

Harrogate Symphony Orchestra
Annual Financial Statements
Year ended 31st July 2017

Concerts		2017		2016	Bank Summary	2017	2016
			Profit (Loss)	Profit (Loss)	Opening Balances		
	Income	Expenditure			Community Fund Account	22,747	12,783
St. Wilfrid's					Social Fund		
Church	500	617	(117)	0	Account	609	1,710
November	5,113	5,123	(10)	3,995	Savings Account	12,602	12,596
Christmas	6,117	4,707	1,410	265		35,958	27,089
March	5,207	5,332	(125)	2,354	Surplus (Defecit) as above	(1,678)	8,863
June	7,694	6,548	1,146	1,578	Bank Interest	6	6
July	0	1,302	(1,302)	0		34,286	35,958
Future Concerts		3,121	(3,121)	(2,013)	Closing Balances		
Concert Costs Recovered				648	Community Fund Account	20,819	22,747
					Social Fund		
Prior Year Costs				(480)	Account	859	609
PRS Refund				117	Savings Account	12,608	12,602
	<u>24,631</u>	<u>26,750</u>	<u>(2,119)</u>	<u>6,464</u>		<u>34,286</u>	<u>35,958</u>
Non Concert Attributable			<u>441</u>	<u>2,399</u>			
Total			<u>(1,678)</u>	<u>8,863</u>			

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Non Concert Attributable

	Main Fund	Social Fund	Total 2017	Total 2016
Income				
CD & DVD sales	117		117	0
Subscriptions	5,702		5702	789
Donations & Miscellaneous	1,122		1122	5,710
Gift Aid			0	46
Barclays Compensation			0	3,522
Christmas Meal (members contribution)			0	490
Making Music	1,686		1686	0
Organ Sponsorship	785		785	0
Sundry	896		896	1,398
Tea & Coffee	117	251	368	0
	<u>10,425</u>	<u>251</u>	<u>10,676</u>	<u>11,955</u>

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Non Concert Attributable			Total	Total
	Main Fund	Social Fund	2017	2016
Expenditure				
Recording Costs				0
Rehersal Room	2,889		2889	1,155
MD Honorarium	2,750		2750	2,030
Leader Honorarium	800		800	2,500
Library Costs				600
Miscellaneous				100
Making Music Sub & PL Insurance	251		251	289
Postage & Stationery & Sundry	172		172	244
Events Brochures				264
Charitable Donation	1,098		1098	60
Air Cadets				178
AGM Catering	494		494	156
Christmas Meal	1,500		1500	223
Website				1,691
Gifts & Flowers	281		281	66
	<hr/>	<hr/>	<hr/>	<hr/>
	10,235	0	10,235	9,556
Surplus	190	251	441	2,399

Independent examiner's report to the trustees of Harrogate Symphony Orchestra

I report to the trustees on my examination of the accounts of the Trust for the year ended on 31st July 2017.

Respective responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act, and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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

Name:

Lydia Devenny

Lydia Devenny

Relevant professional
qualification or body:

ACMA

Address:

2 Mallinson Way, Harrogate, HG2 9HL

Date:

12/08/2018

CC32 Accounts Direction – Harrogate Symphony Orchestra 2016/17 – 31 July 2017

	Direction	Action taken	Findings	Recommendation
1	Check whether the charity is eligible to have an independent examination. The examiner must check to see if the charity is permitted to have an independent examination or whether it is required to have an audit by charity or company law or any other reason. If the trustees have chosen to prepare the accounts on a receipts and payments basis, the examiner must check that the charity is eligible for receipts and payments accounts.			
a	Check an audit is not required	The charity is not incorporated under the Companies Act. The Constitution has been amended to require an independent examination (as was previously inferred as they dated back pre 1993) Gross income does not exceed £1m. Income is above £25,000	That and Independent Examination is appropriate.	None.
b	Check if subsidiaries or branches have been taken into account	Asked trustees for confirmation.	There are no subsidiaries or branches.	None
	Check if accruals accounts are required	The charity is not incorporated. Gross income is less than £250k. There is no reference to accruals in the Constitution.	Receipts and payments option is appropriate.	None
	The examiner is able to carry out the examination	Review appendix 5: relevant experience /knowledge and professional qualification requirements.	Member of Chartered Institute of Management Accounts. Former executive director of a small charity and current Deputy CEO of an Exempt charity.	None
	Keeping the charity's income under review	Check that income has not exceeded £250k (see also direction 3).	Income has not exceeded £250k.	None
	Checking for any audit dispensation	Not required.	n/a	None

