,990	1,780	179	11,949	12,057
Net (losses)/gains on investments	10	-	(28)	(36)	(64)	318
Net (expenditure)/income		568	(800)	860	628	227
Transfers between funds	18	1,840	177	(2,017)	-	-
Other recognised gains/(losses)	18	-	-	99	99	-
Net movement in funds	18	2,408	(623)	(1,058)	727	227
Reconciliation of funds:						
Total funds brought forward	18,19	3,082	20,029	32,132	55,243	55,016
Total funds carried forward	18,19	5,490	19,406	31,074	55,970	55,243

FOR THE YEAR ENDED 31 MARCH 2019

		Unrest'd Funds £'000	Rest'd Funds £'000	Endowm't Funds £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments from:						
Donations and legacies	2	1,888	1,811	24	3,723	4,148
Charitable activities	2	1,522	-	-	1,522	1,585
Other trading activities	2	6,456	-	-	6,456	5,322
Investments	2	30	56	179	265	246
Total income and endowments		9,896	1,867	203	11,966	11,301
Expenditure on:						
Costs of fundraising	4	331	-	-	331	355
Costs of other activities (trading)	4	5,237	-	55	5,292	5,099
Charitable activities	4	4,400	1,893	107	6,400	6,796
Other expenditure		-	-	34	34	-
Total expenditure		9,968	1,893	196	12,057	12,250
Net gains on investments	10	-	84	234	318	50
Net (expenditure)/income		(72)	58	241	227	(899)
Transfers between funds		(24)	207	(183)	-	-
Other recognised gains/(losses)		-	-	-	-	(908)
Net movement in funds		(96)	265	58	227	(1,807)
Reconciliation of funds:						
Total funds brought forward	18,19	3,178	19,764	32,074	55,016	56,823
Total funds carried forward	18,19	3,082	20,029	32,132	55,243	55,016

The notes on pages 22 to 44 form part of these financial statements. All income relates to continuing operations.

CONSOLIDATED AND CHARITY BALANCE SHEETS

Company registration number: 980281
Charity registration number: 261383

AS AT 31 MARCH 2020

	Note	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed assets					
Intangible assets	8	802	967	10	16
Tangible assets	9	25,778	26,105	15,546	15,586
Heritage assets	10	20,172	19,906	20,172	19,906
Investments	11	5,341	5,775	2,872	872
		<u>52,093</u>	<u>52,753</u>	<u>38,600</u>	<u>36,380</u>
Current assets					
Stocks	13	536	521	-	-
Debtors	14	2,982	2,574	2,327	2,571
Cash at bank and in hand		3,148	2,796	2,553	2,025
		<u>6,666</u>	<u>5,891</u>	<u>4,880</u>	<u>4,596</u>
Creditors: amounts falling due within one year	16	1,945	2,527	1,154	954
Net current assets		<u>4,721</u>	<u>3,364</u>	<u>3,726</u>	<u>3,642</u>
Total assets less current liabilities		56,814	56,117	42,326	40,022
Creditors: amounts falling due after more than one year	16	844	874	-	-
Net assets	20	<u>55,970</u>	<u>55,243</u>	<u>42,326</u>	<u>40,022</u>
The funds of the Group and Charity					
Unrestricted funds	18	5,490	3,082	6,359	3,744
Restricted funds	18	19,406	20,029	12,610	13,187
Endowment funds	19	31,074	32,132	23,357	23,091
Total funds	20	<u>55,970</u>	<u>55,243</u>	<u>42,326</u>	<u>40,022</u>

Net incoming resources for the Charity were £2,304,000 (2019: £321,000). A separate Statement of Financial Activities is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the companies Act 2006 and paragraph 397 of the SORP.

Approved by the Trustees, authorised for issue and signed on their behalf on 5 March 2021.

V. J. C.

Sir Vernon Ellis
Co-Chair

Simon Robey

Sir Simon Robey
Co-Chair

The notes on pages 22 to 44 form part of these financial statements.

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Note	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
a) Cash flows from operating activities:					
Net cash (used in)/provided by operating activities	b	475	56	786	417
Cash flows from investing activities:					
Dividends, interest and rents from investments		278	265	10	7
Proceeds from the sale of tangible fixed assets		301	1	-	1
Purchase of fixed assets		(356)	(329)	(268)	(93)
Payment of deferred consideration		(689)	-	-	-
Proceeds from the sale of investments		370	251	-	1
Net cash (used in)/generated by investing activities		(96)	188	(258)	(84)
Cash flows from financing activities:					
Repayment of borrowing		(727)	(312)	-	(286)
Cash inflows from new borrowing		700			
Net cash (used in)/provided by financing activities		(27)	(312)	-	(286)
Change in cash and cash equivalents in the reporting period		352	(67)	528	47
Cash and cash equivalents at the beginning of the reporting period	c	2,796	2,863	2,025	1,978
Cash and cash equivalents at the end of the reporting period	c	3,148	2,796	2,553	2,025
b) Reconciliation of net income/(expenditure) to net cash flow from operating activities					
Net income/(expenditure) for the reporting period		629	227	2,205	320
Adjustments for:					
Depreciation and amortisation charges		449	907	136	489
(Gains)/losses on investments		64	(319)	-	(1)
Dividends, interest and rents from investments		(279)	(265)	(10)	(6)
Loss/(profit) on the sale of tangible fixed assets		(68)	35	11	1
Non cash increase in investments		-	-	(2,000)	-
(Increase)/decrease in stocks		(15)	63	-	-
(Increase)/decrease in debtors		(409)	(507)	244	(200)
Increase/(decrease) in creditors		104	(85)	200	(186)
Net cash (used in)/provided by operating activities		475	56	786	417
c) Analysis of Cash and Cash Equivalents					
Cash in hand		3,148	2,796	2,553	2,025
Total cash and cash equivalents	25	3,148	2,796	2,553	2,025

The notes on pages 22 to 44 form part of these financial statements.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

1 ACCOUNTING POLICIES

Basis of accounting

Britten Pears Arts is a charitable company domiciled and registered in England and Wales. The principal accounting policies adopted in the preparation of the financial statements are set out below. Britten Pears Arts meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared under the historical cost convention as modified by the recognition of certain financial assets measured at fair value in accordance with generally accepted accounting principles, 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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The combination of Snape Maltings (Company Registration Number 980281 and Registered Charity Number 261383) and Britten Pears Foundation (Company Registration Number 02071223 and Registered Charity Number 295595) as described in the trustees report, has been accounted for using merger accounting principles, in order to meet the overriding requirement under section 404(5) of the Companies Act 2006 for financial statements to present a true and fair view. The transaction does not meet the conditions for merger accounting as company law prohibits the application of merger accounting except for businesses under common control. However, the Trustees consider that the alternative approach of acquisition accounting, would not give a true and fair view of the combination, as neither party is considered to be the acquirer or acquire, benefits to be obtained from the merger for beneficiaries are mutual, and both parties participated in establishing the governance and management structure of the combined entity and selecting management personnel such that decisions are made on the basis of consensus. The substance of the transaction was not the acquisition of an organisation, but a merger of two similar entities. The Trustees consider that it is not practicable to quantify the effect of this departure from the Companies Act 2006 requirements.

For the consolidated financial statements the adoption of merger accounting presents Britten Pears Arts as if it had always been combined with Britten Pears Foundation.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements are prepared in Sterling, which is the functional currency of the Charity. Monetary amounts are rounded to the nearest £'000.

