Music Beyond Mainstream Limited Financial Statements For the Year Ended 31 March 2017

Charity Number 1141227

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Financial Statements

Year Ended 31 March 2017

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Trustees Annual Report

Year Ended 31 March 2017

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 March 2017.

Objectives and Activities

The objects of the charity are to promote the arts for the public benefit by producing, promoting and organising concerts and multi-disciplinary performances for the public.

Our primary activity is to produce, co-produce and promote concert events and to produce them as touring productions to ensure wide public distribution within the UK. Our concert tour activity is focussed on delivering events that have considerable artistic realised regionally by the commercial sector. They are concert events that would not otherwise be available to the public through regional concert venues. Our distinctive productions and promotions offer new artistic opportunities to people that already engage with concert and arts events to extend their experiences, but equally offer new and different people the opportunity engage with music and the arts.

Achievements and Performance

Activity this year was manly focussed on three projects at differing stages of development. Tindersticks' "The Waiting Room" delivered early in the financial year, the mid stage development of a project presenting the soundtrack of the civil rights movement featuring the Muscle Shoals All Stars & Candi Staton and early-mid stage project development of Pieces of a Man; The Gil Scott-Heron Project. The latter being a re-envisaged regional tour of a production staged at the Roundhouse in March 2016. We were also successful in securing funding for another project scheduled for delivery in 2017/2018 called Dear Esther Live.

Tindersticks: The Waiting Room

Tindersticks released their first album in 1993, an audacious seventy-nine-minute sprawling double album that paid little if no attention to the prevailing musical scene. Self-produced, it broke many supposed rules of how albums should be made. It was released to huge critical acclaim and established the band on a path of musical adventure that they are still feeling their way down today.

Along the way they have continued to explore and develop their sound, touring the world, often playing with orchestras, scoring 7 films by renowned film director Claire Denis, writing and recording many duets and singing with, amongst others, Lhasa de Sela, Mary Margaret O'Hara and Isabella Rossellini as well as creating soundscapes for museums and music for art installations. The 3 original members - Stuart A. Staples, Neil Fraser and David Boulter - are now fully joined by Dan Mckinna (bass) and Earl Harvin (drums). Together they have created the band's 10th studio album, 'The Waiting Room'.

In 2011 Music Beyond Mainstream and Tindersticks first came together to tour the live soundtrack project featuring a carefully constructed selection of scenes from Claire Denis astonishing films with mesmerising results. In 2015 Stuart Staples approach Claremont-Ferrand Film Festival (CFFF), on a new project that involved both new music for the new "Waiting Room" album that involved film making but in a highly original way with a view to touring a live version.

The concept as Stuart describes it, "...basically came from the idea of creating visual spaces for the music of the album to inhabit - To commission films, not to try and describe the songs but to 'hold' them". Tindersticks would never be interested in producing traditional music videos. With the support of CFFF and co-commissioned by Music Beyond Mainstream some of the most interesting film makers including Rosie Peddler and Joe King(UK), Christoph Girardet (Germany), Claire Denis (France), Pierre Vinour, Richard Dumas (France) and Gabriel Sanna (Brazil) set about creating pieces to respond creatively to the music.

Trustees Annual Report (continued)

Year Ended 31 March 2017

Having committed to a co-commissioning role, MBM's considerable experience of tour production came into its own as the live version involved projecting the newly commissioned films on a cinematic scale as a backdrop to the live performance. The results intriguing and stunning and gave a sense of what is possible of concert halls in the twenty first century.

The value that MBM bring to the production process by Tindersticks:

"Thank you to MBM for supporting this project and collaborating so sensitively again with Tindersticks. It takes considerable vision see the potential of projects like this where so much might or might not work! It is encouraging to know there is still an organisation willing to back work that represents a risk and is worth creating not because it is sure fired box office but because it's...well just worth creating. Thanks to all at MBM". - Stuart Staples, Tindersticks

"The Waiting Room" was actually the culmination of a trilogy of touring projects successfully proposed to Art Council England for funding. In fact it was a substitute replacing the final project of the three but it was certainly not substitute in performance terms. Artistically a great success and contributing significantly to MBM's goal to support the introduction of new and different audiences to our participating venue promoters. Relationships that they can cultivate and nurture.

