



Pulling music at the heart of Bristol life

BRISTOL MUSIC TRUST

TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

Company Number: 07531978

Charity Number: 1140898

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CHAIR'S REPORT

We have but one aim: to drive forward music and music education across Bristol and the South West; working in partnership with city wide organisations, commissioning new works, supporting local musicians, and promoting music across all communities to build on the vibrant talent already in the city.

Our Creative Learning and Engagement (CLE) Programme promoted through Bristol Plays Music is now in its 6th academic year and reached over 30,000 young people across 90% of Bristol schools. We are absolutely delighted to have been awarded funding to establish the very first National Centre for Inclusive Excellence dedicated to the development of musical opportunities for disabled musicians. This is in addition to our residency in Bristol for the British Paraorchestra led by Charles Hazelwood.

At Colston Hall we presented 601 performances (2017: 535) to an audience of over 290,000 (2017: 270,000) delivering the most diverse range of music of any major concert hall in the UK. Our like for like income increased to £9.9 million (2017: £7.6m) producing a small unrestricted operating surplus giving us free reserves at 31 March 2018 of £455,108. We are in good health.

Looking forward over the next few years we anticipate with excitement new challenges as we sit on the cusp of unprecedented change. In 2018, the Trust's ambitions take a major step forward as we start the Hall renovation and transformation having secured very nearly 90% of the estimated project cost of £48.8 million. Colston Hall closed in June 2018 for this two year redevelopment and will reopen in 2020 with a wonderful new world-class building, an expanded music programme and a new name. During this temporary closure period we will take the opportunity to present Colston Hall 'on tour' at alternative venues throughout the city and wider to develop new audiences.

We are immensely grateful for the support of Bristol City Council, Arts Council England, Heritage Lottery Fund, West of England Combined Authority, HM Treasury and of course the many individuals and organisations who have given so generously to support both our education work, music promotions and the capital campaign.

We have the most remarkable team at Bristol Music Trust lead by Louise Mitchell. It is their dedication and hard work that has brought to reality a vision first put forward some seven years ago when the Trust was established. Without each and every member of the Trust none of this would be possible.

Henry Kenyon
July 2018

The trustees present their report and the financial statements of Bristol Music Trust for the year ended 31 March 2018.

REFERENCE AND ADMINISTRATIVE DETAILS

Board of Trustees

The trustees of the charity (who are also the directors of the company) holding office during the financial year and as at 31 March 2018 are as follows:

<i>Trustees/Directors</i>	<i>Appointed/Reappointed</i>	<i>Resigned</i>
Henry Kenyon (Chair)	16 February 2015	
Michele Balfé	6 October 2014	
Martino Burgess	6 October 2014	
Simon Chapman (Honorary Treasurer)	4 April 2015	
Simon Cook**		12 June 2017
Paul Fordham	16 February 2015	
Sonia Mills	23 October 2017	
Andrew Nisbet	4 March 2017	
Marie Nixon	16 February 2015	
Sir Brian McMaster	4 March 2017	
Estella Tincknell*	27 June 2016	
James Wetz	14 November 2015	

*Nominated trustee (Executive Member for Culture) appointed by Bristol City Council.

** Reappointed by the Board of Trustees as an independent trustee.

Executive Team

The executive team are responsible for the day-to-day management of the charity:

Louise Mitchell (Chief Executive)
 Phil Castang (Director of Creative Learning and Engagement)
 Rosa Corbishley (Head of Development)
 Nick Craney (General Manager)
 Caroline Grime (Head of Finance)
 Clare Jack (Chief Operating Officer)
 Sarah Robertson (Communications & Special Projects Director)
 Christine Swain (Head of Customer Service)
 Todd Wills (Artistic Director)

Audit, Risk & Resources Committee

Simon Chapman (Chair)
Henry Kenyon
Michele Balfe
Martino Burgess

Bristol Plays Music Committee

James Wetz (Chair)
Michele Balfe
Louise Jennings
Deshni Pyndiah

Colston Hall Capital Fundraising Group

Sonia Mills (Chair)
Rosalind Kennedy
Henry Kenyon
Andrew Nisbet
Paul Whitehouse

Colston Hall Phase 2 Development Project – Strategic Advisory Group

Henry Kenyon (Chair)
Sonia Mills
Simon Chapman
Charles Wilson
Louise Mitchell

Principal address and registered office: Colston Hall
Colston Street
Bristol
BS1 5AR

Registered charity number: 1140898

Company registration number: 07531978

The trustees have made the following professional appointments:

Auditor: RSM UK Audit LLP
Chartered Accountants
Hartwell House

55-61 Victoria Street
Bristol
BS1 6AD

Bankers:

NatWest
Bristol City Office
PO Box 3232
32 Corn Street
Bristol
BS1 1HQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status & History

Bristol Music Trust was established to operate Colston Hall in Bristol, to promote music and the arts, and to advance education and appreciation of music and the arts, for the benefit of the people of Bristol and the South West of England. The company was incorporated on 16 February 2011 and commenced its operations on 1 May 2011.

Bristol Music Trust is a charity registered in England & Wales (no. 1140898), and a non-profit-making company limited by guarantee registered in England & Wales (no. 07531978). A trading subsidiary BMT Enterprises Ltd was incorporated on 23 March 2011 as a company limited by shares (wholly owned by Bristol Music Trust) to manage associated commercial activities (and any activities that are "non-primary purpose trading") for the benefit of the charity, and also commenced its operations on 1 May 2011. A cost sharing agreement is in place to ensure that the trading subsidiary pays Bristol Music Trust for its use of Colston Hall and other services. All profits of BMT Enterprises Ltd are gift-aided to Bristol Music Trust.

Bristol Music Trust has developed a distinctive and vibrant programme of music and events at Colston Hall, and creatively supports young people in Bristol and the South West in music making and music learning through its Creative Learning and Engagement team, Bristol Plays Music. When Bristol City Council's (BCC) Cabinet made the decision to establish Bristol Music Trust as an independent body responsible for managing the hall in 2011, BCC leased the Colston Hall to Bristol Music Trust for a twenty-five year period at a peppercorn rent (to March 2036 but with approval currently sought as part of the capital re-development project, for an extension to between 30 and 99 years). BCC financially support the work of Bristol Music Trust to deliver its charitable objectives and entrusted services as defined in a Service Level Agreement. In addition, since April 2015, Bristol Music Trust has benefited from Arts Council England investment as a National Portfolio Organisation (in consortium with St George's Bristol) to support our artistic programme and audience development objectives.

Bristol Plays Music was launched in March 2013 as a strategic partnership between Bristol Music Trust and BCC to become the Arts Council England's music education hub for the City of Bristol. On 1 September 2013, the Bristol Arts and Music Service (BAMS) was formally transferred from BCC to become an integral part of Bristol Music Trust under the Bristol Plays Music umbrella, with the aim of delivering an exciting and coherent music educational programme that spans both formal and non-formal music education across the City. Bristol Plays Music is based both at Colston Hall and at the Bristol Plays Music Centre in Southmead, which is leased to Bristol Music Trust from BCC for a four year period at a peppercorn rent (to March 2019). The vision of Bristol Plays Music is to work with strategic hub partners to make Bristol the UK Capital of Young People's Music and ensure that every young person has access to music learning activities and a platform for musical expression and participation.

Colston Hall is at the beating heart of culture and music in Bristol. The building has been part of the Bristol skyline for 150 years and home to iconic performances by some of the world's leading artists, including The Beatles, Ella Fitzgerald, Bob Dylan, David Bowie and Yehudi Menuhin, leaving lasting memories that live on in people's minds. The first Colston Hall opened to the public on 20 September 1867 but the main auditorium was destroyed by fire in 1898. A second reconfigured Colston Hall opened on the site in 1901 and was bought from the Colston Hall Company in 1919 by Bristol Corporation for £65,000, and the building has been the property of Bristol City

Council ever since. In 1935 the hall was closed for remodelling with a third Colston Hall opening in December 1936, but a further fire in 1945 robbed Bristol of its concert hall once more. The fourth incarnation of Colston Hall, which exists today, was opened in 1951 to mark the Festival of Britain. Funding constraints have meant that limited investment has been made in the building since then.

By around 2005, it was clear to BCC that the halls needed substantial investment if they were to be viable as a 21st century concert and events hall. A project was therefore initiated to create a new foyer building and to refurbish the historic building. It was recognised that this project would require significant funding investment and so the decision was made to split the project into two phases. In 2007-2009, Phase 1 of this project was created by BCC investing £13m alongside £7m from Arts Council England, building a modern foyer containing restaurants, bars and administrative offices as an extension to the halls. This was designed by architects Levitt Bernstein and built by main contractors, Wilmott Dixon and opened to great acclaim in 2009. It was always recognised that there was a need for Phase 2 to completely refurbish the old building. In 2015-16 BCC and BMT invested in an extensive, joint investigation and feasibility study which resulted in four redevelopment options being presented by Levitt Bernstein. The partnership was formalised in June 2016 when it was agreed that the project would be managed by BCC Major Projects Team under the supervision of a Project Board with representation from BMT and major funders. BMT would take the lead on fundraising to assemble a £48.8m funding package to deliver it.

Colston Hall Redevelopment Phase 2

The Trust's ambition for Phase 2 of the building development is to transform Colston Hall, delivering a new and inspiring centre where all genres of music can flourish. The £48.8 million capital campaign aims both to transform the Victorian building into an international standard concert hall as well as to create a centre for music education and enterprise, and enable Bristol to truly become the UK Capital for Young People's Music. It is envisaged that Colston Hall will be a completely accessible major music venue for artists and audience alike. During 2017 BMT was awarded further funding to set up the first National Centre for Inclusive Excellence offering a comprehensive music education for musicians with special educational needs and disability (SEND) and supporting a life-long relationship with music. We want to deliver new experiences and creative learning to ever wider-ranging audiences, ensuring our entertainment and education work is innovative, inspiring and inclusive.

The preferred development option is to upgrade the historic grade 2 listed building such that it attains the quality, functionality, and iconic impact offered by the UK's best concert halls and music centres, bringing something different and unique to the Bristol cityscape and community. It will be a celebration of musical creativity and excellence, supporting modern production values and facilities within an inspiring historic building. Our reimagined Colston Hall will be an international music destination which celebrates the widest range of music, and supports the City's immense creativity and the cultural diversity of its artists and audiences. International standard facilities will allow us to attract the very best performers in all types of music.

The transformation of Colston Hall is one of the most significant projects of its kind in the UK, and the biggest ever arts redevelopment in Bristol. The transformation will enable us to remodel and upgrade the existing venue, making it one of the most comprehensive and attractive facilities in the country. The transformation will include:

- Remodelling the existing main auditorium, with major changes to the stage and equipping it with international standards of acoustics, comfort and flexibility.

- Redeveloping the second hall, known as The Lantern, into an elegant and versatile performance venue and space for large workshops, rehearsals and commercial events.
- The introduction of flexible seating technology to enable the venue to be used for a range of purposes, from arts performances to festivals, corporate events and graduations.
- Opening up the historic cellars for the first time in 100 years to create a third hall.
- Creating in the cellars, three large, sound-proofed studios, a self-contained suite of four spaces for music education and practice rooms, two creative cubicles and a recording studio.
- Creating a social area and library for less formal presentations or gatherings.
- Restoring the historic core of the building and the Colston Street frontage to its Victorian magnificence.