Basis of consolidation

The Group's financial statements comprise the financial statements of Britten Pears Arts, its subsidiary undertakings Snape Maltings Trading Limited, Aldeburgh Music Endowment Fund, Britten Estate Limited, and their respective subsidiaries.

Significant judgements, estimates and uncertainties recognised in the financial statements

The Charity's aims, objectives and strategies are identified in the Trustees' Report on page 5. The notes to these financial statements contain information relating to judgements made by the Trustees including accounting policies such as the amortisation of goodwill and depreciation of tangible fixed assets. A revised estimate of the residual value of freehold and long leasehold property has been made in the year and this has been set at 80%, given the conservation requirements placed upon the Charity's buildings. The impact of this change in 2019/20 was to reduce the depreciation charge by £364,143.

As highlighted in Note 26, the Trustees have recognised a contingent liability as they continue to challenge HMRC's claim for underpaid VAT on membership schemes.

The Trustees review their financial plans on a regular basis and manage risks through a number of means including a risk register, budgeting and investment planning. The Trustees consider that their plans for achieving the Group's objectives provide a satisfactory means of mitigating uncertainties to the extent reasonably achievable.

NOTES TO THE ACCOUNTS (*continued*)

1 ACCOUNTING POLICIES (*continued*)

Going concern

The covid-19 pandemic has led to many restrictions being placed upon arts and retail organisations. This has been costly in the period since March 2020, however Britten Pears Arts has been fortunate in benefitting from government support, and in particular a large Culture Recovery Fund grant from The Arts Council. Though vaccines are now starting to be administered it remains very difficult to project the course of events in 2021.

The group and parent charity has performed financial modelling for the period to 31 March 2022 which takes into consideration the impact of the Covid-19 outbreak on the forecast position. The key assumption used are in relation to the removal of lockdown regulations permitting reopening, no extension to the furlough scheme beyond April 2021 and social distancing continuing through 2021. Britten Pears Arts has provided letters of support to its subsidiary companies, Snape Maltings Trading Limited and Elm Property Investments (Snape Maltings) Limited confirming that it is willing to provide any necessary financial support to ensure they are able to continue to meet their liabilities as they fall due. This include but is not limited to not seeking repayment of any group creditors should it be required for at least 12 months from the date of signing the financial statements. Britten Pears Arts have also confirmed that further amounts can be drawn against the undrawn £300,000 balance on the additional £500,000 facility granted to Snape Maltings Trading Ltd in April 2020. Financial projections of Britten Pears Arts support the ability of the Charity to provide this support.

Having considered all factors noted above and recognising the likely continuing effects of COVID-19, the trustees have a reasonable expectation that the group and parent charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

Income from grants and donations is recognised once entitlement to the funds has been confirmed, it is probable the resources will be received and the monetary value can be measured with sufficient reliability. Income is deferred where a donor has imposed performance conditions that must be met before there is unconditional entitlement to the funds. Income is not recognised for legacies subject to a life interest.

Grants and donations received of a capital nature are held in a restricted fund, or otherwise depending on the donor's conditions, and depreciation of the relevant assets is charged to the appropriate fund. Donations of property are professionally valued and accounted for at the time ownership passes to the Charity. Donations or legacies in the form of tradable securities are recognised at market value on the date control is passed.

Income generated from the sale of concert tickets, admissions, goods and services is stated net of Value Added Tax. Box office receipts and other income received in advance of the date of performance is deferred where it does not meet the income recognition criteria noted under the Charities SORP (FRS 102).

Royalty income is accounted for when receipt may be anticipated with reasonable probability. Rental income accounted for under other trading activities relates to income earned from letting properties that are also utilised by the charity in delivering charitable activities. Investment income is accounted for on an accruals basis

Expenditure

Expenditure is included on an accruals basis and allocated, along with any associated irrecoverable Value Added Tax, to the appropriate heading in the accounts.

Costs of fundraising

This is the cost of Britten Pears Arts' fundraising team, who generate income from trusts and foundations, individuals and the business sector.

Costs of other activities (trading):

This includes retail and catering expenditure incurred by Snape Maltings Trading Limited, and also service charges, repairs and legal fees associated with the creation and agreement of leases with shop tenants.

Charitable activities:

Expenditure incurred to meet charitable aims and objectives, including artistic activity within the Concert Hall, the Red House and the archive and other venues, artistic development through the Britten-Pears Young Artist Programme, Aldeburgh Residencies, Aldeburgh Young Musicians and Learning and Inclusion's outreach into the community.

NOTES TO THE ACCOUNTS (*continued*)

1 ACCOUNTING POLICIES (*continued*)

Support costs:

Support costs represent the central services of the Group, including HR, Finance and IT, and costs of maintaining facilities such as repairs, insurance, business rates and utilities. Support costs have been allocated across the Charity's activities as indicated in Note 4.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure on a straight-line basis over the length of the lease.

Intangible fixed assets

Intangible assets comprise capitalised computer software and goodwill. Capitalised computer software is amortised over its useful life, which is usually three to five years.

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition. The useful economic life has been assessed as 10 years from the date of acquisition, which is supported by projected earnings over that period. During the year, the Trustees reviewed the carrying value of goodwill and its remaining useful economic life, and no changes were considered necessary.

Tangible fixed assets

Tangible fixed assets costing less than £500 are not capitalised and are written off in the year of purchase. Works of art are not subject to regular professional valuation due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creator changes from one period to another.

Depreciation

Tangible fixed assets are stated at historic or deemed cost following the adoption of FRS 102, less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over the period of their expected useful life as follows:

Land	No depreciation.
Freehold property	50 years straight-line basis, down to residual value.
Freehold property improvements	Up to 50 years straight-line basis depending on the expected life of the asset, down to residual value.
Long leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease, down to residual value.
Short leasehold property improvements	Up to 50 years straight-line basis depending on the period of the lease.
Motor vehicles	Two to four years straight-line basis.
Office furniture and computers	4% to 50% per annum straight-line basis.
Plant and equipment	10% to 20% per annum straight-line basis.
Musical instruments	No depreciation is provided where, in the opinion of the Trustees, the estimated residual value is in excess of the net book value. Otherwise: 10 years straight-line basis.
Works of art	No depreciation as their residual valuation is considered to be at least equal to their holding value.

A revised estimate of the residual value of freehold and long leasehold property has been made in the year and this has been set at 80% of cost, given the conservation requirements placed upon the Charity's buildings. The impact of this change in 2019/20 was to reduce the depreciation charge by £364,143.

Impairment reviews

Impairment reviews are undertaken when indicators highlight that such reviews are required. Where an asset's holding value is considered to be impaired, the loss is taken through the Statement of Financial Activities.

NOTES TO THE ACCOUNTS (*continued*)

1 ACCOUNTING POLICIES (*continued*)

Heritage assets

Previously acquired heritage assets are recorded in the financial statements at market value. Additions to heritage assets since the last valuation are recorded at cost. The trustees have adopted a policy of revaluation and as such the value of heritage assets is considered by the Trustees annually and is subject to a full professional valuation every five years. The Trustees consider that the depreciation charge and accumulated depreciation on manuscripts and other archival material is immaterial due to the extended useful economic life of these assets.

Investment properties

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in FRS 102. The Trustees consider that, because investment properties are not held for consumption but for their investment potential, to depreciate them would not give a true and fair view of the Charity's financial position. As such these properties are carried at market value at each reporting date. Market value is assessed at regular intervals, or sooner in volatile economic circumstances, using a professional valuer. Surpluses or deficits arising on revaluation are charged or credited through the Statement of Financial Activities.