For mainstream contemporary popular music and classical music programmes in MBM venues the benchmark for new audiences is 12%. Across the trilogy of projects in this funding application MBM delivered 28% new audiences, more than doubling the benchmark.

Muscle Shoals All Stars featuring Candi Staton

In 2016/2017 we considerably advanced the development of a project based on the soundtrack of the civil rights movement that would feature the Muscle Shoals All Stars with Candi Staton in collaboration with partners from the Newcastle Gateshead Initiative. Plans were in progress with the artists when unfortunately personal circumstances meant the artist could no longer continue with the project. Although this particular project is not now possible the development work has resulted in a concept for a project that could be developed with other artists at a later stage.

Pieces of a Man: The Gil Scott-Heron project

A considerable amount of activity has been undertaken on this project featuring the work of this seminal artist including a successful application for funding to Arts Council England for £81,624. Originally scheduled for early Autumn 2017 we revised delivery until February 2018, with the permission of Arts Council England because the leading art stic partner became unavailable in the period originally envisaged. Our creative producing partner Convergence began work on developing the line-up hat would work for the concept at the heart of this project.

Dear Esther Live

The rapid development of a proposal to restage and tour a ground-breaking video game Dear Esther. Dear Esther foregoes the more traditional first-person shooter gaming experience in favour of storytelling narrative, fabulous musical composition as the score for the gaming environment and a stunning aesthetic in game graphics. The live experience is immersive and features the game played live and projected on a cinematic scale complete with a live performance of and score in the precision acoustic environment of concert spaces along with performed narration delivering the story of Dear Esther. Sonically and visually rich and beautiful the production is technically ambitious and builds on the experiences we have had to date with live score projects like It Came From Outerspace, Tindersticks' Claire Denis Film Scores and The Waiting Room and Asian Dub Foundations THX1138. The development work for 12 performances from 3rd Nov 2017 to 2nd Feb 2018.

Trustees Annual Report (continued)

Year Ended 31 March 2017

Financial Review

The financial year essentially went as planned. Careful control and monitoring of financial resources ensured overheads/core costs and project finances were well within budget.

Our reliance on project funding from the UK arts funding system represents an increased risk as central government and local government support for the arts is in decline. Directors are aware of the challenges of maintaining the charity and its collaborative approach to delivering public benefit and continue to assess the risk on an ongoing basis accordingly.

The Board have a General Reserve level of £60,000, having assessed the likely needs of the organisation in the worst case scenario of a catastrophic with drawal of funding revenue while having contractual commitments to deliver produced tours. Such a level should allow for the delivery of contractual obligations and, if necessary, the orderly winding up of the organisation..

Plans for Future Periods

MBM has made a significant contribution to the development and diversity of the live music offer available to the public over the last few years. Promoter venues have been able to sustain programmes that are far more distinctive artistically than they were a decade ago when the offer was almost exclusively classical music and commercially produced pop. MBM does not claim the entire credit for that but it has undoubtedly contributed to that movement.

We will continue to develop the emphasis on producing and co-producing, as distinguished from straight forward distribution because this is where MBM can add real value to the production chain. MBM is uniquely positioned to increase the connectivity between supply and demand. While that sounds relatively simple it represents significant further development that is both exciting and challenging. Next year is really all about the delivery of the projects developed in the year that is the focus of this current report and to explore and nurture ideas and concepts for development into future projects.

Structure, Governance and Management

Music Beyond Mainstream Ltd (MBM) is a registered charity and a company limited by guarantee. It was incorporated as a company limited by guarantee on 22 April 2005 and is governed by its Memorandum and Articles of Association. It was registered as a charity on 7th April 2011.

The Directors are the Trustees of the charity. As the Board of Directors they form its governing body which has ultimate responsibility for the proper administration of the charity and acts in its interests. Nominations for Trustee appointments are solicited from among the wider membership and are appointed by invitation of existing Trustees who assess candidates on the basis of skills they can contribute to the future direction of the organisation. New appointees are apprised of their obligations both as Trustees of the charity and as Directors of a company limited by guarantee, and they receive an induction into the organisation, its current position and all significant issues.