It is a key strategic aim for the City to harness our cultural, historic, and artistic assets to bring social and economic benefit to the region and to underpin its reputation for creativity, live musical performance, and technological and business innovation. A thriving and dynamic concert hall and music centre is essential to ensure the future success not just of the music industry in the region but also has a fundamental part to play in the success of the creative industry as a whole. Colston Hall activity, together with our wide-reaching education work, makes Bristol Music Trust a very significant contributor to the regional economy, sense of place, and attractiveness as a visitor destination and place to live and invest. Our show audiences come from across the region (65% Bristol, 25% the South-West, 10% other UK destinations) and we directly generate nearly £10 million turnover each year. We recently commissioned KPMG to produce an independent study of the full economic impact of Colston Hall which estimated that the Gross Value Added (GVA) contribution of Colston Hall to the UK economy would grow in real terms from £17.4 million per annum in 2015/16 to £20.6 million per annum post transformation in 2020/21, delivering a present value GVA contribution over 20 years of £263.3 million to the regional economy and £412.5 million nationally.

Organisational Structure

The non-executive Board of Trustees (directors of the charity) has responsibility for the governance and administration of the charity. The Board meets five times a year and should be composed of no fewer than five trustees and no more than twelve trustees (or such other maximum number determined by the Board). The Articles of Association (dated 15 February 2011) provide for there to be up to two trustees appointed by Bristol City Council out of a maximum of twelve, subject to the number of Council appointed trustees always being below 20% of the Board, in order to ensure its independence as an organisation. The Chief Executive, Chief Operating Officer, Communications & Special Projects Director and Director of Creative Learning and Engagement are invited to attend Board meetings, and there will be a quorum comprising a minimum of three (excluding Council nominated trustees) trustee members.

An Audit, Risk and Resources Committee has been established as a sub-committee of the Board with responsibility for assisting the Board to discharge its duties in the following areas: financial and operational performance and procedures; audit and controls oversight; risk management and compliance; property transactions; annual plans and budgets; investments; and management of reserves. The membership of the Audit, Risk and Resources Committee comprises a minimum of three trustee members, appointed by the Board of Trustees. The Committee includes the Chair of the Board and the Honorary Treasurer, and the Board appoints the Committee Chair. The Chief Executive, Chief Operating Officer and Head of Finance attend the Committee and a quorum comprises a minimum of two trustee members. The Committee normally meets three times a year.

A Bristol Plays Music Committee has been established as a sub-committee of the Board with responsibility for oversight of Bristol Plays Music, the educational arm of the organisation. Matters of responsibility include: the recommendation of education policy and delivery to the Board for approval; the recommendation of the Bristol Plays Music business plan to the Board for approval; monitoring and evaluation against key performance indicators and the music education hub core and extension roles; and monitoring of financial performance. The membership of the Bristol Plays Music Committee comprises a minimum of three trustee members (including the Chair of the Bristol Plays Music Committee), appointed by the Board, and independent experts may be invited by the Chair of the Bristol Plays Music Committee with the approval of the Board. The Chief Executive, Director of Creative Learning & Engagement and BPM Finance Manager are invited to attend the Committee and a quorum comprises a minimum of two trustee members. The Committee normally meets four times a year.

A Colston Hall Capital Fundraising Group has been established as a sub-committee of the Board to steer the overall capital fundraising for the Colston Hall transformation project including: canvassing of political support (national and local government); applying for funds from Arts Council England, trusts and charitable bodies; corporates and corporate finance options; and private sector, individuals, digital and public fundraising. The members of the Committee, including a minimum of two trustee members shall be appointed and approved by the Board annually and shall be eligible for reappointment. The Chair of the Committee is appointed by the Board and the Committee may appoint other members with appropriate expertise who are not trustees. The Chief Executive, Head of Development, and Chief Operating Officer are invited to attend the Committee and a quorum comprises a minimum of three members of which one must be a trustee of the Board. The Committee will normally meet four times a year.

The Colston Hall Redevelopment Phase 2 Project is jointly led by Bristol Music Trust and Bristol City Council and the project is managed by the Bristol City Council Major Projects Team with Service Director, Development and Regeneration, Colin Molton as Senior Reporting Officer. The Chief Executive represents Bristol Music Trust on the full Bristol City Council Project Board, with the support of an expert client representative, reporting to the BMT Board of Trustees. As part of the project governance structure a client Strategic Advisory Group has been established as an expert advisory committee to the Trust, with representatives from architects Levitt Bernstein and major stakeholders Bristol City Council and Arts Council England. The group reviews project plans and status and advises the Trust on design development, construction, and fit-out of the transformation project in order to meet agreed client facility requirements. The group is chaired by the Chair of the Board of Trustees and the Chief Executive and Chief Operating Officer are invited to attend. The Committee will normally meet monthly prior to the meeting of the Project Board.

Responsibility for implementation of the Trust's strategy, and the organisation's day to day management is delegated by the Board to the Chief Executive and the executive senior management team. The Board selects and appoints the Chief Executive and may have involvement in the appointment of other key members of the senior management team.

The trustees are confident that the governance and management structures that have been established are appropriate to the needs of the organisation.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees

Recruitment, Appointment & Election

Each trustee is asked to sign a Trustee's Undertaking upon appointment, confirming their willingness to accept the appointment, their understanding of the associated duties and responsibilities, and their willingness to become a member of the charity. The term of office for a trustee is four years and he or she is eligible for re-election by the Board for one further term of four years. The trustees serve as volunteers and receive no payment for their work for the charity.

Induction & Training

All of the trustees are mindful of their duty to act solely in the interests of Bristol Music Trust and those trustees who are members/officers of Bristol City Council understand their duty (under company law and charity law) to avoid conflicts of interest. The organisation's articles contain detailed provisions for declaring any interest a trustee has and managing any conflicts arising from such interests. All of the trustees are informed of their responsibilities and duties, and are provided with appropriate guidance (including the Bristol Music Trust Handbook for charity trustees) and information to carry these out effectively.

Pay Policy for Key Management Personnel

As directors of Bristol Music Trust, the Board of Trustees consider the trustees and the executive senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All trustees give of their time freely, and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 22 to the accounts respectively.

The pay of the senior management team is reviewed annually and is normally increased in accordance with average earnings. In view of the nature of the charity, the trustees benchmark against pay levels and specialisms in other comparable arts and charitable organisations of a similar size.

Approach to Fundraising

Our approach to fundraising is to raise funds towards our running costs and capital appeal from private sources including from individuals through voluntary donations. We identify potential individual donors in particular through ticket sales information and through individuals signing up to our regular weekly email update. We also seek funds from major local philanthropists via direct approaches often via our trustees or other contacts. We obtain grants from trusts and foundations via written applications and corporate sponsorship through providing marketing benefits and outlining corporate social responsibility opportunities. During the year we ran a campaign aimed at the general public for our capital project, principally directed at selling seats in the new auditorium.

As a part of this campaign we used a professional tele-marketing company to run a focused time-limited telephone sales campaign. This work was undertaken through a written contract to ensure that recognised fundraising standards were met concerning the protection of the public, including vulnerable people. The contract included regular monitoring sessions with the provider. The contract finished in February 2018.

We used a professional fundraising consultant between May and December 2017, under written arrangements, to make introductions to us of targeted high net worth individuals.

All our fundraising activity conforms to the standards laid down by the Institute of Fundraising and the Fundraising Regulator, to which we are a signed up member.

We adhere to the regulator's fundraising promise:

1. We will commit to high standards; 2. We will be clear, honest and open; 3. We will be respectful; 4. We will be fair and reasonable; 5. We will be accountable and responsible.

We have a professional team of fundraisers on our staff and their activity is monitored by the Chief Executive and Chief Operating Officer. During the year we have not received any complaints about our fundraising activity. We do not use intrusive or persistent fundraising approaches.

Risk & Corporate Governance Matters

The trustees regularly monitor progress against the strategic objectives set out in the agreed business plan. The Audit, Risk and Resources Committee has responsibility to the Board for reviewing in more detail the risks to which the charity is exposed and the corresponding mitigations, and for ensuring an effective risk management strategy is in place. A document setting out the risks, consequences, countermeasures and contingencies has been prepared by the executive team and is reviewed on a regular basis.

Principal risks and uncertainties identified for the organisation are as follows:

Risk	Mitigation
Colston Hall name change impacts financial and other support both positively and negatively	<ul style="list-style-type: none"> • Careful management of messaging to key groups • Consultation process initiated with consultants appointed
Failure to deliver Capital Transformation Project to time or within £48.8 million budget	<ul style="list-style-type: none"> • Sound project governance structure involving Bristol Music Trust (BMT) and Bristol City Council (BCC) • Experienced advisors and contractors • Regular review of value management options • Development plans within budget and project timetable currently on track • Legal agreement between BCC and contractor to mitigate the risk to BMT
Increased pressure on funds during the Transformation Period with reduced capacity for earned income and potential for higher than budgeted costs	<ul style="list-style-type: none"> • Financial and business modelling completed for the Transformation Period with increased focus on commercial events and income generation through the Foyer • Organisational structure planned and implemented 6 months ahead with savings identified • Reduced programme throughout the period with reduced costs and careful management to increase the focus on income generating shows

Insufficient reserves to support the business throughout the Transformation Period and after re-opening	<ul style="list-style-type: none"> • Appropriate governance and performance monitoring in place with a solid financial management record • Reserves policy set by the Board • Operational deficit necessary to support fundraising costs and closure plans with a planned draw down on designated funds approved by the Board • Long term financial planning in place to ensure sufficient funds can be generated to replace reserves drawn on during the Transformation Period and to support the ongoing needs of the business
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AIMS AND ACTIVITIES

Charitable Aims

Launched in May 2011 the Bristol Music Trust is an independent charity with two distinct aims:

The first is to manage the operations of Colston Hall, Bristol's largest concert venue, where people have been enjoying music since 1867; developing a diverse musical programme, leading a major capital refurbishment programme, and securing its commercial success. The Hall presents a wonderful opportunity to build a diverse concert hall and music centre; comprising a traditional concert hall, a smaller intimate hall, and an inspiring modern foyer.

The second aim is to drive forward music across Bristol and the South West of England; working in partnership with city wide organisations, leading on musical education under the banner of Bristol Plays Music, commissioning new works, supporting local musicians, and promoting music across all communities to build on the vibrant talent already in the City. Much more, we want the Bristol music scene to stand out with its own unique culture and internationally renowned reputation.

Bristol Music Trust's vision is to put music at the heart of Bristol life, and to lead a strategic, holistic, citywide approach to promoting music so that it flourishes through performance, composition, participation and education.

Charitable Activities

Bristol Music Trust manages the operations of Colston Hall to provide artistic and educational benefits to the people of Bristol and the South West of England. Colston Hall hosts an impressive and varied programme of performances, events and educational courses and facilities. The Trust's aim is to deliver an extensive and high quality programme of creative performances across a range of musical genres. With a wide ranging programme, the Trust will attract all age groups and reach out to the many diverse cultures of Bristol.