Listed investments

Listed investments are valued at bid price. Differences arising on market value are taken to the Statement of Financial Activities. Realised gains and losses are recognised when the investment is disposed of, unrealised gains and losses are recognised annually.

Investments in subsidiaries

Investments in subsidiaries are held in the accounts of parent entities at the value of purchased share capital and are eliminated on consolidation.

Stocks

Stocks are stated at the lower of cost and net realisable value. Obsolete items carry a corresponding provision.

Financial instruments

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Trade, group and other debtors

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Trade, group and other creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

NOTES TO THE ACCOUNTS (*continued*)

1 ACCOUNTING POLICIES (*continued*)

Foreign currency

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken through the Statement of Financial Activities.

2 INCOME AND ENDOWMENTS

	2020 £'000	2019 £'000
<i>Donations and legacies:</i>		
Arts Council England core grant	1,403	1,403
Local authority, public and EU grants	98	119
Trusts and foundations	574	1,382
Corporate	69	63
Private individuals	622	506
Gift Aid recovered on private individual donations	149	128
Membership subscriptions	105	99
Legacies	808	23
	<u>3,828</u>	<u>3,723</u>
<i>Charitable activities:</i>		
Box Office and admissions	1,079	1,005
Box Office commission and processing charges	23	27
Course and audition fees	90	103
Hire, recording and other site use for artistic purposes	94	114
Theatre and Orchestra Tax Relief	155	230
Programme books and other	86	43
	<u>1,527</u>	<u>1,522</u>
<i>Other trading activities:</i>		
Trading turnover, including retail, catering, advertising and sponsorship	5,115	5,206
Royalties	1,782	1,249
	<u>6,897</u>	<u>6,456</u>
<i>Investments:</i>		
Dividends and interest received on bank deposits and investments	167	139
Rents received including service charges	112	126
	<u>279</u>	<u>265</u>
<i>Other income:</i>		
Gain on disposal of fixed assets	79	-
Government grants for Covid-19	31	-
	<u>110</u>	<u>-</u>
Total income and endowments	<u>12,641</u>	<u>11,966</u>

NOTES TO THE ACCOUNTS (*continued*)

3 NET INCOME FROM ACTIVITIES OF TRADING SUBSIDIARIES

The Charity has two active wholly owned trading subsidiaries which are consolidated into the Group's accounts, Snape Maltings Trading Limited (Company Number 1519527) and Britten Estate Limited (Company Number 2063909). The principal activities of both companies are highlighted on page 3.

A summary of Snape Maltings Trading Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The Company generated a loss before the amortisation of goodwill of £47,000 (2019: profit of £44,000) meaning that there was no Gift Aid distribution to Britten Pears Arts (2019: nil).

	2020 £'000	2019 £'000
Turnover	5,242	5,352
Cost of sales	(2,320)	(2,407)
Gross profit	2,922	2,946
Administrative costs excluding amortisation of goodwill	(2,998)	(2,902)
Other operating income	29	-
(Loss)/profit before amortisation of goodwill	(47)	44
Amortisation of goodwill	(158)	(158)
Loss before taxation	(205)	(114)
Tax on loss	(1)	(13)
Loss after taxation and retained loss for the period	(206)	(127)

A summary of Britten Estate Limited's result is given below and is taken from the audited accounts of that company and therefore includes transactions undertaken with other Group entities which are eliminated on consolidation of the Group's financial statements. The Company generated a profit of £1,633,000 (2019: £1,125,000). A Gift Aid distribution to Britten Pears Arts was made for this amount, as per the prior year.

	2020 £'000	2019 £'000
Turnover	1,721	1,236
Cost of sales	(1)	-
Gross profit	1,720	1,236
Administrative costs	(87)	(111)
Profit before taxation	1,633	1,125
Tax on profit	-	-
Profit after taxation and retained profit for the period	1,633	1,125

NOTES TO THE ACCOUNTS (*continued*)

4 EXPENDITURE

	Direct costs £'000	Support costs £'000	Total 2020 £'000	Total 2019 £'000
Costs of fundraising	263	120	383	331
Costs of other activities (trading)	5,029	364	5,393	5,292
Charitable activities:				
Artistic activities	2,073	964	3,037	3,138
Artistic development	1,020	504	1,524	1,818
Archive, Exhibitions and The Red House	515	605	1,120	962
Community	332	149	481	481
	<u>3,940</u>	<u>2,222</u>	<u>6,162</u>	<u>6,399</u>
Other expenditure:				
Loss on disposal of fixed assets	11	-	11	35
	<u>9,243</u>	<u>2,706</u>	<u>11,949</u>	<u>12,057</u>
Total resources expended				

Direct costs relate to expenditure required to undertake fundraising and charitable activities and include staff costs for the relevant teams and directly attributable expenditure such as trading cost of sales and overheads.

Analysis of support costs:

Type of cost:	Basis of allocation	Charitable activities £'000	Costs of fundraising £'000	Costs of other activities £'000	Total 2020 £'000	Total 2019 £'000
Operations and site running	Direct costs/time spent	1,065	62	70	1,197	1,127
Administration, IT and finance	Direct costs/time spent	1,032	50	294	1,376	1,249
Governance	Direct costs/time spent	125	8	-	133	80
		<u>2,222</u>	<u>120</u>	<u>364</u>	<u>2,706</u>	<u>2,456</u>

5 NET INCOME FOR THE PERIOD

	2020 £'000	2019 £'000
This is stated after charging:		
Stock provisions	3	8
Depreciation	282	654
Amortisation of intangible fixed assets	167	167
Auditors' remuneration – statutory audit (Charity only)	35	28
– statutory audit (other Group entities)	17	16
– tax compliance	15	16
– tax and other advisory services	34	41
Rentals paid under operating leases	10	10
Loss on disposal of fixed assets	<u>11</u>	<u>35</u>

The Charity was grateful to receive the assistance of 173 volunteer supporters who undertook a range of duties including ushering, gallery invigilation and other front-of-house duties. Volunteers, many of whom are long serving, play an important part in the smooth running of events held on site and at external locations.

NOTES TO THE ACCOUNTS (*continued*)

6 STAFF COSTS

	Raising Funds		Charitable	Support	Total	Total
	Fund-raising	Trading	Activities	Costs	2020	2019
	£'000	Activities	£'000	£'000	£'000	£'000
Wages and salaries	192	1,487	1,238	1,182	4,099	3,877
Social security costs	19	93	117	116	345	324
Pension contributions	7	32	66	68	173	163
Other benefits	1	12	8	33	54	63
	<u>219</u>	<u>1,624</u>	<u>1,429</u>	<u>1,399</u>	<u>4,671</u>	<u>4,427</u>

Termination payments in the year amounted to £79,503 (2019: £13,132). No funding was received relating to the payments.

