

SEPTURA LIMITED

(A company limited by guarantee)
Company No. 08833453
Registered Charity No. 1158408

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

6 JANUARY 2018

Septura Limited

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Septura Limited

Reference and administrative details of the charity, its trustees and advisers
For the year ended 6 January 2018

Directors

Christian Stobbs (Chairman)
Jessica Jennings
George Duncan-Jones

Company Secretary

Simon Cox

Artistic Directors

Simon Cox
Matthew Knight

Independent Examiner

Adam Knight ACA

Bankers

Lloyds Bank plc
1 Walm Lane
London
NW2 5SN

Registered Office

9 Moore View
91 Chalkhill Road
London HA9 9UN
UK

Report of the Trustees of Septura Limited Year Ended 6 January 2018

The Directors who are also Trustees of Septura present their annual report and independently-examined financial statements for the year ended 6 January 2018, which have been prepared under the Companies Act 2006 and the Charities Act 2011.

Administrative Details

Septura is a registered charity (no. 1158408) and a company (no. 08833453) limited by guarantee. Reference information and details of Trustees are set out on page 2.

Summary of Objects & Activities

Septura continues to be totally committed to its twin objectives of advancing the public's education and appreciation of brass ensemble music by providing high quality musical performances, broadcasts and recordings, and advancing education in the arts generally. Septura strives to further its charitable purposes for the public benefit throughout the country, with live performances in the concert hall, broadcasts on radio, masterclasses and recordings. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charities Commission's general guidance on public benefit.

Structure, Governance and Management

Incorporated in 2014, the company is governed by its Memorandum of Association and Articles of Association. The Trustees are responsible for the overall governance of the company.

The Directors, who also act as Trustees of the charitable activities of the company are listed on page 1 of this report. In accordance with the Articles of Association, their liability is limited to a sum not exceeding £10 each, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while he or she is a director. New directors are appointed by resolution of the current directors. The Board of Trustees must have a minimum of three members.

Septura is managed by its two Artistic Directors, Simon Cox and Matthew Knight, who report to the Trustees. The Artistic Directors and Trustees meet on a regular basis to ensure robust governance and deal with all major issues that concern the well-being of the group.

Strategic Report

Achievements and Performance in the Year

In 2017/18 Septura built on the success of previous years with an ambitious expansion in activity. The decision to end the relationship with Percius Artists and Project Management in October 2016 proved to be the correct one. Although it added a huge administrative burden to the Artistic Directors, requiring a significant investment of time, the results in terms of concert activity were unprecedented.

Engagements in this time included: performances at the Chipping Campden, Gregynog and Cowbridge Festivals, and Grayshotts Concerts; a four-concert tour to Switzerland, with performances in Zofingen, Bern, and two in Luzern; and an extremely busy Christmas period featuring a new arrangement with narrator of Tchaikovsky's *The Nutcracker*, performed to very enthusiastic receptions in Scotland, Germany, Burford and at Kings Place, London. This last project also involved a side-by-side performance at the Royal Academy of Music, with four Septura members coaching and performing with Academy students.

The Autumn saw the first performances of *Kleptomania*, Septura's self-promoted four-concert series for 2017/18, at St John's Smith Square, London and West Road Concert Hall, Cambridge. Septura again appeared on Radio 3's *In Tune* to promote the series.

In December, in preparation for a substantial ten-date US tour in January 2018, Septura rehearsed at the Wigmore Hall, London, providing a long-awaited sound-check in that iconic venue, and paving the way for future engagements there.

The sixth recording in Septura's groundbreaking series for Naxos Records was recorded in July, featuring music by Elgar, Parry, Finzi and Walton in some of the group's most technically demanding arrangements to date. The fifth recording was released to critical acclaim in November, with a promotional video of Debussy's *The Girl with the Flaxen Hair* significantly enhancing Septura's profile as it received over half a million views online.

With the group on a much more even keel, and with the administration of *Kleptomania* and the US tour proving very time-consuming throughout the Autumn, it was decided that new administrative support was required. After a great deal of consultation, the Artistic Directors and Trustees decided to enter into an agreement with Ikon Arts–Edition Peters, for general management in selected territories including the UK.

Plans for the future

In fulfilment of its charitable activities, Septura will continue to pursue its main priorities of recordings and live performances.