	Direction	Action taken	Findings	Recommendation
	If a company check for the audit exemption statement	Not required.	n/a	None
	Establishing early on that an independent examination can be carried out	Consider checks above.	An independent examination can be carried out.	None
2	Check for any conflict of interest that prevents the examiner from carrying out their independent examination. The examiner must not be influenced, or perceived to be influenced, by either close personal relationships with the trustees of the charity, being a major donor or having control or significant influence over a major funder to the charity, or through day to day involvement in the administration of the charity being examined. The examiner must ensure that there are no matters and no potential matters that would reasonably give rise to a perception of their independence that would affect their ability to carry out the examination in a wholly objective manner.			
	Examiner has no connection with the charity trustees which might inhibit the impartial conduct of the examination. S145(1)(a) “an independent person who is reasonably believed by the charity trustees to have the requisite ability and practical experience to carry out a competent examination of the accounts”.	The examiner is a member of the charity. Is an experienced, qualified accountant. Is not the book-keeper The examiner has advised in the preparation of the accounts but has not maintained the records. No conflict of interest – no day to day involvement in running the charity. No close relationship	None	
3	Record your independent examination. The examiner must keep a record of their examination and the conclusions reached which is sufficient to allow a third party unconnected with their work to conclude that they have followed the Directions (including Directions 1 and 2) Working papers			
	<ul style="list-style-type: none">A communication with the trustees which confirms their appointment as the independent examinerConfirmation that the examiner has the qualification (where required)Confirmation that the charity is eligible for the independent examinationThe analytical review (Direction 11)	Emails discussing the examination and asking views. See D1 & 2 above Accounts were presented to AGM, in advance of being examined.	That accounts need to presented for independent examination earlier to allow the charity to discharge the requirements of the regulator. That the accounts be examined prior to the AGM to give members assurance	

	Direction	Action taken	Findings	Recommendation
	<ul style="list-style-type: none"> Notes as to how any areas of concern identified have been resolved, including meetings with trustees and charity staff, together with details of any verification procedures used Where verification procedures have been used, details of checks or vouching carried out during the examination, the conclusions reached on any areas of concern identified The approved accounts (see Direction 6) The trustees annual report where accruals accounts are prepared (consideration of the trustees' annual report (see Direction 12) Relevant information that the examiner relied upon and/or considered in carrying out their examination for example copies of the governing document, trustees' meeting minutes and a record of discussions with the charity's trustees and the charity's Copies of any written assurances that the examiner has required of the trustees confirming amounts including within the accounts. The examiner's conclusions about what they have found out during the independent examination that support their examiners' report to the trustees (Direction 13) Details of any matters identified as matters of material significance which the examiner must report to the Commission or any relevant matters that the examiner chose to report to the Commission. 		<p>Annual report not required</p> <p>Written assurances not deemed necessary.</p>	that the receipts and payments have been accurately recorded.
4	Plan the independent examination. In order to plan the specific examination procedures appropriate to the circumstances of the charity, the examiner must review:			
	<ul style="list-style-type: none"> The charity's constitution 		Constitution reviewed and amendments noted.	No amendments in year in question.
	<ul style="list-style-type: none"> The way the organisation is controlled and managed 		Trustees meet regularly to plan and organise concerts, review finances etc.	Invite the independent examiner to a meeting to enable them to make any enquires and present recommendations.

	Direction	Action taken	Findings	Recommendation
	<ul style="list-style-type: none"> Whether action has been taken on any previous recommendations for improvement 		Key recommendations to simplify record keeping have been implemented.	
	<ul style="list-style-type: none"> The accounting records and systems 		Simple spreadsheet analysis replaces more complex system. Clear and easy to understand.	None
	<ul style="list-style-type: none"> The charity's structure, its funds and how fund balances changed in the year; and 		Reviewed opening and closing balances. Balances have reduced slightly.	None
	<ul style="list-style-type: none"> The charity's activities in the year and spending and the financial risks the charity faces. 		Income reduced, made a modest loss, but adequate reserves.	None
5	Check that accounting records are kept to the required standard.			
	The examiner must ensure that accounting records have been kept in compliance with the relevant legislative requirements.		Transactions listed on a spreadsheet.	None
6	Check that the accounts are consistent with the accounting records.			
	The examiner must compare the accounts of the charity with the charity's accounting records in sufficient detail to reasonably conclude that the accounts are not materially inconsistent with the accounting records.		All transactions provided in a list on a spreadsheet, able to check them to invoices, where appropriate.	None
7	If the accounts are prepared on an accruals basis and one or more related party transactions took place the examiner must check if these were properly disclosed in the notes to the accounts.			
	The examiner must check that the trustees have considered if there were any related party transactions in the reporting period and check whether the trustees have made the disclosures required by the applicable Statement of Recommended Practice (SORP) in the notes to the accounts.		Reviewed the accounts, as presented to the members. Accounts prepared on a receipts and payments basis. Honoraria disclosed in reports to members	<p>Check to see if need to disclose the honorarium payable to the conductor (and trustee) to the charity commission.</p> <p>Not need to disclose, but should have something set out in relation to the payments made (or subscriptions waived) see here for further information:</p> <p>https://www.gov.uk/guidance/payments-to-charity-trustees-what-the-rules-are</p>