Average number of employees during the year:

	2020	2019
Raising funds, including fundraising and trading activities	131	130
Directly involved in furtherance of the Charity's activities	50	45
Operations and administrative support	37	39
	<u>218</u>	<u>214</u>

Average number of full-time equivalent employees during the year	<u>157</u>	<u>156</u>
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The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2020	2019
£70,001 to £80,000		1
£80,001 to £90,000	2	2
£90,001 to £100,000	1	1
£150,000 to £160,000	1	
£190,001 to £200,000	<u>1</u>	<u>1</u>

7 CHIEF EXECUTIVE, KEY MANAGEMENT PERSONNEL AND TRUSTEE EMOLUMENTS

	2020	2019
	£'000	£'000
Chief Executive:		
Salary	197	197
Pension	12	12
Total	<u>209</u>	<u>209</u>
Business expenses	<u>£9,804</u>	<u>£10,636</u>

The authority to make payments to Trustees is contained within the Charity's Articles of Association. The power to appoint the Chief Executive as a Trustee was confirmed by the Charity Commission. Key management personnel for the year are identified on page 5 of the Trustees' Report. Remuneration and benefits, which include salary, pension and employer's National Insurance, received by key management personnel for the year totalled £627,000 (2019: £528,000). Other than the Chief Executive, who received remuneration and reimbursement of his business expenses, expenses of £284 (2019: £245) were paid by the Charity to its Trustees.

NOTES TO THE ACCOUNTS (*continued*)

8 INTANGIBLE FIXED ASSETS

	Goodwill £'000	Group Software £'000	Total £'000	Charity Software £'000	Total £'000
Cost:					
At 1 April 2019	2,113	73	2,186	73	73
Additions	-	2	2	2	2
At 31 March 2020	<u>2,113</u>	<u>75</u>	<u>2,188</u>	<u>75</u>	<u>75</u>
Amortisation:					
At 1 April 2019	1,162	57	1,219	57	57
Charge	159	8	167	8	8
At 31 March 2020	<u>1,321</u>	<u>65</u>	<u>1,386</u>	<u>65</u>	<u>65</u>
Net book value:					
At 31 March 2020	<u>792</u>	<u>10</u>	<u>802</u>	<u>10</u>	<u>10</u>
At 31 March 2019	<u>951</u>	<u>16</u>	<u>967</u>	<u>16</u>	<u>16</u>

Goodwill represents the difference between consideration given and the fair value of separable net assets at the date of acquisition. The useful economic life is ten years from the date of acquisition, which is supported by projected earnings over that period. During the year, the Trustees reviewed the carrying value of goodwill and its remaining useful economic life, and no changes were considered necessary.

9 TANGIBLE FIXED ASSETS

GROUP

	Freehold land and buildings £'000	Motor vehicles £'000	Musical instruments and works of art £'000	Furniture, plant and equipment £'000	Total £'000
Cost:					
1 April 2019	30,038	77	577	2,358	33,050
Additions	105	10	2	71	188
Disposals	(260)	(4)	-	(489)	(753)
31 March 2020	<u>29,883</u>	<u>83</u>	<u>579</u>	<u>1,940</u>	<u>32,485</u>
Depreciation:					
1 April 2019	4,790	63	253	1,839	6,945
Charge	125	5	8	144	282
Disposals	(39)	(4)	-	(477)	(520)
31 March 2020	<u>4,876</u>	<u>64</u>	<u>261</u>	<u>1,506</u>	<u>6,707</u>
Net book value:					
31 March 2020	<u>25,007</u>	<u>19</u>	<u>318</u>	<u>434</u>	<u>25,778</u>
31 March 2019	<u>25,248</u>	<u>14</u>	<u>324</u>	<u>519</u>	<u>26,105</u>

NOTES TO THE ACCOUNTS (*continued*)

9 TANGIBLE FIXED ASSETS (*continued*)

CHARITY

	Freehold Property £'000	Leasehold Property Improve'ts £'000	Motor vehicles £'000	Musical instrum'ts £'000	Furniture, plant and equipment £'000	Total £'000
Cost:						
1 April 2019	3,585	15,588	71	283	1,943	21,470
Additions	45	7	-	1	46	99
Disposals	-	(6)	-	-	(393)	(399)
31 March 2020	<u>3,630</u>	<u>15,589</u>	<u>71</u>	<u>284</u>	<u>1,596</u>	<u>21,170</u>
Depreciation:						
1 April 2019	42	3,914	58	253	1,617	5,884
Charge	7	15	4	8	94	128
Disposals	-	(5)	-	-	(383)	(388)
31 March 2020	<u>49</u>	<u>3,924</u>	<u>62</u>	<u>261</u>	<u>1,328</u>	<u>5,624</u>
Net book value:						
31 March 2020	<u>3,581</u>	<u>11,665</u>	<u>9</u>	<u>23</u>	<u>268</u>	<u>15,546</u>
31 March 2019	<u>3,543</u>	<u>11,674</u>	<u>13</u>	<u>30</u>	<u>326</u>	<u>15,586</u>

All fixed assets are used in the furtherance of the Group's activities.

The value of land within freehold land and buildings not depreciated at 31 March 2020 was £2,811,286 (2019: £2,811,286).

In September 2016, Aldeburgh Music Endowment Fund purchased the freehold of Bridge House, Snape, and approximately one-fifth of an acre of floodplain grazing marsh land on the north bank of the River Alde at Snape Maltings. The acquisition of Bridge House, which is located immediately adjacent to the Snape Maltings complex, allows Britten Pears Arts' artist accommodation costs to reduce while increasing Snape Maltings Trading Limited's opportunity to earn holiday rental income. The acquisition of Bridge House in Snape was partially financed by a mortgage of £875,000 provided by National Westminster Bank for which a first charge on the property was taken. The mortgage attracts a fixed rate of interest of 2.63% for five years.

Musical instruments and works of art include some assets which could be considered to be of historical or artistic significance. However, these are not maintained principally for their contribution to knowledge and culture and therefore have not been classified as heritage assets.

Under FRS 102 transition arrangements, the Trustees considered it appropriate to regard the valuation of works of art by Bonhams in 2005 as the deemed cost for these assets. Due to the potential for the periodic rise and fall in the value of works of art as the popularity of their creators changes, the Trustees consider it to be inappropriate to undertake a policy to revalue these assets.

As a requirement of receiving grant funding from Arts Council England in support of the Snape Maltings Development Plan and the purchase of freehold land and buildings at Snape Maltings, the Trustees have entered into a guarantee and legal charge over its land and a fixed and floating security over its assets.

Following an examination of the Group's tangible fixed assets, which included consideration of the use of land and buildings available to Group members, the Trustees found no indicators that require a review for impairment.

NOTES TO THE ACCOUNTS (*continued*)

10 HERITAGE ASSETS

GROUP AND CHARITY

	Land and buildings £'000	Art Objects £'000	Red House Contents £'000	Archives £'000	Total £'000
Carrying amount at 1 April 2019	3,950	6,207	300	9,449	19,906
Additions	-	-	-	167	167
Revaluation	-	-	99	-	99
Carrying amount at 31 March 2020	<u>3,950</u>	<u>6,207</u>	<u>399</u>	<u>9,616</u>	<u>20,172</u>

Revaluation of assets

Heritage Assets were professionally valued as follows:

Date of valuation	Asset Class	Valuer	Value £
28 February 2018	Land and buildings	Peter Watson FRICS Flick & Son, Chartered Surveyors	3,950,000
27 March 2015	Art Objects	Rohan McCulloch – St Georges Valuations	6,206,890
31 March 2020	Red House Contents	Gary Barfoot for Clarke and Simpson	399,096
11 March 2016	Archives	Lisa Cox Music Limited	9,430,284

The historical cost of heritage assets as at 31 March 2020 is as follows:

	2020 £'000	2019 £'000
Land and buildings	3,329	3,329
Art Objects	1,631	1,631
Red House Contents	78	78
Archives	<u>4,548</u>	<u>4,381</u>
	<u>9,586</u>	<u>9,419</u>

Heritage assets are held for the following purposes:

- to sustain the activities of the archive: to maintain and, when appropriate, to extend its priceless collection of Britten autograph manuscripts, together with other manuscripts, books, scores and works of art, and to encourage public use of the archive as a resource for educational, scholarly and relevant commercial purposes.
- to maintain and to preserve the integrity of The Red House, Britten's home, as a heritage property of national importance, whilst ensuring that the property is used to further the Foundation's objectives in a constructive way.