Under the umbrella of Bristol Plays Music, the Arts Council England's music education hub for the City of Bristol, Bristol Music Trust aims to work with its strategic partners to deliver a coherent musical educational programme

spanning formal and non-formal music education across the City, and ensure that every young person has access to high quality music learning opportunities and a platform for musical expression. Bristol Plays Music is leading music education in Bristol, providing expertise and support to schools, community and cultural organisations; and also serving Bristol, delivering the National Plan for Music Education to schools and their communities.

Bristol Music Trust currently works with a variety of partner organisations including performance partners such as Bournemouth Symphony Orchestra and the British Paraorchestra; education and delivery partners such as Open Up Music and Conductive Music; and other Bristol partners and venues such as St George's Bristol. The Trust will continue to work with a range of partners and to look to expand its partnership arrangements locally and nationally.

While the Trust's initial focus will be on operating Colston Hall and the provision of music education services, it is possible that in future it may develop to become a strategic trust with a wider remit of arts and cultural provision in Bristol, working in partnership with other arts partners. The Trust's charitable objects are therefore sufficiently wide to cover the arts in general, and this enables the organisation to advance any other charitable purposes selected by the trustees. This gives the Trust maximum flexibility to develop its activities over time and include activities such as heritage conservation as the historic Lantern hall is redeveloped.

Public Benefit & Pricing Policy

The trustees have taken The Charity Commission's specific guidance on public benefit into consideration in preparing their statements on public benefit contained within this Trustees' Annual Report. The objects of Bristol Music Trust are aimed at the general public in Bristol and the South West, which reflects the focus of Colston Hall and Bristol Plays Music on benefiting the community in Bristol and the surrounding area.

Charges are currently made to the public to attend performances and the intention is that this will continue. Charges will be in line with those charged by other charitable arts organisations and will be set at a level which takes into account the ability of the public to pay for tickets. Similarly, charges will continue to be made for some of the educational provision, and these are set at an affordable and benchmarked level. Bristol Music Trust's pricing policy aims to optimise the volume of sales and maximise income while maintaining a range of prices to encourage diverse and more frequent attendances from target groups.

Our headline pricing strategies are:

- Encouraging customers to attend less popular events through motivating price differences and special deals.
- Rewarding frequent customers and stimulating loyalty through members' incentives and multi-buy deals where appropriate.
- Encouraging early booking with early bird deals and by avoiding last minute discounting.
- Promoting accessibility by including lower price tickets and providing concessions for target groups such as young people where possible.
- Encouraging group bookings through group deals.
- Promoting price differentiation in the auditorium through clear and strategic incremental price breaks.

These strategies are varied and adapted for different genres within the Hall's programme. Applicable pricing is dependent on the individual show, but generally we operate concessions for our International Classical Season

targeted at young people, including schemes for under 18s (£1 tickets) and under 25s (£8.50 tickets). 8-25 year olds are offered free tickets for selected chamber concerts through our Cavatina scheme.

In addition, a number of performances and events are free for the public, including regular foyer performances and talks. Many of the educational workshops run by Bristol Plays Music are also free to young people. This ensures that people on lower incomes are not excluded from being able to benefit from the charity's activities. Anyone who requires assistance to attend an event at Colston Hall is invited to bring a personal assistant or companion who will be admitted free of charge.

Relationships with Related Parties

Bristol City Council has leased the Colston Hall (and associated assets) to Bristol Music Trust for a twenty-five year period at a peppercorn rent. All associated activities (the operation of Colston Hall and related music education activities) transferred to Bristol Music Trust under the terms of a Transfer Agreement, with entrusted services to be discharged by Bristol Music Trust defined under the terms of an Entrustment Agreement. Compensation is payable by Bristol City Council for the provision of the entrusted services under the terms of a Service Level Agreement, with funding agreed in advance for a multi-year funding period to deliver the entrusted services against measurable outcomes. Under the terms of the lease, Bristol City Council retains responsibility for structural maintenance of the whole Colston Hall site and related service contracts for the old building, whilst Bristol Music Trust has responsibility for day to day maintenance of the new foyer and all other operational matters. Following redevelopment, a new lease (between 30 and 99 years) will be granted to BMT for the whole building including the foyer and this will be on a fully repairing and insuring basis.

Bristol Music Trust enjoys a close relationship with Bristol City Council and compensation has been agreed at £1,026,000 per annum for a further two years 2018/19 to 2019/20, and then at £526,000 for a further two years from 2020/21 to 2021/22.

Bristol Music Trust owns 100% ordinary share capital in the subsidiary company BMT Enterprises Ltd. BMT Enterprises Ltd manages its commercial activities (including catering, hire of conferencing facilities and meeting-rooms at Colston Hall, and the provision of box office services to other arts organisations) for the benefit of the charity, and all profits will be gift-aided to Bristol Music Trust on an annual basis. A cost sharing agreement is in place to ensure that BMT Enterprises Ltd pays Bristol Music Trust for its use of Colston Hall and other services.

ACHIEVEMENTS AND PERFORMANCE

Bristol Music Trust has now been trading for seven years and is a well-established, artistically curious and financially well-managed organisation, with a national reputation for excellence and innovation, central to the cultural landscape of Bristol and the South West. During 2017/18 we maintained a wide range of artistic and commercial partnerships, and continued to develop an original and inspiring musical programme including weekend festivals and special one-off events, presenting more fantastic shows to an ever growing and diverse audience. We also manage a music education hub (with responsibility for delivering the National Music Education Plan to every child in the Bristol area), Bristol Plays Music.

Bristol Music Trust uses a range of key performance indicators compared year on year to report on performance to stakeholders and funders and to report to management and trustees as a management tool to inform decision making.

Aims	Key Performance Indicator
Artistic Excellence	<ul style="list-style-type: none"> • Number of performances • Number of Festivals • Number of tickets sold • Gross ticket income • Average ticket price • Audience numbers
Education and Engagement	<ul style="list-style-type: none"> • Number and % of Bristol schools worked with • Number of children involved in education weekly/ annually • Number of partnerships • Number of hours tuition provided weekly/ annually • Number of hard to reach CYP • Number on SEND programmes
Creative Commercial Approach	<ul style="list-style-type: none"> • Number of conferencing events and space usage • Conferencing income generated and gross profit margin • Retail income generated and gross profit margin
People and Partnership	<ul style="list-style-type: none"> • Staff turnover • Training spend • Sick days • Staff diversity
Inclusivity	<ul style="list-style-type: none"> • Number of artists with SEND • Number of partners working in SEND • % venue accessible • % audience diverse
Financial Resilience	<ul style="list-style-type: none"> • Free reserves in number of months of salary costs • Profitability margins for earned income • Occupancy rates for Halls • Debtor days • Bad debts as a % of sales • Diverse income model

The Colston Hall's artistic programme and audience reach has continued to develop with the benefit of National Portfolio Organisation (NPO) funding from Arts Council England and our partnership with St George's Bristol. In similar fashion a major new grant from Youth Music for the National Centre for Inclusive Excellence (NCIE) underpins our ambitious plans to forge new standards in musical inclusion and music education. We have a reputation for working creatively across all our work with a wide range of partners locally, nationally and internationally, championing accessibility in music performance and music learning, and bringing the very best music and entertainment to our city.

Transformation plans for the Colston Hall building have continued to develop and fundraising is on target with over £42 million already raised, thanks to the financial support of Bristol City Council, HM Treasury, Arts Council England, the Heritage Lottery Fund, WoECA and some generous individual donors. However, we still need help and determination to achieve our ambitious plans which will turn our iconic building into something that we can all be proud of as a city, region and nation – a world-class concert hall fit for another 150 years to come.

Colston Hall

During the financial year 2017/18 Colston Hall presented 601 performances throughout the building and across the city (up 12% on prior year) to a total audience of over 290,000 (up 9%). We have enjoyed a programme of events across a wide variety of musical genres, as well as comedy, light entertainment, community/schools events, installations and festivals. The programme is comprised of hall lettings (where an external promoter hires one of our performance spaces) and our own funded programme of promotions and co-promotions, which include some shows at external venues around Bristol enabling us to reach a wider audience. We have developed a strong artistic profile at Colston Hall, which is being recognised nationally, with a greater emphasis on festival programming and our own promotions and co-promotions – now totalling 55% of shows in the main hall and 50% in The Lantern. The number of promotions for a hall of this size is unusual but the purpose is to create a coherent and unique programme that can compete with concerts halls in larger cities and enable us to create bespoke festivals and genre-specific strands. A total of £7.2 million gross ticket sales (including VAT) were generated from shows taking place during the year - £4.4 million generated by external promoters from hall lettings and £2.8 million from our own promotions and co-promotions.

The aim of the Trust is to curate a unique programme each year of own promotions and co-promotions comprising a significant number of shows that could not happen anywhere else in the city and 17/18 was no exception. Significant projects included the UK premiere of the *Monteverdi 450* series, a landmark semi-staged presentation of Monteverdi's three surviving operas – *Il Ritorno d'Ulisse in Patria*, *L'Incoronazione di Poppea* and *L'Orfeo* – to mark 450 years since Monteverdi's birth. This was the result of a partnership between Bristol Music Trust, Sir John Eliot Gardiner and his ensembles the English Baroque Soloists and the Monteverdi Choir. We continued with our film and orchestra projects including Jonathan Glazer's *Under the Skin* with the London Sinfonietta and live gaming with *Dear Esther* featuring alongside a live soundtrack by the BAFTA award winning composer Jessica Curry. As part of our 150th anniversary celebrations we also curated the *Bristol Takeover*; a day of music throughout the building featuring over thirty bands and artists from Bristol and the South West including This is The Kit, Moonflowers, Beth Rowley, Fantasy Orchestra, Pinch, Smith & Mighty, Francois and the Atlas Mountains and Yama Warashi.

Other BMT promotions in the main auditorium included the Transatlantic Sessions, Al Stewart, Benjamin Clementine, Calexico, Holy Holy (a Bowie project), Gipsy Kings, The Waterboys, Flaming Lips, Magnetic Fields, Kiasmos, Penguin Café Orchestra, Average White Band and Kokomo, The Mavericks and Nils Frahm.

The financial year covers the latter part (Spring) of the 2016/17 classical season and the beginning (Autumn) of the 2017/18 season with a number of the concerts in this period proving highly successful. Concerts of note ending the 2016/17 season included three concerts from the Bournemouth Symphony Orchestra through April and May including the works of Tchaikovsky, Mahler, Schumann and Elgar. The 16/17 season was rounded off with a sell-out performance by the Moscow Philharmonic Orchestra conducted by Yuri Simonov with Freddy Kempf as soloist.

The 2017/18 season opened with the Bournemouth Symphony Orchestra featuring their principal conductor Kirill Karabits and clarinettist Andreas Ottensamer. This was swiftly followed by the St Petersburg Symphony Orchestra offering a strong selection of Russian repertoire by Tchaikovsky and Rachmaninov. Further highlights included the first concert at Colston Hall by the Academy of St Martin in the Fields with their Director, Conductor and

soloist Joshua Bell and the Czech Philharmonic Orchestra returning to the hall after three years to perform once again to a near sell out audience.

