

SEPTURA LIMITED

(A company limited by guarantee)

Company No. 08833453

Registered Charity No. 1158408

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

6 JANUARY 2019

Septura Limited

Contents

	Page
Charity reference & administrative details	2
Report of the trustees	3
Report of the independent examiner	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9

Septura Limited

Reference and administrative details of the charity, its trustees and advisers
For the year ended 6 January 2019

Directors

Christian Stobbs (Chairman)
Jessica Jennings
George Duncan-Jones
Francis Williams (Appointed on 5 July 2018)
Rebecca Johns (Appointed on 15 April 2019)

Company Secretary

Simon Cox

Artistic Directors

Simon Cox
Matthew Knight

Independent Examiner

Richard Demarchi

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 2019

The Directors who are also Trustees of Septura present their annual report and independently examined financial statements for the year ended 6 January 2019, 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 for five-year terms 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

2018 was Septura's most successful year of concert activity to date. It began with our largest and most complex foreign tour so far, a ten-concert tour of the US. The administrative burden for this trip was huge, and it stretched our limited resources, but the result was an extremely successful tour, with the group playing to a wide range of audiences across the US, and very well-received in every location.

On our return from the US we resumed a busy schedule of concerts in the UK. This included the last three concerts of our *Kleptomania* series in Cambridge and London, as well as engagements in Ilkley, Champs Hill, the Newbury Spring Festival, Summer Music in the City, Proms at St Jude's and Keswick Music Society. We also undertook a short tour to Germany, to perform at the Altmark Festival, and a further tour to Spain to take part in masterclasses and a performance at Tubala Brass Week. We returned to the Royal Welsh College of Music and Drama to perform a concert and give chamber and solo masterclasses.

In December 2017 we joined Ikon Arts-Edition Peters Artist Management for general management. Although it will take some time before we see the results of this collaboration, through 2018 the working relationship has developed well, and it looks as if this will be an extremely successful partnership.

The sixth recording in Septura's groundbreaking series for Naxos Records was recorded in July 2017 and released in October 2018. This recording featured English composers (Elgar, Parry, Finzi and Walton), and was extremely technically and musically demanding, pushing the players to new heights. The result is Septura's best recording yet, and it has been widely acclaimed, most notably by Fiona Maddocks in *The Observer*, who concluded that "this album is irresistible".

Plans for the future

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

2019 will see a massive expansion in touring activity, with tours to New Zealand, Japan, Poland, Lithuania, Italy, Germany and Austria. The first of these will be organised by Chamber Music New Zealand and will include a residency in Nelson to be attended by the best undergraduate students from across Australasia, as well as two concert broadcasts on Radio New Zealand. In Japan and Italy, we will be working for the first time with local agents, and will hope to build up a fruitful working relationship for the future.

In the UK we will undertake a wide range of concert projects, including performances at Wells Cathedral School and York University, where we will work with students. A side-by-side project as part of our residency at the Royal Academy of Music in London will give students an insight into our unique approach to brass chamber music. Further concerts will include Tonbridge Music Club, the Fishguard International Festival, and a UK Christmas tour taking in Swansea, Liverpool, and a return to Champs Hill.

Having not made a recording in 2018, in 2019 we will record two CDs. The first, in May, will be our version of Tchaikovsky's iconic masterpiece *The Nutcracker*, with the narration performed by Derek Jacobi; this will be released in November 2019. The second, in November, will feature American 20th-century composers Gershwin and Copland, and will be released in 2020.

Financial Review

The financial year 2018/19 ended with an overall deficit of £4,728. The accumulated deficit carried forward at year end was £46,938. Total income for 2018/19 was £83,973.

Cash Reserves

The charity aims to maintain cash reserves of £12,000 in order to provide a degree of financial security for the charity's ongoing activities. The Trustees consider this sufficient to fund the day to day working capital of the Charity, and will continue to monitor the amount of reserves the charity holds in relation to its ongoing activities, and aim to increase them in future if it they deem it necessary. During the year the cash position improved from £6,609 to £9,567.

Reserves Policy

The Trustees aim to generate positive reserves in the near future, which will be fulfilled thanks to efforts of the Artistic Directors to expand the group's activities worldwide. Once positive, reserves will be used to further the charitable objects.

Funds materially in deficit

Septura's funds are currently materially in deficit (£46,938). 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 2018/19 by £4,728. This was funded by loans from the charity's two co-founders, in the form of delayed project fees, and which are repayable at the discretion of the Trustees. Whilst this is not a desirable financial situation, the increase in deficit is considerably smaller than in previous years, showing a trend towards overall annual surpluses of funds which will allow the deficit to be reduced and converted into a surplus in the fullness of time. With the process of building up cash reserves going well, and increases in the group's concert fees, the Trustees are confident the deficit will begin to be reduced and eliminated in future years.

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 16/11/2019

Independent examiner's report to the Trustees of Septura Limited

I report on the accounts of the company for the year ended 6 January 2019, which are set out on pages 7 to 11.