Five year financial summary of heritage asset transactions

	31/03/20 £'	31/03/19 £	31/03/18 £	31/03/17 £	31/03/16 £
Purchases and donations					
Archives	167,000	10,050	7,000	700	847

There have been no disposals in any period covered by the table above. There have been no further purchases or donations other than those detailed above.

NOTES TO THE ACCOUNTS (continued)

11 INVESTMENTS

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Market value at beginning of year	5,775	5,707	872	872
Additions	-	-	2,000	-
Disposals	(370)	(250)	-	-
Unrealised (loss)/gain on revaluation	(64)	318	-	-
Market value at end of year	<u>5,341</u>	<u>5,775</u>	<u>2,872</u>	<u>872</u>
Historic or deemed historic cost at end of year	<u>3,977</u>	<u>4,347</u>	<u>2,872</u>	<u>872</u>

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Investments are represented by:				
Equities and other market investments	3,599	3,663	1	1
Properties	1,742	2,112	850	850
Subsidiary undertakings	-	-	2,021	21
Market value at end of year	<u>5,341</u>	<u>5,775</u>	<u>2,872</u>	<u>872</u>
Equities and other market investments	2,412	2,412	1	1
Properties	1,565	1,935	850	850
Subsidiary undertakings	-	-	2,021	21
Historic or deemed historic cost at end of year	<u>3,977</u>	<u>4,347</u>	<u>2,872</u>	<u>872</u>

The Trustees hold market and property investments for the long-term and have no plans to liquidate these assets. In August 2016, investment properties at Snape Maltings were valued by Fenn Wright, Chartered Surveyors, who assigned a value as at 1 April 2014, the date of transition to FRS 102. The Trustees consider the valuation, which is their deemed historic cost, has not materially changed during the period to 31 March 2020.

Subsidiary undertakings:

The Charity is supported by its subsidiary undertakings, holding all the issued share capital of those companies in the form of Ordinary shares and Redeemable preference shares:

	% held	Aggregate Capital and Reserves £'000
Snape Maltings Trading Limited (Company Number 1519527)	<u>100</u>	<u>131</u>

Snape Maltings Trading Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

	% held	Aggregate Capital and Reserves £'000
Britten Estate Limited (Company Number 2063909)	<u>100</u>	<u>21</u>

Britten Estate Limited is incorporated in England and Wales and donates any distributable profits under the Gift Aid scheme to Britten Pears Arts in support of its charitable objects. The Company's results are included in these consolidated financial statements and its financial statements are separately filed at Companies House.

NOTES TO THE ACCOUNTS (*continued*)

12 FINANCIAL INSTRUMENTS

The carrying amount of the Group's and Charity's financial instruments at 31 March were:

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Financial assets measured at fair value	<u>3,599</u>	<u>3,663</u>	<u>1</u>	<u>1</u>

13 STOCKS

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Goods held for resale	524	509	-	-
Fuel	<u>11</u>	<u>12</u>	<u>-</u>	<u>-</u>
	<u>535</u>	<u>521</u>	<u>-</u>	<u>-</u>

14 DEBTORS

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade debtors	164	96	77	44
Amounts due from group undertakings	-	-	1,007	807
Prepayments and accrued income	2,298	1,912	827	1,257
Other current debtors	425	470	416	463
Long-term debtor – deferred tax	<u>95</u>	<u>96</u>	<u>-</u>	<u>-</u>
	<u>2,982</u>	<u>2,574</u>	<u>2,327</u>	<u>2,571</u>

15 LONG-TERM DEFERRED TAX ASSET

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Balance at 1 April	96	108	-	-
Fixed asset timing differences	(1)	(14)	-	-
Short-term timing differences	-	2	-	-
Losses and other deductions	-	-	-	-
Balance at 31 March	<u>95</u>	<u>96</u>	<u>-</u>	<u>-</u>

Deferred tax is comprised as follows:

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Fixed asset timing differences	(26)	(25)	-	-
Short-term timing differences	2	2	-	-
Losses and other deductions	<u>119</u>	<u>119</u>	<u>-</u>	<u>-</u>
	<u>95</u>	<u>96</u>	<u>-</u>	<u>-</u>

The Directors of Snape Maltings Trading Limited consider deferred tax will be recoverable against profits to be generated in future accounting periods. £86,192 of deferred tax has not been recognised.

NOTES TO THE ACCOUNTS (continued)

16 CREDITORS

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade creditors	564	747	242	235
Other taxes and Social Security	249	195	136	100
Other creditors	122	126	122	125
Accruals and deferred income	982	742	654	494
Deferred consideration	-	690	-	-
Bank loan	28	27	-	-
	<u>1,945</u>	<u>2,527</u>	<u>1,154</u>	<u>954</u>

Included within other creditors are amounts held as agent of £28,096 (2019: £46,477) which is means tested funding provided by the Department for Education to certain members of the Aldeburgh Young Musicians for the advancement of their artistic development. Funds are held by the Charity in a separate balance sheet control account, are subject to an annual internal review and are available for examination by the Department for Education.

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Amounts falling due after more than one year:				
Bank loan	755	783	-	-
Deferred Section 106 liability	83	83	-	-
Rent deposit held as security	6	8	-	-
	<u>844</u>	<u>874</u>	<u>-</u>	<u>-</u>

The bank loan represents the outstanding capital on a mortgage provided by National Westminster Bank on the purchase of Bridge House, Snape, in September 2016. The loan is secured on Bridge House which has a carrying value of £1,366,566 (2019: £1,370,871). The loan term is 25 years with a fixed interest rate agreement of 2.63% for the first five years.

The S.106 liability refers to the amounts that were paid ahead of the acquisition of the Snape site in 2015 and will be due on further development or returnable as deferred consideration if there is no development.

17 TAXATION

Snape Maltings Trading Limited currently has a retained deficit due to the amortisation of goodwill and therefore has no liability to pay UK Corporation Tax. Other members of the Group have no, or minimal, liability for UK taxation due to their charitable status or lack of retained profits.