The Board of Directors is responsible for setting the strategic direction of the organisation giving consideration to resources and the risks and opportunities in the operating environment. The Board ensures compliance and has overall financial control, approving budgets and monitoring expenditure and revenues. The Board has overall approval of the programme of activity, ensuring it is consistent with objectives and maximises public benefit. The Board meets at least quarterly, and on other occasions as required to consider issues of particular significance.

While the Board retains the ultimate responsibility for running the charity, the management and day to day functions of implementing the Board's decisions are devolved to the General Manager. The General Manager is required to report to the Board at all Board meetings including areas of risk that require consideration. Other operational delivery functions are carried out by specialist contracted staff or companies on a project by project basis.

Trustees Annual Report (continued)

Year Ended 31 March 2017

Public benefit

Our main activities and beneficiaries are described elsewhere in this report. All our charitable activities are undertaken to further our charitable purposes for the public benefit. The Trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

Reference and Administrative Details

Registered Charity Name

Music Beyond Mainstream Limited

Charity Registration Number

1141227

Company Registration Number

05432853

Principal office

Westbourne House

Station Road

Thirsk

North Yorkshire

Y07 1PZ

Registered Office

The Anvil Churchill Way Basingstoke Hampshire RG21 7QR

The Trustees

The trustees who served the company during the period were as follows:

Mr N Reed (Chair) Mr N J Hallam Miss T Austin

Mr Karl N Chapman

Mr M Cleaver (appointed 17 March 2017)

Mr R Haswell was appointed as a trustee on 20 April 2017.

Secretary

M Cleaver

Bankers

Co-Operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP

Registered office:

The Anvil Churchill Way Basingstoke Hampshire RG21 7QR Signed by order of the trustees

M Cleaver

Company Secretary

Date: 11.10.17

Independent Examiner's Report to the Members of Music Beyond Mainstream Limited

Year Ended 31 March 2017

I report on the accounts of the company for the year ended 31 March 2017 which are set out on pages 6 to 13.

Respective Responsibilities of Trustees and Examiner

The trustees (who are also the directors of Music Beyond Mainstream Limited for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charilles Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Ac
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- · to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do be required in an audit and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - · to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jane Ascroft

Asorafe

Chartered Accountant Independent examiner

Enterprise House Harmire Enterprise Park Barnard Castle County Durham DL12 8XT

Date: 19/10/17:

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year Ended 31 March 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income and Endowments Donations and legacies Income from charitable	3	12,000	-	12,000	12,000
activities Investments	4 5	116	83,961 —	83,961 116	136,547 290
Total Income		12,116	83,961	96,077	148,837
Expenditure Expenditure on charitable activities	6/7	(50,448)	(121,074)	(171,522)	(187,764)
Total Expenditure		(50,448)	(121,074)	(171,522)	(187,764)
Net Expenditure Before Transfer Transfer between funds	8	(38,332) 16,817	(37,113) (16,817)	(75,445)	(38,927)
Net Expenditure for the Ye Reconciliation of Funds	ar	(21,515)	(53,930)	(75,445)	(38,927)
Total funds brought forward		121,206	53,930	175,136	214,063
Total Funds Carried Forwa	rd	99,691	_	99,691	175,136

The Statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

Balance Sheet

31 March 2017

	2017		2016
Note	£	£	£
10	2,094		34,207
	98,197		141,529
	100,291		175,736
11	(600)		(600)
		99,691	175,136
		99,691	175,136
		99,691	175,136
2006-200			
		_	53,930
13		99,691	121,206
		99,691	175,136
	10	Note £ 10	Note £ £ 10

For the year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the company to obtain question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the members of the committee and authorised for issue on the .25/9.111... and are signed on their behalf by:

Mr N Reed (Chair)

Company Registration Number: 05432853

Notes to the Financial Statements

Year Ended 31 March 2017

1. General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Anvil, Churchill Way, Basingstoke, Hampshire, RG21 7QR.

2. Statement of Compliance

These accounts have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting Policies

Basis of Accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The entity is a Public Benefit Entity.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Notes to the Financial Statements

Year Ended 31 March 2017

3. Accounting Policies (continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. No transitional adjustments have been necessary.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant estimates and judgements affecting the financial statements.

Fixed Assets

All fixed assets are initially recorded at cost.