We continue to attract new audiences beyond our subscriber base by investing in audience development initiatives made possible in part by our Arts Council NPO funding.

Colston Hall has presented a total of 248 shows in the main auditorium, hosting high profile concerts brought to us by national promoters including Kraftwerk, Paramore, The Pretenders, Paul Weller, Van Morrison, Robert Plant, Rhiannon Giddens, Goldie, Bananarama, Ne-Yo, Michael Kiwanuka, The Kooks, Imelda May, Steve Winwood, Little Big Town, Gary Numan, London Grammar, The Stylistics, Divine Comedy, La La Land with live Orchestra, Jools Holland, The Darkness, Jake Bugg, Yes and Jessie Ware.

2017/18 was a particularly strong year for comedy in the main hall with a significant number of high profile shows coming to the venue including Ricky Gervais, Michael McIntyre, Russell Brand, Rob Brydon, Greg Davies, David Sedaris, Stewart Lee, Adam Buxton's BUG, Katherine Ryan, Sarah Millican, Jimmy Carr, Simon Amstell, Jon Richardson and a rare appearance by French and Saunders together for the Slapstick festival. This year we also saw Jonathan Pie and Paul Chowdhry play the main hall for the first time following previous performances in The Lantern.

We continue to create a diverse "arts centre" style programme in The Lantern with a total of 242 shows taking place. Half of all shows are our own or co-promotions and in the year 2017/18 programme highlights included Field Music, Blank Mass, Flamingods, DJ Yoda, Osibisa, Zoe Rahman and Jay Phelps, Mt. Wolf, Thurston Moore, Elephant Sessions, Hollie McNish, Kaitlyn Aurelia Smith, Junun, Lee Fields & The Expressions, Raghu Dixit, Neil Hilborn, Courtney Marie Andrews, Lankum, Nick Hakim, Martin Simpson, Forest Swords, Portico Quartet, Justin Currie, Martin Hayes Quartet, Jacob Collier, LIARS, Kaia Kater, Binkbeats, Broken Brass Ensemble, Kamaal Williams, Manu Delago, William Basinski, The Young 'Uns, The Haggis Horns, Ezra Collective, Seckou Keita and Omar Sosa and LIIMA.

Comedy performers in The Lantern included Marcel Lucont, Katy Brand, Zoe Lyons, Angelos and Barry, Tom Green, Athletico Mince, Nick Helm, Ed Gamble, Jayde Adams, Phil Wang, Iain Stirling, Bobby Mair and Josle Long.

In 2017/18 Bristol Music Trust once again worked in partnership with Bristol Old Vic hosting their young person's Christmas show *Snow Globe*, devised by Kid Carpet, in The Lantern throughout December 2017 and early January 2018.

We continued with our lunchtime series of classical concerts partnering with the Royal Academy of Music and Young Classical Artist Trust (YCAT), as well as promoting an eclectic range of Colston Hall Foyer performances, offering opportunities to up and coming local artists and young people, along with more established names. During the summer though late July and August we also offered a series of evening outdoor DJ shows up on our terrace bar.

Over the last year, Colston Hall also hosted six festivals:

- River Town (July 2017) - this was the third iteration of our Americana weekend and featured performances from Nick Lowe, Paul Carrick and Andy Fairweather Low, Mavis Staples, Ward Thomas, The Shires, Martha

Wainwright, Angeleena Presley, Jim Lauderdale, Jon Cleary, Yola Carter, Amythyst Kier and My Darling Clementine.

- Hoo Ha Festival (August 2017) - Our summer children's festival has become a firm fixture in the Summer holiday calendar offering parents the opportunity to bring their children to the hall and enjoy three days of events that are mostly free. Highlights this year included Dick and Dom, Dino School, Revolting Rhymes Live, Mischief and Mysteries in Moomin Valley, as well as a host of free daytime activities in the foyer space for anyone to access.
- Erased Tapes is Ten (Sept 2017) – working with contemporary record label *Erased Tapes* we hosted a series of shows celebrating their tenth anniversary with artists on the label including Kiasmos, Rival Consoles, Penguin Cafe Orchestra, Lubomyr Melnyk, Allred and Broderick and Douglas Dare.
- 150th Anniversary Celebrations / Bristol Takeover – to celebrate the 150th anniversary of Colston Hall we held a free gala event featuring players from the Bournemouth Symphony Orchestra, Bristol Choral Society, the Ukulele Orchestra of Great Britain, Bristol Reggae Orchestra and the Bruce / Ilett Big Band all playing repertoire that reflected the 150 year history of the hall. We also created *Hall of Memories* with the Bakehouse Theatre group. These were a series of theatrical tours around the cellars, backstage and auditorium mixing theatre, sound and lighting to offer audiences a unique insight into the history of the venue. As mentioned above we also programmed Bristol Takeover as part of our celebrations and to showcase the talent we have in Bristol and the South West.
- Simple Things (October 2017) – we once again partnered with Simple Things Festival acting as the main hub for activity across the main hall, The Lantern and Foyer as well as the roof terrace for one day in October. The day featured performances from Leftfield, Wild Beasts, Daphni, Clark, Juan Atkins, Omar Souleyman, Nadine Shah, Idles, Jlin, Alex G, The Bug ft. Miss Red, Kahan & Neek, Jane Weaver, Dekmantel Soundsystem, Marie Davidson, Lorenzo Senni, Shanti Celeste, Cakes Da Killa, Childhood, Binh, Carla da Forno, Diet Cig, O, Sassy J, Patten, Intergalactic Gary, Klein, Traams, Priests, Willow, Japanese Breakfast, HMLTD, Kelly Lee Owens, Inga Mauer, Oliver Wilde, Roi Perez, Downtown Boys, Warmduscher, Insecure Men, Gramrcy, Marco Bernardi, Children of Leir, Spinning Coin, The Early Years, London Astrobeat Orchestra performing Talking Heads.
- Bristol International Jazz & Blues Festival (March 2018) – This year's festival featured performances from Carleen Anderson, Incognito, Pee Wee Ellis, Clare Teal, the Electric Lady Big Band, Polly Gibbons and many more.

During 2017/18 we have also continued and started to grow our use of other venues around the City, both to attract artists whose ticket selling capacity may fall between our main hall and The Lantern and to strengthen relationships with other venues and their audiences as part of our programme strategy for the coming transformation period.

Furthermore, where we have developed an audience in Bristol for an artist at a grassroots level in The Lantern we want to continue to promote that artist as they grow in reputation, which often entails using other venues.

We have placed shows in the Academy (1600 capacity), Anson Rooms (1200 cap), Trinity Centre (600 cap), Thekla (400 cap), The Exchange (250 cap), The Louisiana (140 cap), Wardrobe Theatre (100 cap) and Crofter Rights (60 cap). Artists have included Mercury Rev and the Royal Northern Sinfonia, Trim, Steve Gunn, Xenia Rubinos, Joan Shelley, The Thing, Wolf Parade, Low Roar, Old Crow Medicine Show, Timber Timbre, Harpoonist & The Axe Murderer, Meridian Brothers, Tom Hickox, Tim Hecker, Hurray for the Riff Raff, Asian Dub Foundation performing a live sound track to *La Haine*, The Howl and the Hum, Leeroy Stagger, Caro, Dent May, Karl Blau, sir Was, Kathryn

Roberts and Sean Lakeman and Leafcutter John. We also sold out the Lloyds Amphitheatre on the Bristol Harbourside (5000 cap) for a show in July featuring the Outlook Orchestra and guests including Roots Manuva, Loyle Carner, Horace Andy, Pharoahe Monch, Dawn Penn, Adrain Sherwood, Mad Professor and Congo Natty.

Creative Learning and Engagement (formerly Bristol Plays Music)

Now in its sixth academic year, Bristol Plays Music (BPM) has made significant progress toward achieving its vision of making Bristol the 'UK Capital of Young People's Music'. Now that the transformation re-development of Colston Hall is about to start, our award-winning education and engagement programme for young people will expand to include Bristolians of all ages and all backgrounds as our Creative Learning and Engagement programme (CLE). At the heart of CLE's work is great music making and learning. Whether it be through singing, strumming or dancing, the programme sets out to encourage participation, engender a sense of civic pride and instil a lifelong love of musical culture.

National recognition

With eight national award nominations in three years, winning in several categories including the Major Prize for best music education hub, our work is now gaining national recognition. Championed as "bold, cohesive.... impressive across many areas" (MEC 2017), there is a growing confidence among partners and stakeholders in the quality and reach of our work. In September 2017 BMT held a national symposium at Colston Hall called 'Breaking the Glass Ceiling'. The event brought together representatives from government, the music industry and music education sectors to explore how they might work more strategically to remove barriers to careers in the music industry for young, talented musicians with special educational needs and/or disabilities (SEND). This event set out the progress being made nationally and in Bristol through the BMT's 'New Ambition for Inclusive Excellence'.

Music Education Environment

Across the country, schools are experiencing a period of unprecedented change. Currently, the National Plan for Music Education core and extension roles take us into nearly every school in Bristol where strong, confident relationships have been developed. Yet there are challenges ahead as schools in Bristol face significant budget challenges. It is clear that primary schools are feeling these impacts, however, demand for musical activities from primary schools has remained consistent and many new schools have started learning with us. The picture in secondary schools is complex. Following the introduction of the English Baccalaureate, many schools are facing a challenging environment in maintaining the provision of arts subjects. We are working closely with schools and multi academy trusts to minimise these impacts by exploring new and innovative of partnership models.

Vision for Creative Learning and Engagement

BMT believes that the children and communities who are in greatest need, need the greatest support. Over the last 12 months we have refocused our work towards developing a comprehensive creative learning and engagement programme that is fit for a transformed hall with a vision that reflects a deeper sense of responsibility for engaging communities across greater Bristol. Looking ahead, CLE will work in close partnership with the Programme team to further integrate creative learning and engagement events into the artistic output of the Hall and maximise the opportunities made possible through a world-class live music programme. Four key branches of work will be at the heart of the CLE vision and a new strategic partnership with Barbican Centre and Sage Gateshead will help amplify the reach of this work giving it prominence at a national level. The four key strands of creative learning and engagement are:

NATIONAL CENTRE FOR INCLUSIVE EXCELLENCE

In December 2017 BMT received the news that it had been successful with its application to the National Foundation for Youth Music for £610,000 funding over four years to establish the National Centre for Inclusive Excellence (NCIE) at the transformed hall. Meeting CLE's strategic priority 'Inclusive Excellence and Diversity', NCIE is a national programme, set up to explore the civic role of music and the arts and their impact on individuals, communities and society. NCIE works through a national partnership of music industry, higher education, local and national government, and other institutions across the arts and cultural sector. It draws upon the expertise of its partners to commission research, challenge existing practice, highlight examples of best practice, and, where necessary, develop new and innovative ways of working across a range of areas, including health, technology, inclusion, and artist development. NCIE will begin a four-year programme of work as part of Youth Music's Fund C portfolio, which will focus on enabling talented, young musicians to overcome disabling barriers to their musical progression and develop the artistic and professional skills they need to enter the music industry or higher education.