18 UNRESTRICTED AND RESTRICTED FUNDS

GROUP CURRENT YEAR	Balance 1 April 2019 £'000	Income £'000	Expend. £'000	Investm't Losses £'000	Transfers £'000	Balance 31 March 2020 £'000
Unrestricted funds:						
General	743	10,558	(9,990)	-	1,460	2,771
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	1,436	-	-	-	(19)	1,417
Royalty replacement fund	468	-	-	-	399	867
Other designated funds	100	-	-	-	-	100
Total designated funds	<u>2,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>380</u>	<u>2,719</u>
Total unrestricted funds	<u>3,082</u>	<u>10,558</u>	<u>(9,990)</u>	<u>-</u>	<u>1,840</u>	<u>5,490</u>
Restricted funds:						
Basil Coleman Memorial Fund	1,201	54	-	(23)	-	1,232
Other income reserves	1,532	830	(1,668)	-	276	970
BPYAP and other activities	365	110	(7)	(5)	(99)	364
Restricted fixed assets	16,931	14	(105)	-	-	16,840
Total restricted funds	<u>20,029</u>	<u>1,008</u>	<u>(1,780)</u>	<u>(28)</u>	<u>177</u>	<u>19,406</u>

NOTES TO THE ACCOUNTS (continued)

18 UNRESTRICTED AND RESTRICTED FUNDS (continued)

GROUP PRIOR YEAR	Balance 1 April 2018 £'000	Income £'000	Expend. £'000	Investm't Gains £'000	Transfers £'000	Balance 31 March 2019 £'000
Unrestricted funds:						
General	875	9,896	(9,968)	-	(60)	743
Designated Artist Fund	175	-	-	-	-	175
Designated Opera and Comm'n Fund	160	-	-	-	-	160
Designated fixed assets	1,459	-	-	-	(23)	1,436
Royalty replacement fund	-	-	-	-	468	468
Other designated funds	509	-	-	-	(409)	100
Total designated funds	2,303	-	-	-	36	2,339
Total unrestricted funds	3,178	9,896	(9,968)	-	(24)	3,082
Restricted funds:						
Basil Coleman Memorial Fund	1,082	45	-	74	-	1,201
Other income reserves	900	1,807	(1,385)	-	210	1,532
BPYAP and other activities	347	15	(4)	10	(3)	365
Restricted fixed assets	17,435	-	(504)	-	-	16,931
Total restricted funds	19,764	1,867	(1,893)	84	207	20,029

Transfers between funds represent consolidation adjustments required following the differing treatment of funds between Group entities.

CHARITY CURRENT YEAR	Balance 1 April 2019 £'000	Income £'000	Expend. £'000	Transfers £'000	Balance 31 March 2020 £'000
Unrestricted funds:					
General	1,405	8,062	(5,360)	(472)	3,635
Designated Artist Fund	175	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	160
Designated fixed assets	1,436	-	-	(19)	1,417
Royalty replacement fund	468	-	-	399	867
Other designated income funds	100	-	-	-	100
Total designated funds	2,339	-	-	380	2,719
Total unrestricted funds	3,744	8,062	(5,360)	(92)	6,354
Restricted funds:					
Other income reserves	1,532	1,106	(1,668)	-	970
Britten-Pears Young Artist Programme	201	90	(7)	(75)	209
Restricted fixed assets	11,454	-	(23)	-	11,431
Total restricted funds	13,187	1,196	(1,698)	(75)	12,610

CHARITY PRIOR YEAR	Balance 1 April 2018 £'000	Income £'000	Expend. £'000	Transfers £'000	Balance 31 March 2019 £'000
Unrestricted funds:					
General	1,410	5,385	(5,345)	(45)	1,405
Designated Artist Fund	175	-	-	-	175
Designated Opera and Commission Fund	160	-	-	-	160
Designated fixed assets	1,459	-	-	(23)	1,436
Royalty replacement fund	-	-	-	468	468
Other designated income funds	509	-	-	(409)	100
Total designated funds	2,303	-	-	36	2,339
Total unrestricted funds	3,713	5,385	(5,345)	(9)	3,744
Restricted funds:					
Other income reserves	900	2,017	(1,385)	-	1,532
Britten-Pears Young Artist Programme	201	4	(4)	-	201
Restricted fixed assets	11,806	-	(352)	-	11,454
Total restricted funds	12,907	2,021	(1,741)	-	13,187

NOTES TO THE ACCOUNTS (continued)

18 UNRESTRICTED AND RESTRICTED FUNDS (continued)

General unrestricted funds are available for use as Trustees consider appropriate.

The designated Artist Fund was created to underpin the expansion in artist development. With £175,000 already in this reserve the Trustees believe it holds sufficient funds to meet its aims.

The designated Opera and Commission Fund provides support for the development of opera, an area noted for high production costs. The target amount for this reserve is £200,000.

The designated fixed asset funds represent the net book value of non-heritage fixed assets and investment properties, formerly held by the Britten Pears Foundation, at the end of the year.

Other designated funds include a £100,000 capital fund, to maintain the fabric at the Red House site. The £200,000 grants fund established by the Britten Pears Foundation is no longer required following merger with the main grant recipient and it has been added to the royalty replacement reserve set up to provide funds for future activities when copyright income ceases. This reserve stood at £867,000 at 31 March 2020.

Restricted funds represent grants, donations and legacies which must be used as donors have directed.

- The Basil Coleman Memorial Fund provides funding in support of fully staged operas (particularly those of Benjamin Britten) performed by students of the Britten–Pears Young Artist Programme upon completion of opera courses.
- Other income reserves represent amounts recognised in advance of associated project delivery, and include funding in support of developing the creative health initiative.
- Funds held in the BPYAP and other activities reserve support specific activities including the Britten–Pears Young Artist Programme.
- Restricted fixed assets reflect the balance of grants and donations received, less depreciation charges, in support of the purchase of land and buildings, site redevelopment and some works of art.

19 ENDOWMENT FUNDS

GROUP	Balance 1 April 2019 £'000	Income £'000	Expend. £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	Balance 31 March 2020 £'000
Expendable – General	4,144	169	(179)	(19)	(1,354)	-	2,761
Expendable – Designated	6,980	906	-	(6)	(830)	-	7,050
Expendable – Catalyst	2,189	-	-	(8)	-	-	2,181
Total expendable endowment	13,313	1,075	(179)	(33)	(2,184)	-	11,992
Permanent endowment	18,819	-	-	(3)	167	99	19,082
Total Endowment Funds	32,132	1,075	(179)	(36)	(2,017)	99	31,074

	Balance 1 April 2018 £'000	Income £'000	Expend. £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	Balance 31 March 2019 £'000
Expendable – General	4,356	89	(196)	-	(105)	-	4,144
Expendable – Designated	6,767	113	-	186	(86)	-	6,980
Expendable – Catalyst	2,145	-	-	44	-	-	2,189
Total expendable endowment	13,268	202	(196)	230	(191)	-	13,313
Permanent endowment	18,806	-	-	3	10	-	18,819
Total Endowment Funds	32,074	202	(196)	233	(181)	-	32,132

NOTES TO THE ACCOUNTS (continued)

19 ENDOWMENT FUNDS (continued)

CHARITY	Balance 1 April 2019 £'000	Income £'000	Expend £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	Balance 31 March 2020 £'000
Expendable – Designated	4,435	-	-	-	-	-	4,435
Total expendable endowment	4,435	-	-	-	-	-	4,435
Permanent endowment	18,656	-	-	-	167	99	18,922
Total Endowment Funds	23,091	-	-	-	167	99	23,357

	Balance 1 April 2018 £'000	Income £'000	Expend £'000	Invest. Gains £'000	Transfers £'000	Other Gains £'000	Balance 31 March 2019 £'000
Expendable – Designated	4,435	-	-	-	-	-	4,435
Total expendable endowment	4,435	-	-	-	-	-	4,435
Permanent endowment	18,646	-	-	-	10	-	18,656
Total Endowment Funds	23,081	-	-	-	10	-	23,091

Expendable – General

These are unrestricted funds that may be used for any charitable purpose at the discretion of the Trustees.