Septura will debut in the US in January 2018 in an ambitious ten-concert tour in eight different states, culminating in a concert in Chicago. The backbone of the 2017/18 season will be the further six performances in Septura's self-promoted *Kleptomania* series. Engagements will include Ilkley Concert Club, Champs Hill, Newbury Festival, the Altmann Festspiele in Germany, Summer Music in City Churches and Proms at St Jude's, London. Septura will return to the Royal Welsh College of Music and Drama for a performance and masterclasses.

As Ikon Arts continue to focus on developing the group's presence in the UK and several other territories, the Artistic Directors will turn their attention to new territories, and begin planning tours to New Zealand, Japan, Spain, Germany and Austria for 2018/19, and a return to the US in February 2020.

Music for Brass Septet, Vol. 6 (Elgar, Parry, Finzi Walton) will be released in October 2018.

Financial Review

The financial year 2017/18 ended with an overall deficit of (£16,458). Total funds carried forward at year end were £6,609. Total income for 2017/18 was £35,800.

Reserves

The Trustees have determined that the charity should build up reserves of £12,000 in order to provide a degree of financial security for the charity's ongoing activities. This process will be completed during 2018/19.

Funds materially in deficit

Septura's funds are currently materially in deficit (£42,210). This deficit has been funded by a long-term loan from a benefactor and loans from the charity's two artistic directors. The deficit increased in 2017/18 by £17,095 in order to manage cashflow and build up reserves as mentioned above. This was funded by loans from the charity's two co-founders, in the form of cash and delayed project fees. Whilst this is not a desirable financial situation, a significant proportion of the loans will be repaid during the coming months as income from bookings and underwriting monies from self-promoted concerts are received. Furthermore, the Trustees are confident the deficit will reduce as the group builds its artistic traction, in particular an expected increase in fee-generating concerts.

Trustees' responsibilities for the financial statements

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure of the charity for the year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Part VI of the Charities Act 1993.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure

- a) So far as the Trustees are aware, there is no relevant information of which the independent examiner is unaware, and
- b) they have taken all the steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

This report has been approved by all of the charity's Trustees, and signed on their behalf by:



Christian Stobbs
Chairman

Date 14 December 2018

Independent examiner's report to the trustees of Septura Limited

I report on the accounts of the company for the year ended 6 January 2018, which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company 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 Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income did not exceed £250,000. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

Having satisfied myself that the charity 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 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- 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 charity 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 not provide all the evidence that would 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 next statement.

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 records, comply 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



Adam Knight FCA

The Malt House, Church Lane, Aston Rowant, Watlington OX49 5SS

Date: 10 December 2018

Septura Limited

Statement of Financial Activities for the year ended 6 January 2018

	Note	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018	Total Funds 2017
		£	£	£	£
INCOME AND EXPENDITURE					
Income from:					
Donations and Legacies	2	956	3,500	4,456	11,130
Charitable activities	3	31,344	0	31,344	28,105
Total Income		32,300	3,500	35,800	39,235
Expenditure on:					
Charitable activities	4	(48,758)	(3,500)	(52,258)	(42,010)
Total Expenditure		(48,758)	(3,500)	(52,258)	(42,010)
Net Income/(Expenditure)		(16,458)	0	(16,458)	(2,775)
FINANCE ACTIVITIES					
Income from:					
Loans in the form of delayed fees		11,305	0	11,305	1,520
Cash loans		20,000	0	20,000	8,693
Expenditure on:					
Loan repayments		0	0	0	(5,000)
Net income/(expenditure) from finance activities		31,305	0	31,305	5,213
Total funds brought forward		3,067	0	3,067	629
Total funds carried forward		17,914	0	17,914	3,067

There were no recognised gains and losses during the year other than those dealt with in the Statement of Financial Activities.

All income and expenditure relates to continuing activities.