LISTEN.CREATE.PERFORM

'Listen. Create. Perform' ensures that communities across Greater Bristol engage with the Hall and experience live music as audiences, creative participants and performers. Meeting the strategic priority for 'Performance, Inspirational Experiences and Celebration', the programme provides a diverse range of inclusive activities from early years onwards, to hear live music, be creative and perform in public. For many children and families, attending an activity on this programme will be their first experience of a professional concert hall. Over the past twelve months the programme has featured seasonal singing events with 59 schools. We have worked with 60 adult choirs from across the South West for BBC Music Day and the BBC Big Sing. The Stages dance festival worked with 45 schools and dance groups and we staged events aimed at engaging more diverse young audiences through the Tomorrows Warriors 'Giants of Jazz' project. During the transformation closure period CLE will be meeting community organisations, amateur music groups, early years' providers and healthcare agencies to explore how their interests can be best represented through this socially inclusive programme.

ARTIST DEVELOPMENT

'Artist Development' will support a new strategic commitment to 'develop the music professionals of the future', providing industry experience across a range of professions and showcasing and promoting the quality of Bristol's music scene. Established programmes like Multi-Track will now populate the Artist Development strand. In 2017 we launched Home-Grown Heat to support and develop local artists. Mentors, include high profile artists like Eva Lazarus, Javeon, Tanya Lacey and industry consultant, Tony Briscoe. We held industry events for 16yrs + and a series of creative masterclasses at the new venue Rough Trade. Artist Development will also benefit from close relationships with FE and HE providers, in particular working in partnership with UWE's music and performance enrichment programme and the new BA (Hons) Music programme. Funding from PRSF means the Artist Development programme is part of the national 'Talent Development Partner Network'. In addition, funding from Help Musicians UK, enables BMT to support talented young performers from Bristol to develop their craft and get a foothold in the industry.

BPM MUSIC EDUCATION HUB

The BPM music education hub provides whole class ensemble tuition (WCET) and instrumental tuition to over 5,300 children each week, with activities such as choirs and ensembles increasing our weekly reach to approximately 10,000 children. Currently we teach 647 hours of charged, subsidised and free music tuition each week across 90% of schools in Bristol. During 2017 BPM also ran several special educational projects like

'Conductive Music'. Sponsored by Renishaw, the project reached 734 key stage 3-4 students in 12 schools combining science, engineering, coding and music and hopes to boost pupils' engagement with STEAM subjects through a cross-curricular approach. Although our work moves forward under a new departmental name, the music education hub will continue to deliver the National Plan for Music Education with the name Bristol Plays Music. With a commitment from the DfE to fund MEH's until March 2020 we will continue to meet the strategic priority 'Music in Schools and Their Communities' and ensure that the grant is invested in the schools and communities that are in most need.

In February the Department for Education revised the funding agreements for hubs with a requirement to: "support the Cultural Education Challenge and contribute to Local Cultural Education Partnerships". Anticipating this requirement, in 2017 BPM launched the cultural curriculum programme, which includes dance, drama and visual arts. The cultural curriculum is funded by Paul Hamlyn Foundation and has become part of the city's 'Cultural Futures' strategy. Working with a number of partners including: BCEP, RIO, Bristol Old Vic, E-Act Academy and the University of the West of England, the programme worked with 1418 children, 60 teachers and 185 UWE ITT students and developed and trailed 396 cultural education activities.

The year also saw Colston Hall's 'Young Companies in Residence' programme, consisting of the Bristol Youth Orchestra and the Bristol Youth Choir, continue to go from strength to strength. Orchestral highlights included sold out performances at St Georges and the Victoria Rooms. The 180-strong Bristol Youth Choir highlights include performances at BBC Proms and BBC Music Day live on BBC Radio Bristol.

Organisational

The Trust has a proven track record of effectively managing the charity's resources, utilising a commercial, value for money approach within an appropriate and robust governance framework to deliver exceptional artistic and educational outcomes for our audiences and young people. An experienced executive team and skilled workforce have brought creativity, passion and commitment to the work of the organisation, and we have consistently met our strategic objectives increasing both the range and reach of our activities.

We have continued to develop our commercial operations to support the charitable work of the Trust and profits of £288,123 (2016/17: £221,294) have been gift aided to the parent company by the trading company BMI Enterprises Ltd. Both our bars business and catering offer have performed well and we have also further increased our conference business by flexible and creative use of our unique spaces, with a steady stream of repeat bookings.

Colston Hall is recognised for achieving excellence in our customer service and providing a first class experience for all our visitors is at the heart of our brand. We continue to work closely with the charity Attitude is Everything to review and improve our accessibility offer and, despite the restrictions of the old Colston Hall building, have achieved a silver accreditation for their Charter of Practice.

Partnership working continues to be key to both our artistic and commercial success and underpins our contribution to Bristol's musical, cultural and economic life. We enjoy partnerships with some of the South West's most successful businesses and have continued to build on strong public and corporate support for our music and educational activity. 2017/18 saw us working with Renishaw, Pukka Herbs, Brewin Dolphin and DAC Beachcroft amongst many others. Our Colston Hall membership scheme has consistently proved popular with over 1,500 memberships purchased during the year, plus 638 corporate memberships. Individual donations via

the Colston Hall website have increased, whilst now over 45 individuals have pledged their support by joining the Colston Hall Patron Scheme.

In addition to the support we have received from Bristol City Council, we have raised over £1.1 million total voluntary funds for our music and education programs. In 2017, KPMG calculated that the economic impact generated by the Colston Hall in terms of Gross Value Added (GVA) – a measure of the economic value of goods and services generated as a result of Colston Hall's activities – and employment (in full-time equivalent (FTE) terms), in 2015/16 was £17.4m. Of this £11.8m is generated within Bristol itself.

Colston Hall Redevelopment Phase 2

The trustees and staff of BMT are passionately committed to delivering the Colston Hall transformation project to give the region the outstanding concert hall it deserves, working tirelessly to move the project forward. We will commence the building development project in the summer of 2018, and huge progress has been achieved over the past year in terms of advocacy and fundraising, as well as detailed building design development and consultation.

Crucially there is a high degree of cross-party and cultural partnership support for this key South West project. Our capital campaign has now raised over £42million of the £48.8 million target, including £10 million committed from Bristol City Council, £5 million from HM Treasury, £10million from the Arts Council England and £4.75 million from the Heritage Lottery Fund, £5 million from WoECA plus a number of generous individual donations from £25,000 to £500,000. Working in partnership with Bristol City Council, Arts Council England, Heritage Lottery Fund and the skilled Colston Hall Project Team (including architects Levitt Bernstein), planning permission was granted in February 2018 and preferred principal contractors have now been appointed.

A transformed Colston Hall is fundamental to the artistic and business success of Bristol Music Trust and the ability to continue to deliver on its charitable objectives, with a substantial positive ongoing effect on the organisation's financial performance and resilience. During the year we have continued to develop our Business Plan to 2040, which summarises the anticipated business impact on Bristol Music Trust of delivering Phase 2, and considers the artistic, operational, financial and strategic implications of the preferred option design which underpinned our successful capital funding applications.

Our financial assessment and planning process utilises the executive team's knowledge and expertise as well as that of our trustees, and in consultation with our design team, Bristol City Council stakeholders, and other relevant experts we have created a detailed business model based on realistic and tested assumptions. At each stage we have also identified risks to the model and appropriate mitigations, and modelled the impact of the development on all of our income and cost streams. The organisation has a proven track record of both inspirational music programming and sound financial management, and the business plan, though clearly artistically and culturally aspirational, is rooted in the achievable and supported by the sound commercial considerations built into the building development plans.

The building design has evolved alongside our business planning process and the requirements of our commercial model are fully integrated into the preferred option design. We are therefore confident that the improved performance anticipated as a result of the transformation is sustainable for the long term and enables the organisation to build its financial resilience through both its charitable and trading activities.

Our modelling demonstrates that a significant and sustainable increase in audiences, income generation, and business resilience will result from the building transformation. Key improvements include:

- Increased capacity and improved customer experience deliver higher audiences and ticket income.
- Higher quality and flexibility of the spaces supports a diverse and innovative world-class programme generating more concert and commercial business.
- State of the art music production and rehearsal facilities for hire as well as internal use.
- Improved technical facilities enable a faster turnaround allowing the building to work harder.
- New areas of commercial income e.g. graduation ceremonies on accessible main stage.
- Sought after conferencing facilities including more multi-purpose, breakout spaces.
- Improved and dedicated bar facilities support greater customer spend.
- Attractive and profitable public catering facilities including in the historic colonnade.
- New operational systems will be more efficient and less labour intensive.
- A confident successful organisation will attract sponsors and funders.

FINANCIAL REVIEW

Financial Results

Bristol Music Trust's seventh year of activity from 1 April 2017 to 31 March 2018 has resulted in an overall net increase in funds of £168,980 on total income of £9,964,759 (2016/17: £7,625,404). An operational surplus of £1,121 has been generated (exceeding budget expectations with a strong performance across core activities funding Capital Project activities of £133,844) and with funds of £711,236 brought forward from 2016/17 this gives £712,357 in unrestricted funds to be carried forward into 2018/19.

There has been a net increase in restricted funds over the year of £167,859 on the £308,416 balance brought forward from 2016/17 due to the timing of grant activity, and donations made to the Colston Hall building project, and £476,275 will be carried forward. Total fund balances of £1,188,632 (2016/17: £1,019,652) will therefore be carried forward to the next financial year.

The charity received unrestricted funding of £1,026,000 from Bristol City Council and £243,750 NPO funding from Arts Council England to enhance our music programming and audience development activities during the year. Additional unrestricted voluntary funding of £150,174 has been generated for day to day activities from public donations and corporate sponsorship, and from both the Colston Hall membership and patron schemes.

Total grants of £712,099 (restricted) have been received from funding organisations to support the Trust's music and educational programmes, including the annual music education grant from Arts Council England (£551,129) and a major grant from the Youth Music Foundation (£123,778) to deliver Bristol Plays Music's New Ambition for Inclusive Excellence programme.

In addition, £2,056,302 funding has been received this year for the Colston Hall capital transformation project, of which £408,003 is carried forward after costs of £357,484 for the Trust's own project costs and £1,465,511 due to be transferred to Bristol City Council for design development costs incurred in the year, with the Colston Hall closure date and building commencement planned for June 2018.

The charity benefited from a gift-aided contribution of £288,123 (2016/17: £221,294) representing the total net profit of its subsidiary company BMT Enterprises Ltd for the same period. The profits of the trading subsidiary company have arisen from the provision of services in relation to conferencing and meeting-room hire, the Colston Hall stalls and terrace bars, the catering concession running the café/restaurant, box office services to external arts organisations and the sale of Colston Hall merchandise.

Total net assets (total assets less current liabilities) and charity funds of £1,188,632 are reported as at 31 March 2018 (2016/17: £1,019,652), an increase of 17% year on year. Cash at bank and in hand totals £3,567,434 (2016/17: £3,327,247) of which £1,112,691 (2016/17: £1,928,338) relates to Colston Hall advance ticket sales and £408,003 (2016/17: £174,695) relates to the Colston Hall capital transformation project. The trustees have agreed that the designated Fixed Asset Fund should be sufficient to cover the organisation's fixed asset costs as at the financial year end (£102,500), and therefore approved a transfer of £36,175 from the General Fund as at 31 March 2018.