Expendable – Designated

- Britten–Pears Young Artist Programme Funds provide financial support to Snape Maltings to enable students from around the world to attend masterclasses held as part of the Britten–Pears Young Artist Programme.
- Britten–Pears and Events Funds provide funding in support of the Britten–Pears Young Artist Programme and events at Snape Maltings Concert Hall.
- The Replacement and Renewals Fund exists to meet significant ongoing repairs and improvements to the Snape Maltings' site, including the Concert Hall and its infrastructure.
- The Contingency Reserve aims to build a sum of £950,000 over the medium to long-term. The reserve is intended to cover known and likely costs payable over a notional 12 to 24-month period during which the Group would be restructured following the occurrence of one or more unforeseen risks such as the loss of support from key funders.
- The heritage asset and fixed asset funds represent the net book value of the assets at the year end.

Expendable – Catalyst

In 2012, Arts Council England awarded a grant under the Catalyst Arts: endowments scheme. New funds totalling £1,000,000 were matched-funded by Arts Council England to create a new endowment. The grant was made subject to various conditions, including the Trustees signing a Declaration of Trust which includes a provision that the capital will be invested for a minimum of 25 years, after which it will become unrestricted.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Snape Maltings for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

Investment income generated by this expendable endowment may only be used to provide additional financial support to Britten Pears Arts for talent development, maximising the legacy of the Britten Centenary, developing new opera, supporting the Aldeburgh Festival and the digital distribution of music.

Permanent endowment

Permanent endowment reserves are comprised of funds, predominantly heritage assets, whose capital may not be spent. The heritage asset funds represent the net book value of the assets at the end of the year, and comprise of The Archive Collection, The Red House and Outbuildings, and The Red House Collection.

NOTES TO THE ACCOUNTS (*continued*)

20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2020 are represented by:				
Intangible assets	802	-	-	802
Tangible assets	1,101	16,251	8,426	25,778
Heritage assets	-	-	20,172	20,172
Investments	851	1,885	2,605	5,341
Net current assets	2,736	1,276	709	4,721
Creditors falling due after more than one year	-	(6)	(838)	(844)
	<u>5,490</u>	<u>19,406</u>	<u>31,074</u>	<u>55,970</u>

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2019 are represented by:				
Intangible assets	967	-	-	967
Tangible assets	1,134	16,341	8,630	26,105
Heritage assets	-	-	19,906	19,906
Investments	(1,149)	1,922	5,002	5,775
Net current assets	2,130	1,774	(540)	3,364
Creditors falling due after more than one year	-	(8)	(866)	(874)
	<u>3,082</u>	<u>20,029</u>	<u>32,132</u>	<u>55,243</u>

ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	10	-	-	10
Tangible fixed assets	929	11,431	3,185	15,545
Heritage assets	-	-	20,172	20,172
Investments	2,872	-	-	2,872
Net current assets	2,547	1,179	-	3,726
	<u>6,358</u>	<u>12,610</u>	<u>23,357</u>	<u>42,325</u>

	Unrest'd £'000	Rest'd £'000	Endow't £'000	Total £'000
Fund balances at 31 March 2019 are represented by:				
Intangible fixed assets	16	-	-	16
Tangible fixed assets	947	11,454	3,185	15,586
Heritage assets	-	-	19,906	19,906
Investments	872	-	-	872
Net current assets	1,909	1,733	-	3,642
	<u>3,744</u>	<u>13,187</u>	<u>23,091</u>	<u>40,022</u>

21 PENSION COMMITMENTS

The Group operates separate defined contribution group personal pension schemes for the Charity and its subsidiary, Snape Maltings Trading Limited. The assets are held in an independently administered fund. Contributions paid during the period amounted to £184,029 (2019: £163,766), of which £32,177 (2019: £28,423) related to higher paid staff within the income bands highlighted in Note 6.

Outstanding pension contributions, which are included within other creditors at 31 March 2020, totalled £25,743 (2019: £14,944).

22 CAPITAL COMMITMENTS

At 31 March, capital commitments amounted to £22,550 (2019: £30,325).

NOTES TO THE ACCOUNTS (*continued*)

23 RELATED CHARITY

During the year, Britten Pears Arts had an interest in Aldeburgh Music Endowment Fund through its right to appoint Trustees. Aldeburgh Music Endowment Fund is a separate registered charity whose primary purpose is to provide financial support to Britten Pears Arts. As at 31 March 2020, the net assets of Aldeburgh Music Endowment Fund amounted to £14,507,951 (2019: £15,883,729). The Trustees are completing the transfer of the assets and liabilities of Aldeburgh Music Endowment Fund into Britten Pears Arts in the year to 31 March 2021.

24 RELATED PARTY TRANSACTIONS

Due to the nature of the Group's operations and the composition of Trustees, transactions sometimes take place with non-Group organisations in which a Trustee will have an interest. All commercial transactions involving Trustees are conducted at arm's length and in accordance with normal purchasing procedures.

During the year, the Group recognised donations from Trustees and other family members totalling £309,903 including Gift Aid (2019: £270,986), of which £nil is within debtors at year end (2019: £1,000). One Trustee in the year paid residential accommodation ground rent to the Group of £600 (2019: £600).

Transactions between the Charity and Group members during the current and prior periods were as follows:

	Snape Maltings Trading Limited	Britten Estate Limited	Aldeburgh Music Endowment Fund	Elm j Property Investments (Snape Maltings) Limited
	£	£	£	£
<u>Current year</u>				
Balance at 31 March 2020	171,712	833,803	1,178	-
Income				
Grants	-	-	533,060	-
Assignment of loan	-	-	2,000,000	-
Management charges	315,546	-	123,807	5,393
Interest on loan	2,150	-	-	-
Utility, accommodation and other income	7,715	-	7,038	-
	<u>325,411</u>	<u>-</u>	<u>2,663,905</u>	<u>5,393</u>
Expenditure				
Management charges	4,520	-	-	-
Catering, car parking and other charges	142,995	-	-	-
Rent	-	-	81,560	-
	<u>147,515</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Prior year</u>				
Balance at 31 March 2019	56,040	752,006	725	-
Income				
Grants	-	-	533,060	-
Management charges	307,479	-	123,950	3,141
Utility, accommodation and other income	14,647	-	7,538	-
	<u>322,126</u>	<u>-</u>	<u>664,548</u>	<u>3,141</u>
Expenditure				
Management charges	22,006	-	-	-
Catering, car parking and other charges	138,262	-	-	-
Rent	-	-	81,560	-
	<u>160,268</u>	<u>-</u>	<u>81,560</u>	<u>-</u>

The organisational structure of the Group and the relationship between each Group member is highlighted on page 3 of the Trustees Report. All Group members have their registered office at Snape Maltings Concert Hall, Snape, Saxmundham, Suffolk IP17 1SP.

NOTES TO THE ACCOUNTS (continued)

25 ANALYSIS OF CHANGES IN NET DEBT

Group	1 April 2019 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2020 £'000
Cash and cash equivalents				
Cash	2,796	352	-	3,148
	2,796	352	-	3,148
Borrowings				
Debt due within 1 year	(27)	27	(28)	(28)
Debt due after 1 year	(783)	-	28	(755)
	(810)	27	-	(783)
	1,986	379	(63,344)	2,365

Charity	1 April 2019 £'000	Cash flow £'000	Other non cash changes £'000	31 March 2020 £'000
Cash and cash equivalents				
Cash	2,025	528	-	2,553
	2,025	528	-	2,553
	2,025	528	-	2,553

26 CONTINGENT LIABILITY

The Charity and its wholly owned subsidiaries, Snape Maltings Trading Limited and Britten Estate Limited, share the same registration for VAT purposes, reducing administration and imposing joint and several liabilities on each party. At 31 March 2020, the net joint VAT liability was £67,193 (2019: £96,244). Of this liability, £11,770 (2019: £33,984) is represented by the Charity, £55,423 (2019: £62,266) by Snape Maltings Trading Limited, and £nil (2019: debtor of £6) by Britten Estate Limited.