Septura Limited

Balance Sheet at 6 January 2018

	Note	2018	2017
Fixed Assets			
Tangible Assets	5	922	1,827
Current Assets			
Cash at hand in bank		6,609	3,067
Debtors: Amounts falling due within one year	6	14,777	105
Total Assets		22,308	4,894
Creditors: Amounts falling due after one year	7	(37,168)	(27,164)
Creditors: Amounts falling due within one year	8	(27,350)	(2,950)
Net assets		(42,210)	(25,220)
Funds of the Charity			
Unrestricted funds		6,609	3,067
Total funds		6,609	3,067

For the year ending 06/01/2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The directors have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board and authorised for issue on 14 December 2018



Christian Stobbs
Chairman

Company no: 08833453

Septura Limited

Notes to the Financial Statements

For the year ended 6 January 2018

1 Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include items at fair value. This basis has been used because the group's deficit will be substantially reduced in 2018/19 due to underwriting income, and eliminated in future seasons through surplus concert income. The financial statements have been prepared in sterling, which is the functional currency of the charity. The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (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 charity adopted SORP (FRS102) in the current year and an explanation of how transition to SORP (FRS102) has affected the reporting of financial performance is given in note 10.

Statement of Financial Activities

As the company is a registered charity it has adapted the Companies Act formats to reflect the special nature of the Charity's activities.

Incoming Resources

Incoming resources comprise total income from box office and hire of Septura in respect of concerts, recordings, broadcasts, engagements and tours, sponsorship fees and advertising. The income and result for the year are wholly attributable to the principal activities of the company.

Grants and Donations

Grants and donations are accounted for on a receivable basis and are credited to the Statement of Financial Activities when the conditions for receipt are met.

Resources Expended

Performance related costs consist of performers' and producers' fees, venue and other costs, including marketing, which are specific to arranging performances and recordings.

Capitalisation of Tangible Assets

Tangible Assets held by the company comprises equipment used by the group during concert performances, and media equipment including camera and lighting and audio equipment. The company has adopted an annual revaluation policy and holds these tangible assets on its balance sheet at replacement cost (to be assessed by the trustees annually).

Restricted Funds

Restricted Funds are only used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by a donor or when funds are raised for particular restricted purposes.

2 Income from Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Grants	0	3,500	3,500	10,000
Donations	956	0	956	1,130

	956	3,500	4,456	11,130
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3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Box office, performance fees, recording fees, sale of recordings	31,239	0	31,239	28,105
Concert sponsorship	105	0	105	0
	31,344	0	31,344	28,105

4 Expenditure on charitable activities

	Total 2018 £	Total 2017 £
Fees and associated costs	57,111	29,228
Venue costs	2,823	2,635
Website and associated costs	129	147
	60,063	32,010

	Concert/Media Equipment £	Library £	Misc. £	Total £
Cost				
At 7 January 2017	857	905	65	1,827
Additions	0	0	0	0
Disposals	0	(905)	0	(905)
At 6 January 2018	857	0	65	922
Net Book Value				
At 6 January 2018	857	0	65	922
At 6 January 2017	857	905	65	1,827

5 Tangible Fixed Assets

Following a revaluation of assets, the trustees determined that in practical terms the sheet music library has no intrinsic value measured either in terms of cost to replace or value at resale.

6 Debtors: Amounts falling due within one year

	Total 2018 £	Total 2017 £
Concert sponsors	125	105
Booking fees/box office	14,652	0
	14,777	105

7 Creditors: Amounts falling due after one year

Start-up loans:	Total 2018 £	Total 2017 £
Stewart Newton	10,000	10,000
Simon Cox	13,933	9,053
Matthew Knight	13,235	8,111
	37,168	27,164

All start up loans are interest free.

The loan to Stewart Newton is repayable by June 2024, or once the group's current net assets total £20,000, whichever is sooner.

The loans to Simon Cox and Matthew Knight will be repaid at the discretion of the trustees.

8 Creditors: Amounts falling due within one year

	Total 2018 £	Total 2017 £
Player fees	7,350	2,950
Cashflow loans	20,000	0
	27,350	2,950

Cash loans were made to the charity by both artistic directors of £10,000 each in August 2017, in order to manage the group's cashflow. These will be repaid during 2018/19, once delayed income from various projects is received.

9 Restricted Funds

Balance at 7 January 2017	0
Grants received during the year: Trusts and Foundations	3,500
Expenditure during the year	(3,500)
Balance at 6 January 2018	0

Septura received grants from the William Walton Trust (£2,500) and The Finzi Trust (£1,000) which were contributions to the group's seventh recording for Naxos.

10 First-time adoption of SORP (FRS102)

The policies applied under the entity's previous accounting framework are not materially different from those under FRS 102 and have not impacted on the reserves or the surplus /deficit of the charity at transition or at 6 January 2016 or 6 January 2017. There are no restatements required in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102.