Reserves Policy

The total level of free reserves or General Fund (that is funds not tied up in fixed assets or designated or restricted funds) as at the end of 2017/18 is £455,108 (2016/17: £490,164). The trustees forecast that Bristol Music Trust will be operating with relatively low levels of reserves prior to the completion of the Phase 2 development of Colston Hall. The trustees regularly review the reserves policy, and have developed a strategy to build the charity's general reserves over time once the building project is complete. The trustees have agreed to target to maintain a minimum level of free reserves that equates to at least one month of budgeted staff costs (£186,914 from April 2018) and aim to build this to three months over time.

Investments Policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Board of Trustees sees fit. The trustees have agreed that cash in relation to advance ticket income for upcoming shows (including commercial hires) be held in a separate Bristol Music Trust bank account from the main operational account to effectively and transparently manage the Trust's operational cash flow, and this is shown separately in the Balance Sheet as at 31 March 2018, and reported within the total deferred income liability (see note 16). The trustees have further agreed that cash in relation to restricted income received for the capital transformation project should also be held in a separate Bristol Music Trust bank account until which time it is either used by the Trust to pay for capital project costs or is transferred to Bristol City Council to pay for construction costs for the project.

FUTURE PLANS

We have now reached the point in the re-development plans when we will close the two main halls in June 2018 and move into our transformation period for two years. We have programmed an exciting schedule of around 100 concerts in other venues around Bristol through the year, as well as holding events and Festivals in our Foyer building which will remain open. We have already undergone a redundancy programme to reduce headcount to those roles required for the development and planning period over the next two years.

The Halls and backstage areas are being cleared of all remaining equipment which will either be stored or removed in the year ahead. Staff teams have been consolidated in the Foyer building administration offices and our education team is now fully located at our Education Centre at Southmead.

Closure plans are being further developed for our re-branding and re-naming strategy, box office system redevelopment plans, a full scale review of operational and front of house processes and procedures and an in depth review of key business processes around programme and event planning. We will also be undertaking key procurements for new catering providers and other major service contracts.

As part of the strategy for delivering the transformation project we will continue to focus on advocacy, communication, and the development of key stakeholder relationships to support our work and fundraising campaign. This will continue with our individual giving campaign, the development of more corporate support, a major benefactor group and building and space naming rights.

During the two year transformation period we will focus on generating commercial income from events in the Foyer building to support the team working on the transformation project. Our education work to reach over 30,000 children and young people across the Bristol area will be unaffected by the closure of the main Halls.

Upon reopening in 2020 we are confident that there will be a sustainable increase in audiences, income generation and business resilience resulting from the transformation and increased flexibility of the building and spaces, the diversity and quality of the programme, and an expanded commercial offer.

Bristol Music Trust's strategic vision for the next period through the Halls closure and reopening in 2020 is to ensure that:

- We work successfully with our partners to deliver a transformational vision for Colston Hall and Bristol Plays Music by 2020 and put music at the heart of Bristol and the South West.
- The £48.8 million Colston Hall Phase 2 Redevelopment project will be delivered to budget and on schedule, reopening in 2020 to become an internationally recognised, world-class, fully accessible and sustainable centre of music and learning within our iconic historic building in the heart of the City.
- The main hall will have international standard facilities which will allow us to attract the very best musicians and performances of all types of music, enhancing the audience experience and the Trust's reputation for creative excellence and diversity.
- The refurbishment, restoration and improvement of The Lantern will celebrate its original architecture and history whilst becoming fully accessible to artists and audiences, inspiring a wide range of performances, showcasing emerging artists, whilst also providing a flexible space for community and commercial activities.
- The historic cellars will be opened for the first time to create an atmospheric third performance space and a home for Bristol Plays Music, providing world-class spaces for education and enterprise in partnership with local music colleges. It will also house the National Centre for Inclusive Excellence which starts work in 2018 to deliver music learning for young people with special educational needs and disabilities.
- By 2020 our innovative music education programme has pledged to make an impact on every single child in Bristol as we channel the power of music and the arts into future generations across the region. Bristol will become the 'UK Capital of Young People's Music', providing equality of access to performance and educational opportunities in partnership with Colston Hall, and developing a leadership role in all aspects of music education city wide.

- The Trust continues to be financially secure and commercially astute, building business resilience and maximising funds available for artistic and educational objectives, whilst making a significant contribution to the economic prosperity of the region.
- Our organisational culture will continue to be creative, motivated, diverse, flexible, collaborative and professional and this will be underpinned by appropriate HR policies and procedures, training and development, and managerial support.
- We will continue to deliver an innovative music strategy during the closure period, promoting shows across the City as well as hosting a range of original events in the Colston Hall Foyer building.
- We continue to build creative partnerships with local, national and international artists and organisations, to inspire and energise our music and educational programmes, and ensure that Bristol remains a cultural city where the arts thrive and excellence is rewarded.

Trustees' & Directors' Responsibilities in the Preparation of Financial Statements

The trustees (who are also the directors of Bristol Music Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group as at the balance sheet date, and of the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the trustees and directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS 102;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with Companies Act 2006 and Charities Act 2011. 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. 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 the legislation in other jurisdictions.

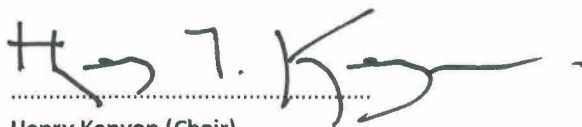
Auditor

RSM UK Audit LLP was appointed during the financial year 2011/12 and have been reengaged for the financial year 2017/18. They have indicated a willingness to continue in office.

Statement as to Disclosure of Information to the Auditor

The trustees and directors at the date of approval of this Trustees' Annual Report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Board of Trustees on **9th July 2018**, and was signed on their behalf by:


Henry Kenyon (Chair)

Opinion

We have audited the financial statements of Bristol Music Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements 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 2018 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 and the Charities Act 2011.

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 those 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 authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report have been prepared in accordance with applicable legal requirements.

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.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires 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; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 25, 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.

Kerry Gallagher

Kerry Gallagher **SENIOR STATUTORY AUDITOR**

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Hartwell House

55-61 Victoria Street

Bristol

BS1 6AD

13 July 2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income					
Voluntary income	1	1,419,924	2,768,401	4,188,325	2,429,631
Charitable activities	2	4,578,138	-	4,578,138	4,144,170
Other trading activities	3	1,189,401	-	1,189,401	1,043,789
Investment income	4	8,895	-	8,895	7,814
Total income		7,196,358	2,768,401	9,964,759	7,625,404
Expenditure					
Raising voluntary income	5	10,705	-	10,705	49,154
Charitable activities	6	6,149,412	777,547	6,926,959	6,458,843
Other trading activities	5	901,278	-	901,278	822,495
Capital Transformation Project	7	133,844	1,822,995	1,956,839	-
Total expenditure		7,195,239	2,600,542	9,795,781	7,330,492
Net income/(expenditure)	10	1,119	167,859	168,978	294,912
Transfers between funds		-	-	-	-
Net movement in funds	17	1,119	167,859	168,978	294,912
Total funds brought forward		711,236	308,416	1,019,652	724,740
Total funds carried forward	17	712,355	476,275	1,188,630	1,019,652

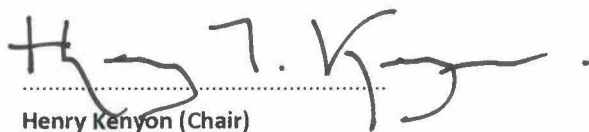
The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure for the year derive from the charity's continuing activities.

	Notes	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Fixed assets					
Tangible assets	11	102,500	66,325	84,420	59,471
Investment in subsidiary	12	-	-	1	1
Total fixed assets		102,500	66,325	84,421	59,472
Current assets					
Stock	13	34,862	19,050	-	-
Debtors	14	1,618,389	405,564	1,878,564	578,587
Cash at bank and in hand					
- Operational		2,046,740	1,224,214	1,735,244	1,025,813
- Restricted Capital Funds		408,003	174,695	408,003	174,695
- Advance Ticket Sales		1,112,691	1,928,338	1,112,691	1,906,861
Total current assets		5,220,685	3,751,861	5,134,502	3,685,956
Total assets		5,323,185	3,818,186	5,218,923	3,745,428
Liabilities					
Creditors falling due within one year	15	(4,134,554)	(2,798,534)	(4,030,292)	(2,725,776)
Net current assets		1,086,131	953,327	1,104,214	960,180
Total assets less current liabilities		1,188,631	1,019,652	1,188,631	1,019,652
The funds of the charity					
Restricted funds	17	476,276	308,416	476,276	308,416
Unrestricted funds	17				
- General fund		455,108	490,164	473,188	497,018
- Designated funds		257,247	221,072	239,167	214,218
Total charity funds		1,188,631	1,019,652	1,188,631	1,019,652

The parent charitable company made a total surplus for the year of £168,980 (2017: £294,912) including restricted funds.

The financial statements on pages 30 to 47 were approved by the Board of Trustees on **09 July 2018** and are signed on their behalf by:


Henry Kenyon (Chair)

Company Number: 07531978

STATEMENT OF CASHFLOWS and CONSOLIDATED STATEMENT OF CASHFLOWS for the year ended 31 March 2018

	Notes	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Cash generated by operating activities	19	303,109	517,305	195,611	489,311
Cash flows from investing activities					
Interest income		8,895	7,814	8,895	7,814
Purchase of tangible fixed assets		(71,817)	(49,896)	(55,934)	(41,286)
Total cash flows from investing activities		(62,922)	(42,082)	(47,039)	(33,472)
Increase in cash in the year		240,187	475,223	148,572	455,839
Total cash brought forward		3,327,247	2,852,024	3,107,369	2,651,530
Total cash carried forward		3,567,434	3,327,247	3,255,941	3,107,369

The principal accounting policies adopted, judgements, and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

Bristol Music Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

BASIS OF CONSOLIDATION

The group Financial Statements consolidate the results of the parent charitable company and its subsidiary undertaking for the year ended 31 March 2018 using the acquisition method of accounting. Intra group transactions and profits are eliminated fully on consolidation. A separate statement of financial activities, dealing with the results of the parent charity entity only has not been presented as permitted by section 408 of the Companies Act 2006.

GOING CONCERN

The trustees have presented the accounts on a going concern basis. The assumption relies upon the continuation of the Bristol City Council grant funding for the coming year and the foreseeable future and formal agreement is in place to 2018/19.

INCOME

Voluntary income includes our service funding from Bristol City Council which is of a general nature. Grant funding received in relation to specific projects (for example education projects) is recognised as restricted funding, and is accounted for on an accruals basis, matched to the period in which the educational activities occur.

Income from charitable activities includes hall hire income, box office sales from our own promotions, income from our educational activities, and box office booking fees. It is recognised as earned income in the year which the related goods or services are provided. Charitable activity income is deferred when box office sales or bookings are received or invoiced in advance of the performance or event to which they relate. Advance ticket revenue for future lettings, and therefore due to external promoters, is included in deferred income (note 16).