Following a routine inspection of records undertaken by HMRC in June 2017, the Charity is continuing to provide information to substantiate its position regarding its treatment of VAT on Friends and other levels of philanthropic giving as well as recognition of donations through the inscription of names on wooden boards and metal plaques. Having taken advice from Counsel, the Trustees are of the firm opinion that there is no liability for further amounts of VAT and have therefore not made provision in the year.

27 OPERATING LEASE COMMITMENTS

Besides low value commitments to hire equipment for activities, the Charity and Snape Maltings Trading Limited occupy premises at Snape Maltings and Aldeburgh which are leased from Aldeburgh Music Endowment Fund and from Elm Property Investments (Snape Maltings) Limited. Related income and expenditure are eliminated on consolidation.

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £'000	2019 £'000
Amounts due:		
Within one year	26	26
Between one and five years	14	22
	<u>40</u>	<u>48</u>

28 GUARANTEE

The Charity is a company limited by guarantee. In the event of any winding up, each member would be required to contribute £1 towards the liabilities of the company. As at 31 March 2020 there were 18 such members (2019: 18).

NOTES TO THE ACCOUNTS (*continued*)

29 MERGER WITH THE BRITTEN PEARS FOUNDATION

On the 31 March 2020 Snape Maltings undertook a merger with The Britten Pears Foundation, registered office, The Red House, Golf Lane, Aldeburgh, Suffolk who are both charitable companies in the arts sector. The charity was subsequently renamed Britten Pears Arts. All assets and liabilities were transferred from the Britten Pears Foundation. No adjustments to the carrying value of assets or liabilities were required during this process. Adjustments have been made to restate certain Restricted funds as Endowment funds. Permanent endowment funds have been created firstly for the archive collection and secondly for the Red House, its outbuildings and its collection. The archive building and other property fixed assets have been transferred as Expendable endowment designated funds.

Analysis of principal SOFA components for the current reporting period

	Snape Maltings	Britten Pears Foundation	Eliminate trading	Combined total
	£'000	£'000	£'000	£'000
Total income	7,373	1,935	(50)	9,258
Total expenditure	(5,874)	(1,380)	200	(7,054)
Net income/expenditure	<u>1,499</u>	<u>555</u>	<u>150</u>	<u>2,204</u>
Gain on revaluation of fixed assets	-	99	-	99
Net movement in funds	<u>1,499</u>	<u>654</u>	<u>150</u>	<u>2,303</u>

Analysis of principal SOFA components for the previous reporting period

	Snape Maltings	Britten Pears Foundation	Eliminate trading	Combined total
	£'000	£'000	£'000	£'000
Total income	6,382	1,224	(200)	7,406
Total expenditure	(6,072)	(1,215)	200	(7,087)
Net income/expenditure	<u>310</u>	<u>9</u>	<u>-</u>	<u>319</u>
Gain on investments	-	1	-	1
Net movement in funds	<u>310</u>	<u>10</u>	<u>-</u>	<u>320</u>

NOTES TO THE ACCOUNTS (continued)

29 MERGER WITH THE BRITTEN PEARS FOUNDATION (continued)

Analysis of net assets at the date of the merger

	Snape Maltings	Britten Pears Foundation	Restatement	Combined total
	£'000	£'000	£'000	£'000
Fixed assets				
Intangible assets	10	-	-	10
Tangible assets	11,794	3,752	-	15,546
Heritage assets	-	20,172	-	20,172
Investments	2,000	872	-	2,872
	<u>13,804</u>	<u>24,796</u>	<u>-</u>	<u>38,600</u>
Current assets				
Stock	-	15	(15)	-
Debtors	1,354	958	15	2,327
Cash at bank and in hand	1,857	696	-	2,553
	<u>3,211</u>	<u>1,669</u>	<u>-</u>	<u>4,880</u>
Creditors: amounts falling within one year	(1,089)	(65)	-	(1,154)
Net current assets	<u>2,122</u>	<u>1,604</u>	<u>-</u>	<u>3,726</u>
Total assets less current liabilities	15,926	26,400	-	42,326
Net assets	<u>15,926</u>	<u>26,400</u>	<u>-</u>	<u>42,326</u>
Unrestricted funds				
General fund	2,990	650	-	3,640
Designated funds:				
Designated Artist Fund	175	-	-	175
Designated Opera and Commission Fund	160	-	-	160
Designated fixed assets	-	24,774	(23,357)	1,417
Other designated funds	-	967	-	967
Total unrestricted funds	<u>3,325</u>	<u>26,391</u>	<u>(23,357)</u>	<u>6,359</u>
Restricted funds				
Other income reserves	970	-	-	970
BPYAP and other activities	200	9	-	209
Restricted fixed assets	11,431	-	-	11,431
Total restricted funds	<u>12,601</u>	<u>9</u>	<u>-</u>	<u>12,610</u>
Endowment funds				
Expendable – Designated	-	-	4,435	4,435
Permanent endowment	-	-	18,922	18,922
Total endowment funds	<u>-</u>	<u>-</u>	<u>23,357</u>	<u>23,357</u>
Total funds	<u>15,926</u>	<u>26,400</u>	<u>-</u>	<u>42,326</u>

Analysis of net assets at the previous reporting date

	Snappe Maltings	Britten Pears Foundation	Restate funds	Combined total
	£'000	£'000	£'000	£'000
Fixed assets				
Intangible assets	16	-	-	16
Tangible assets	11,816	3,770	-	15,586
Heritage assets	-	19,906	-	19,906
Investments	-	872	-	872
	<u>11,832</u>	<u>24,548</u>	<u>-</u>	<u>36,380</u>
Current assets				
Stock	-	16	(16)	-
Debtors	1,908	847	(184)	2,571
Cash at bank and in hand	1,565	460	-	2,025
	<u>3,473</u>	<u>1,323</u>	<u>(200)</u>	<u>4,596</u>
Creditors: amounts falling within one year	(879)	(125)	50	(954)
Net current assets	<u>2,594</u>	<u>1,198</u>	<u>(150)</u>	<u>3,642</u>
Total assets less current liabilities	14,426	25,746	(150)	40,022
Net assets	<u>14,426</u>	<u>25,746</u>	<u>(150)</u>	<u>40,022</u>
Unrestricted funds				
General fund	905	650	(150)	1,405
Designated funds:				
Designated Artist Fund	175	-	-	175
Designated Opera and Commission Fund	160	-	-	160
Designated fixed assets	-	24,895	(23,091)	1,804
Other designated funds	-	200	-	200
Total unrestricted funds	<u>1,240</u>	<u>25,745</u>	<u>(23,241)</u>	<u>3,744</u>
Restricted funds				
Other income reserves	1,532	-	-	1,532
BPYAP and other activities	200	1	-	201
Restricted fixed assets	11,454	-	-	11,454
Total restricted funds	<u>13,186</u>	<u>1</u>	<u>-</u>	<u>13,187</u>
Endowment funds				
Expendable – Designated	-	-	4,435	4,435
Permanent endowment	-	-	18,656	18,656
Total endowment funds	<u>-</u>	<u>-</u>	<u>23,091</u>	<u>23,091</u>
Total funds	<u>14,426</u>	<u>25,746</u>	<u>(150)</u>	<u>40,022</u>