Notes to the Financial Statements

Year Ended 31 March 2017

3. Accounting Policies (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial Instruments

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

Creditors

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

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

4. Donations and Legacies

	Unrestricted	Total Funds	Unrestricted	Total Funds
	Funds	2017	Funds	2016
	£	£	£	£
Membership fees	12,000	12,000	12,000	12,000

Notes to the Financial Statements

Year Ended 31 March 2017

5. Income from Charitable Activities

	Performance income Venue contributions Arts Council grant - "Song Writing" Arts Council grant - "ADF/THX1138"	Unrestricted Funds £ - - -	Restricted Funds £ 63,600 2,000 18,361	Total Funds 2017 £ 63,600 2,000 18,361 83,961
	Performance income Venue contributions Arts Council grant - "Song Writing" Arts Council grant - "ADF/THX1138"	Unrestricted Funds £ - 1,617 - 1,617	Restricted Funds £ 60,000 5,630 - 69,300 134,930	Total Funds 2016 £ 60,000 7,247 — 69,300 136,547
6.	Investments			
	Bank interest receivable Unrestricted Funds £ 116	Total Funds 2017 £ 116	Unrestricted Funds £ 290	Total Funds 2016 £ 290
7.	Costs of Charitable Activities			
	Cost of charitable activities – see page 15	Unrestricted Funds £ 50,448	Restricted Funds £ 121,074	Total Funds 2017 £ 171,522
	Cost of charitable activities – see page 15	Unrestricted Funds £ 54,245	Restricted Funds £ 133,519	Total Funds 2016 £ 187,764

Notes to the Financial Statements

Year Ended 31 March 2017

8. **Fund Transfers**

During the year £16,817 was transferred from restricted to unrestricted funds which comprised a contribution to core costs from the "Songwriting" project.

Staff Costs and Emoluments

No salaries or wages have been paid to employees, including the members of the committee, during the year.

Trustees were reimbursed no expenses during the year (2016 - £Nil).

10. Debtors

		2017	2016
		£	£
	Other debtors	509	2,727
	Prepayments	1,585	31,480
		2,094	34,207
١.	Creditors: Amounts falling due within one year		

11.

	2017	2016
	£	£
Accruals	600	600
	and the second s	-

12. Restricted Funds

Arts Council project - "Song	Balance at 1 Apr 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2017 £
Writing"	53,930	83,961	(121,074)	(16,817)	-

13. Unrestricted Funds

	Balance at 1 Apr 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 Mar 2017 £
General Reserve	60,000	_	_	-	60,000
General Funds	61,206	12,116	(50,448)	16,817	39,691
	121,206	12,116	(50,448)	16,817	99,691

Notes to the Financial Statements

Year Ended 31 March 2017

13. Unrestricted Funds (continued)

The board have set a General Reserve level of £60,000 having assessed the likely needs of the organisation in the worst case scenario of a catastrophic withdrawal of funding revenue while having contractual commitments to deliver produced tours. Such a level should allow for the delivery of contractual obligations and, if necessary, the orderly winding up of the organisation.

In addition the Directors have established a 'Programme Reserve' intended for use as seed funding for projects that could leverage additional external funding. This reserve will be added to as and when any surplus is generated. Principally this has and will come from contractual arrangements with promoters which will see a return to the charity, should a performance move into significant 'profit' on the back of strong ticket sales.

14. Analysis of Net Assets Between Funds

	Net current	
	assets	Total
	£	£
Unrestricted Funds:	그는 사용하다 보고 있어요? 나는 사용을 받는데	
Designated Funds	60,000	60,000
General Funds	39,691	39,691
	99,691	99,691
Total Funds	99,691	99,691
	The state of the s	

15. Company Limited by Guarantee

The company is limited by guarantee. At 31st March 2017 there were 12 members each of whom had undertaken to contribute an amount not exceeding £10 in the event of a winding up.

The members were: The Anvil, Basingstoke; Bridgewater Hall, Manchester; Brighton Dome; Colston Hall, Bristol; Lighthouse, Poole; Liverpool Philharmonic Hall; Sage, Gateshead; Usher Hall, Edinburgh; Warwick Arts Centre; Town Hall/Symphony Hall, Birmingham; Cambridge Corn Exchange, and Royal Concert Hall, Nottingham.