EXPENDITURE

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

Expenditure on raising voluntary income includes direct and indirect costs associated with our fundraising activity.

Expenditure on charitable activities includes costs associated with the staging of performances, events, and our educational activities, and includes both the direct costs and support costs relating to these activities (including costs incurred in the governance of the charity and its assets).

Expenditure on other trading activities includes costs associated with commercial trading operations (catering, hire of conferencing facilities and meeting-rooms at Colston Hall, and the provision of box office services to other arts organisations) through BMT Enterprises Ltd, and includes both the direct costs and support costs relating to these activities.

Bristol Music Trust leases the Colston Hall premises, and certain fixed assets within the hall at the time of transfer of business operations, from Bristol City Council at a peppercorn rent. It is not considered possible to determine the open market value of the facility and therefore no rental charge has been recognised in the Statement of Financial Activities.

TERMINATION PAYMENTS

Termination payments are payable when employment is terminated before the normal retirement date or end of employment contract. They are recognised when the commitment to payment is made.

TANGIBLE FIXED ASSETS

All tangible assets purchased that have an expected useful economic life that exceeds one year and a value of more than £1,000 are capitalised and classified as fixed assets. Any equipment or assets purchased for less than £1,000 per item will be accounted for as expenditure in the year of purchase. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Furniture, fixtures and fittings	3-5 years straight line
Computer equipment	3 years straight line
Technical equipment	3-10 years straight line
Plant & Machinery	3-10 years straight line
Catering equipment	3 years straight line
Musical Instruments	10 years straight line

Bristol City Council has agreed that assets (catering equipment, technical equipment, plant and machinery, furniture, fixtures and fittings) associated with the running of the Colston Hall and contained within the building at the start of the lease will be left at the premises for the term of the 25 year lease as part of the lease agreement. Ownership of these assets is retained by the Council and these assets (or equivalent assets in the same condition) will be returned to the Council at the end of the lease, and therefore should not be recognised as assets by the charity. It is the opinion of the trustees that all such assets are of a low fair value and as such would be immaterial to the financial statements. This excludes the two Steinway pianos which must be maintained by the Trust as part of the lease agreement. Where tangible assets are purchased as replacements they will be recognised as assets by the charity and depreciated in accordance with the policy above.

STOCKS

Stocks are valued at the lower of cost and net realisable value.

LEASED ASSETS AND OBLIGATIONS

All other leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The charity has introduced a defined contribution pension scheme for employees with Royal London, and a defined contribution pension scheme for casual workers with the National Employment Savings Trust. The assets of both schemes are held separately from those of the charity. The annual employer's contributions are charged to the Statement of Financial Activities.

Bristol Music Trust employees who were TUPE transferred to the organisation from Bristol City Council retain their membership of the Local Government Pension Scheme (a defined benefits scheme). The assets of the scheme are held separately from those of the charity. The employer's contributions rate was assessed at 14.7% at the time of transfer based upon details of the employees who transferred over. The transfer agreement states that potential increases to this rate (over 17.2%) after future assessments will be covered by a corresponding increase in Bristol City Council grant funding to avoid any financial risk to the charity. As such the scheme is treated as a defined contribution scheme in accordance with FRS102 Retirement Benefits.

Bristol Music Trust employees who were TUPE transferred to the organisation as members of the Teachers' Pension Scheme (a defined benefits scheme) retain their membership of this scheme. The company contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the Governors by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the company. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. Further details are provided in note 20.

FUND ACCOUNTING

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the charity.

Designated funds are a particular form of unrestricted funds consisting of amounts which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year-end are carried forward in the balance sheet.

1. VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds 2018	Total funds 2017
	£	£	£	£
Core Activities				
Bristol City Council – core funding	1,026,000		1,026,000	1,026,000
Music education hub funding	-	551,129	551,129	540,095
Other grants	243,750	-	243,750	293,750
Trusts and foundations	-	160,970	160,970	280,992
Individual donations	28,361	-	28,361	31,618
Patrons	22,205	-	22,205	17,882
Memberships	37,108	-	37,108	41,048
Sponsorship	62,500	-	62,500	51,475
Core Activities: Voluntary Income	1,419,924	712,099	2,132,023	2,282,860
Capital Transformation Project				
Other Grants	-	1,470,171	1,470,171	-
Trusts and Foundations	-	350,000	350,000	100,000
Other Sources	-	236,131	236,131	46,771
Colston Hall Phase 2 – Transformation Project: Voluntary Income	-	2,056,302	2,056,302	146,771
Total voluntary income	1,419,924	2,768,401	4,188,325	2,429,631

Voluntary income was £4,188,325 (2017: £2,429,631) of which £1,419,924 was unrestricted (2017: £1,460,652) and £2,768,401 was restricted (2017: £968,979 including £146,771 related to the Capital transformation Project). 2017 voluntary income has been restated for the 2018 note to show comparatives and there is no net effect on the 2017 surplus.

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Total funds 2018	Total funds 2017
	£	£	£
Hall and space lettings	867,891	867,891	953,216
Own and co- promotions	2,451,110	2,451,110	1,868,914
Education activities	803,834	803,834	812,870
Other event income	455,303	455,303	509,170
Total income from charitable activities	4,578,138	4,578,138	4,144,170

Income from charitable activities was £4,578,138 (2017: £4,144,170), this was all unrestricted (2017: all unrestricted).

3. NET INCOME FROM TRADING ACTIVITIES (BMT ENTERPRISES LTD)

	2018	2017
	£	£
Turnover	1,189,401	1,043,789
Cost of sales	(403,874)	(358,973)
Gross profit	785,527	684,816
Administration costs	(497,404)	(463,522)
Net income from trading activities	288,123	221,294
Gift aid payment to Bristol Music Trust	(288,123)	(221,294)
Retained in subsidiary	-	-
Total assets	392,377	294,054
Total liabilities	(392,376)	(294,053)
Net assets	1	1
Share capital and reserves	1	1

4. INVESTMENT INCOME

	2018	2017
	£	£
Bank interest	8,895	7,814

5. COSTS OF RAISING FUNDS

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Costs of trading activities (BMT Enterprises Ltd)				
Cost of sales	403,874	-	403,874	358,973
Staff costs (note 9)	183,601	-	183,601	166,893
Other support costs	313,803	-	313,803	296,629
	901,278	-	901,278	822,495
Costs of raising voluntary income				
Direct costs of fundraising	8,788	-	8,788	13,645
Indirect costs of fundraising	1,917	-	1,917	35,509
	10,705	-	10,705	49,154
Total costs of raising funds	911,983	-	911,983	871,649

The costs of raising funds were £911,983 (2017: £871,649) of which £911,983 was unrestricted (2017: £871,649).

Costs of staff employed in a fundraising capacity are included in support costs of charitable activities (note 6).

6. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Direct costs of charitable activities				
Hall and space lettings	255,692	-	255,692	302,377
Own and co-promotions	2,463,763	14,215	2,477,978	1,855,822
Education activities	27,116	693,494	720,610	626,957
Other event income	99,494	-	99,494	103,451
	2,846,065	707,709	3,553,774	2,888,607
Support costs of charitable activities				
Staff costs (note 9)	2,492,503	31,095	2,523,598	2,550,530
Premises costs	328,314	13,433	341,745	379,881
Other supplies and services	298,883	19,010	317,893	477,448
Marketing costs	183,647	6,300	189,947	162,377
	3,303,347	69,838	3,373,183	3,570,236
Total costs of charitable activities	6,149,412	777,547	6,926,957	6,458,843

Costs of charitable activities were £6,926,957 (2017: £6,458,843) of which £6,149,410 was unrestricted (2017: £5,718,144) and £777,547 was restricted (2017: £740,699).

7. COSTS OF CAPITAL TRANSFORMATION PROJECT

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Direct costs of capital transformation project				
Staff costs (note 9)	6,328	60,133	66,461	-
Transfer of funds to Bristol City Council for project delivery costs	-	1,465,511	1,465,511	-
Direct and indirect fundraising costs	125,521	100,500	226,021	-
Other support costs	1,995	196,851	198,846	-
Total costs of capital project	133,844	1,822,995	1,956,839	-

8. GOVERNANCE COSTS (included in other supplies and services)

	2018 £	2017 £
Audit	11,000	11,070
Accountancy fee	1,400	1,350
Trustee expenses	73	-
	12,473	12,420

9. STAFF COSTS

	2018	2017
The average monthly number of persons employed by the charity during the year was as follows:		
	No.	No.
Employees	126	132
Casual workers	56	54
Monthly total	182	186

These staff numbers include members of staff contracted by Bristol Music Trust on behalf of BMT Enterprises Ltd, the costs of which are charged direct to BMT Enterprises Ltd as part of the cost sharing agreement between parent company and subsidiary.

Staff costs for the above persons:

	£	£
Wages and salaries	2,305,729	2,239,596
Social security costs	141,105	160,891
Pension costs	196,282	214,246
Agency staff	28,537	43,623
Training, recruitment and allowances	26,925	36,066
Redundancy payments	75,082	23,000
Total staff costs	2,773,660	2,717,422

Staff costs for the executive team (key management personnel) including employer pension contributions totalled £612,443 for the year (2017: £491,408) for 12 members of staff (2017: 9). During the year redundancy and termination payments of £75,082 (2017: £23,000) were made to employees.

One employee (2017: two) received total pay excluding employer pension contributions in excess of £60,000 within the following bands:

	No.	No.
£60,001 - £70,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	1	2

The above employee earning more than £60,000 per annum participated in the Defined Contribution Pension Scheme. During the year ended 31 March 2018, the pension contributions for staff in these bands amounted to £4,533 (2017: £7,770).

The charity has taken out a trustees' indemnity insurance policy that provides professional indemnity cover for the trustees of the charity. The cost of this insurance policy to the charitable company for the year was £864 (2017: £1,700).

None of the members of the Board of Trustees received any remuneration. During the year trustees received reimbursements of personal travel and subsistence expenditure that amounted to £73 (2017: £nil).

10. NET INCOME/(EXPENDITURE)

	2018	2017
	£	£
This is stated after charging:		
Depreciation	35,642	46,110
Operating leases		
– Plant & machinery	15,750	15,750
– Office & equipment	8,677	8,163
Audit fee	11,000	11,070
Accountancy fee	1,400	1,350
Stock expense	234,127	208,363

11. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Office Equipment £	IT Equipment £	Fixtures & Fittings £	Musical Instruments £	Total 2018 £
Group:						
Cost						
1 April 2017	69,409	1,773	56,055	174,004	-	301,241
Additions	46,136	3,549	5,558	15,367	1,207	71,817
Disposals	-	-	-	-	-	-
31 March 2018	115,545	5,322	61,613	189,371	1,207	373,058
Depreciation						
1 April 2017	(41,653)	(1,537)	(51,063)	(140,663)	-	(234,916)
Charge for the year	(12,567)	(377)	(2,810)	(19,878)	(10)	(35,642)
Disposals	-	-	-	-	-	-
31 March 2018	(54,220)	(1,914)	(53,873)	(160,541)	(10)	(270,558)
Net book value						
31 March 2018	61,325	3,408	7,740	28,830	1,197	102,500
31 March 2017	27,756	236	4,992	33,341	-	66,325
Company:						
Cost						
1 April 2017	63,479	1,773	48,885	88,341	-	202,478
Additions	41,446	3,549	-	9,732	1,207	55,934
Disposals	-	-	-	-	-	-
31 March 2018	104,925	5,322	48,885	98,073	1,207	258,412
Depreciation						
1 April 2017	(35,804)	(1,537)	(48,673)	(56,994)	-	(143,008)
Charge for the year	(11,919)	(377)	(212)	(18,466)	(10)	(30,984)
Disposals	-	-	-	-	-	-
31 March 2018	(47,723)	(1,914)	(48,885)	(75,460)	(10)	(173,992)
Net book value						
31 March 2018	57,202	3,408	-	22,613	1,197	84,420
31 March 2017	27,675	236	212	31,348	-	59,471

12. INVESTMENTS

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Investment in share capital of BMT Enterprises Ltd	-	-	1	1

The above relates to an investment of 100% of ordinary share capital in the subsidiary company BMT Enterprises Ltd (company number 07575415).