	Direction	Action taken	Findings	Recommendation
8	Check the reasonableness of the significant estimates and judgments and accounting policies used in accounting for the types of fund held and in the preparation of the accounts. The examiner must:			
	<ul style="list-style-type: none">Check whether the separate funds of the charity have been correctly accounted for and reported correctly in the accounts.Check the reasonableness of any significant estimates or judgements.	No reconciliation for the social fund, which is restricted under the constitution.	Keep the social funds receipts and payments separate from the main fund. Ensure that funds from the main account are not used to subsidise social events.	
	<ul style="list-style-type: none">Where accruals accounts are prepared check that the accounting policies adopted are consistent with the applicable SORP and are appropriate to the activities of the charity.	Accounts on a receipts and payments basis. Not applicable.	None	
9	The examiner must check whether the trustees have considered the financial circumstances of the charity at the end of the reporting period and, if the accounts are prepared on an accruals basis, check whether the trustees have made an assessment of the charity's position as a going concern when approving the accounts.			
	Where either receipts and payments or accruals accounts are prepared, the examiner must consider whether the trustees have assessed what invoices, bills and commitments remain outstanding at the end of the reporting period and whether the trustees have identified if they can settle these as and when they fall due.	Accounts are prepared on a receipts and payments basis. There are sufficient cash balances for the charity to continue in operation and meet liabilities as they fall due. Trustees have chosen to manage reserves such that there is sufficient to cover concert costs in the event of there being a substantial loss of concert income.	None	
10	Check the form and content of the accounts. The examiner must carry out such procedures as the examiner considers necessary to provide a reasonable basis on which to conclude whether or not the accounts have been properly prepared. The examiner must:			
	Where receipts and payments accounts have been prepared check that the charity can lawfully prepare such accounts, that all the accounting statements are present and that the funds of the charity are correctly identified	Receipts and payments are at a similar level the previous year. No statement of assets and liabilities.	None	
11	Identify items from the analytical review of the accounts that need to be followed up for further explanation or evidence.			

	Direction	Action taken	Findings	Recommendation
	<p>The examiner must carefully consider if, during the course of their examination, items were found that were material to the accounts which need further explanation or supporting evidence. If the examiner is concerned that the charity's accounts could be materially misstated then the examiner must undertake sufficient additional work to be satisfied that any such item has been explained and correctly included in the accounts.</p> <p>The examiner must be alert to any related party transactions that require separate disclosure in the accounts. Where the examiner is not satisfied on any item that the examiner must refer to it in their independent examiner's report.</p>			
	Compare the analysis of the cash received and the cash spent in the current year with the previous year to identify any significant changes from year to year. The examiner is recommended to look for material items, differences or changes which require further explanation.		Review of payments (invoices) no unusual expenditure found.	To ensure that the receipts and payments for the Social Fund are kept separate from the main account. To review the terms of the designated fund and confirm that the purpose and terms of the fund remain fit for purpose.
12	<p>Compare the trustees' annual report with the accounts.</p> <p>The examiner must compare any narrative information or figures in the trustees' annual report with the accounts in order to identify any material inconsistency between the trustees' annual report and the accounts.</p>			
	If accounts are prepared on the receipts and payments basis under section 42(3) there is no requirement placed on the examiner to comment on whether an inconsistency is present.		An annual report is not required	None
13	<p>Write and sign the independent examination report.</p> <p>The examiner must review the conclusions from their independent examination and then prepare and sign their independent examiner's report. The content of their report must cover all the matters required by the 2008 Regulations. If the examiner has identified a matter of concern because one or more of the specific matters listed in the 2008 Regulations or in this Direction are present or remain unresolved then the examiner must bring it to the attention of trustees in their independent examiner's report.</p>			
	Statutory duty to report matters of material significance to the Commission. These are listed in section 156(3) of the Charities Act 2011.		None to report	None