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



Richard Demarchi

56 Sydenham Park, London, SE26 4EQ

Date:

16 November 2019

Septura Limited

Statement of Financial Activities for the year ended 6 January 2019

	Note	Unrestricted Funds 2019	Restricted Funds 2019	Total Funds 2019	Total Funds 2018 Restated
		£	£	£	£
INCOME AND EXPENDITURE					
Income from:					
Donations and legacies	2	4,375	-	4,375	4,456
Charitable activities	3	79,598	-	79,598	46,016
Total income		83,973	-	83,973	50,472
Expenditure on:					
Charitable activities	4	(78,701)	-	(78,701)	(87,567)
Total expenditure		(78,701)	-	(78,701)	(87,567)
Net income/(expenditure)		5,272	-	5,272	(37,095)
FINANCE ACTIVITIES					
Income from:					
Cash loans		-	-	-	20,000
Expenditure on:					
Loan repayments		(10,000)	-	(10,000)	-
Net (expenditure)/income/ from finance activities		(10,000)	-	(10,000)	20,000
Total funds brought forward		(42,210)	-	(42,210)	(25,115)
Total funds carried forward		(46,938)	-	(46,938)	(42,210)

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 relate to continuing activities.

Septura Limited

Balance Sheet at 6 January 2019

	Note	2019	2018
Fixed assets			
Tangible assets	5	922	922
Current assets			
Cash at hand in bank		9,567	6,609
Debtors: amounts falling due within one year	6	4,396	14,777
Total assets		<u>14,885</u>	<u>22,308</u>
Creditors: Amounts falling due after one year	7	(61,823)	(37,168)
Creditors: Amounts falling due within one year	8	-	(27,350)
Net liabilities		<u>(46,938)</u>	<u>(42,210)</u>
Funds of the Charity			
Unrestricted funds		(46,938)	(42,210)
Total deficit in funds		<u>(46,938)</u>	<u>(42,210)</u>

For the year ending 06/01/2019 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 16 November 2019



Christian Stobbs
Chairman

Company no: 08833453

Septura Limited

Notes to the Financial Statements

For the year ended 6 January 2019

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 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.

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 2019 £	Total 2018 £
Grants	-	-	-	3,500
Donations	4,375	-	4,375	956
	4,375	-	4,375	4,456

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 Restated £
Box office, performance fees, recording fees, sale of recordings	76,023	-	76,023	45,891
Concert sponsorship	3,575	-	3,575	125
	79,598	-	79,598	46,016

4 Expenditure on charitable activities

	Total 2019 £	Total 2018 Restated £
Fees, travel and associated project costs	75,118	84,615
Venue costs	3,150	2,823
Website and associated costs	433	129
	78,701	87,567

5 Tangible Fixed Assets

	Concert/Media Equipment £	Misc. £	Total £
Cost			
At 7 January 2018	857	65	922
Additions	-	-	-
Disposals	-	-	-
At 6 January 2019	857	65	922
Net Book Value			
At 6 January 2019	857	65	922
At 6 January 2018	857	65	922

6 Debtors: Amounts falling due within one year

	Total 2019 £	Total 2018 £
Concert sponsors	750	125
Booking fees/box office	3,646	14,652
	4,396	14,777

7 Creditors: Amounts falling due after one year

Start-up loans:	Total 2019 £	Total 2018 £
Stewart Newton	10,000	10,000
Simon Cox	26,263	13,933
Matthew Knight	25,560	13,235
	61,823	37,168

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. The increase to these loans in 2018/19 was in the form of delayed fees (£24,755 increase).

8 Creditors: Amounts falling due within one year

	Total 2019 £	Total 2018 £
Player fees	-	7,350
Cashflow loans	-	20,000
	-	27,350

The cash loans of £10,000 made in August 2017 by each of the Artistic Directors (totaling £20,000) were repaid during 2018/19. This means the groups debt increased overall by £4,755 in 2018/19 when this amount is deducted from the £24,755 increase in long-term loans to Simon Cox and Matthew Knight.

9 Restricted Funds

Septura received no grants during 2018, and as such none of the income or expenditure was restricted for particular purposes.

10 Related Parties

Performance and Administration fees made to related parties

	Total 2019 £	Total 2018 £
Simon Cox	19,373	1,475
Matthew Knight	14,093	1,672
	33,466	3,147

Amounts owed to related parties (falling due after one year)

	Total 2019 £	Total 2018 £
Simon Cox	26,263	13,933
Matthew Knight	25,560	13,235
	51,823	27,168

Amounts owed to related parties (falling due within one year)

	Total 2019 £	Total 2018 £
Simon Cox	-	10,000
Matthew Knight	-	10,000
	-	20,000

10 Prior Period Errors

During the preparation of the financial statements it was noted that there were some errors in the 2018 financial statements. These errors were both numerical and presentational. The income and expenditure account was prepared on a payments and receipts basis and therefore did not include items of income and expenditure which had not yet been received or paid. The debtors and creditors relating to these items were included on the balance sheet and the Charity's net liabilities position was correctly stated. The total funds however showed the cash holdings of the charity rather than the accumulated deficit in funds and therefore the balance sheet was shown as being out of balance. This error was replicated in total funds carried forward on the statement of financial activities. The prior period results have been restated to include all income and expenditure not yet received or paid at the 2018 year end, and the total funds in deficit restated.