13. STOCKS

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Finished goods and goods for resale	34,862	19,050	-	-

The above relates to Colston Hall bars stock and merchandise held by the subsidiary company BMT Enterprises Ltd.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Trade debtors	469,011	318,811	447,565	280,444
Other debtors	21,443	-	21,443	-
Amounts owed by group	-	-	288,123	221,294
Prepayments	55,408	63,018	55,408	63,018
Accrued income	1,072,527	23,735	1,066,025	13,831
	1,618,389	405,564	1,878,564	578,587

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018	Group 2017	Company 2018	Company 2017
	£	£	£	£
Trade creditors	626,103	323,767	561,680	307,588
Other taxation and social security costs	190,903	111,886	189,017	110,715
Pension contributions payable	22,724	23,267	22,193	22,949
Other creditors	99,809	48,405	99,809	48,405
Accruals	1,775,607	347,699	1,749,117	314,086
Deferred income (note 16)	1,419,408	1,943,510	1,408,476	1,922,033
	4,134,554	2,798,534	4,030,292	2,725,776

Deferred income includes advance ticket income of £1,112,691 (2017: £1,928,338).

NatWest Bank holds a fixed and floating charge over all assets of the charity. This was registered in 2015.

16. DEFERRED INCOME

	Group £	Company £
Balance as at 1 April 2017	1,943,510	1,922,033
Amount released to income from charitable activities	(1,928,288)	(1,906,481)
Amount deferred in the year	1,404,186	1,392,924
Balance as at 31 March 2018	1,419,408	1,408,476

17. ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfer between funds £	Funds at 31 March 2018 £
Restricted funds					
Bristol Plays Music - Music Education Hub	-	551,129	(551,129)	-	-
A New Ambition for Inclusive Excellence	68,908	123,778	(164,585)	-	28,101
Multi-track	-	19,192	(13,154)	-	6,038
Open Up	-	5,000	-	-	5,000
Cultural Curriculum for Bristol	54,813	-	(25,679)	-	29,134
Talent Development Programme	10,000	10,000	(20,000)	-	-
Young Companies in Residence	-	3,000	(3,000)	-	-
	133,721	712,099	(777,547)	-	68,273
Restricted funds: CH Phase 2 – Capital Transformation Project					
Arts Council Capital Funding	40,191	361,722	(401,913)	-	-
Heritage Lottery Fund	-	108,449	(108,449)	-	-
Local Enterprise Partnership	-	1,000,000	(1,000,000)	-	-
The Nisbet Trust	100,000	100,000	(184,380)	-	15,620
Garfield Weston	-	250,000	-	-	250,000
Other Capital Funding Sources	34,504	236,131	(128,252)	-	142,383
	174,695	2,056,302	(1,822,994)	-	408,003
	308,416	2,768,401	(2,600,541)	-	476,276
Unrestricted funds:					
General fund	490,164	5,085,148	(5,084,029)	(36,175)	455,108
Designated funds					
- Bristol Plays Music fund	49,747	-	-	-	49,747
- Music Development fund	50,000	-	-	-	50,000
- Colston Hall Building fund	55,000	-	-	-	55,000
- Fixed Assets fund	66,325	-	-	36,175	102,500
	711,236	5,085,148	(5,084,029)	-	712,355
Total funds	1,019,652	7,853,549	(7,684,570)	-	1,188,631

ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfer between funds £	Funds at 31 March 2017 £
Restricted funds					
Bristol Plays Music - Music Education Hub	-	540,095	(540,095)	-	-
A New Ambition for Inclusive Excellence	39,945	166,000	(137,037)	-	68,908
Urban Development	-	5,322	(5,322)	-	-
Cultural Curriculum for Bristol	-	60,000	(5,187)	-	54,813
Artsmark Award	-	20,340	(20,340)	-	-
Creative Employment Programme	-	2,500	(2,500)	-	-
Talent Development Programme	-	10,000	-	-	10,000
Young Companies in Residence	-	1,121	(1,121)	-	-
Bristol New Music Festival	-	13,000	(13,000)	-	-
Purple Rain & Norman Jay MBE	-	3,830	(3,830)	-	-
Colston Hall Phase 2 – Capital Transformation Project	40,191	146,771	(12,267)	-	174,695
	80,136	968,979	(740,699)	-	308,416
Unrestricted funds:					
General fund	408,465	6,656,425	(6,589,793)	15,067	490,164
Designated funds					
- Bristol Plays Music fund	68,600	-	-	(18,853)	49,747
- Music Development fund	50,000	-	-	-	50,000
- Colston Hall Building fund	55,000	-	-	-	55,000
- Fixed Assets fund	62,539	-	-	3,786	66,325
	644,604	6,656,425	(6,589,793)	-	711,236
Total funds	724,740	7,625,404	(7,330,492)	-	1,019,652

Music Education Hub: Arts Council England funding towards the cost of delivery of music education hub activity through Bristol Plays Music. Funding is utilised in the financial year to which it relates.

A New Ambition for Inclusive Excellence: A grant from the Youth Music Foundation for three years from 2015/16 has been allocated to support the Bristol Plays Music project to transform music education in Greater Bristol for children and young people with SEND, children in care and children from traveller communities.

Multi-track: A programme of work developing educational and professional opportunities for emerging artists from the underground music scene to develop career paths to step into industry. The "Home Grown Heat" strand of work, funded by Help Musicians is a 3 year programme of work to support 3 musicians aged 18-25 years old in developing their professional practice. PRS for Music Foundation funding has also been received to fund work including masterclasses, business seminars and a performance showcase under the Talent Development programme.

Open Up Orchestras: Funds have been received from the Nisbet Foundation in support of licencing fee costs for setting up Open Orchestras in Bristol schools, giving opportunities to young disabled people to perform.

Cultural Curriculum For Bristol: A pilot programme to design and create a citywide cultural curriculum covering music, dance, drama, visual arts and design led by Bristol Plays Music and Bristol Old Vic, in association with Arnolfini, Theatre Bristol and Spike Island, and UWE. The initiative, which aims to combat the decline in cultural education in Bristol schools, has worked with four primary schools to develop the curriculum, and received £60,000 funding from the Paul Hamlyn Foundation's Explore and Test fund in 2016/17 which continues to be used to fund this three year project.

Talent Development Programme: A second instalment of £10,000 (of an agreed £20,000 grant) has been received from the PRS for Music Foundation to support a programme to strengthen progression routes for emerging and developing music creators through performance opportunities, showcase events, industry advice. The programme has supported music creators working in three genres: popular, electronic and urban (including our Bristol Plays Music Multitrack programme).

Young Companies in Residence: Funding of £3,000 has been received from The Quartet Foundation towards the development of Bristol Plays Music's flagship youth ensembles Bristol Youth Choir and Bristol Youth Orchestra as Young Companies in Residence at Colston Hall.

Colston Hall Phase 2 – Capital Transformation Project:

The building refurbishment project has received restricted funds from a range of funders including statutory, donations from individuals, corporate sponsorship and grants from trusts and foundations.

Arts Council England: Project development funding of £401,913 has been received from a total funding allocation of £10 million towards the project.

Heritage Lottery Fund: Development funding of £108,449 has been received from a total allocation of £4.75 million towards the project.

Local Enterprise Partnership for the South West of England: A grant of £5m has been awarded for the project and the first instalment of £1 million was due at 31st March 2018.

Trusts and Foundations funding of £350,000 was received in the year from *The Nisbet Trust* and *Garfield Weston*.

Other funding received was sourced from the launch of a Public Giving campaign, Major Donors and Patrons and Corporate sponsors.

Bristol Plays Music Fund: A designated fund to support the charity's ongoing educational provision including funding for holiday activities and instrument renewal.

Music Development Fund: A designated fund established to support the ongoing creative development of the Colston Hall music programme and audience development strategy and to provide mitigation for the associated financial risks of own promotions within a curated programme.

Colston Hall Building Fund: A designated fund to support the Trust's planning for the Colston Hall Phase 2 – Capital Transformation Project.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General fund £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2017	490,164	221,072	308,416	1,019,652
Group:				
Tangible fixed assets	-	102,500	-	102,500
Current assets	4,589,661	154,747	476,277	5,220,685
Current liabilities	(4,134,554)	-	-	(4,134,554)
Total assets less current liabilities	455,107	257,247	476,277	1,188,631
Company:				
Tangible fixed assets	-	84,422	-	84,422
Investments	1	-	-	1
Current assets	4,503,480	154,747	476,277	5,134,504
Current liabilities	(4,030,292)	-	-	(4,030,292)
Total assets less current liabilities	473,189	239,169	476,277	1,188,635

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General fund £	Designated funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2016	431,560	213,044	80,136	724,740
Group:				
Tangible fixed assets	-	66,325	-	66,325
Current assets	3,288,698	154,747	308,416	3,751,861
Current liabilities	(2,798,534)	-	-	(2,798,534)
Total assets less current liabilities	490,164	221,072	308,416	1,019,652
Company:				
Tangible fixed assets	-	59,471	-	59,471
Investments	1	-	-	1
Current assets	3,222,793	154,747	308,416	3,685,956
Current liabilities	(2,725,776)	-	-	(2,725,776)
Total assets less current liabilities	497,018	214,218	308,416	1,019,652

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Net movement in funds	168,983	294,912	168,983	294,912
Dividend received	-	-	221,294	201,970
Add depreciation charge	35,642	46,110	30,983	31,324
Deduct interest income	(8,895)	(7,814)	(8,895)	(7,814)
(Increase)/decrease in stock	(15,812)	4,810	-	-
(Increase)/decrease in debtors	(1,212,825)	199,416	(1,521,271)	(35,113)
Increase/(decrease) in creditors	1,336,016	(20,129)	1,304,517	4,032
Cash generated by operating activities	303,109	517,305	195,611	489,311

20. PENSION COMMITMENTS

During the year the charity contributed to four pension schemes for its employees and casual workers as appropriate, the Bristol Music Trust Pension Scheme, the National Employment Savings Trust, the Local Government Pension Scheme and the Teachers' Pension Scheme. The total cost for the year amounted to £196,282 (2017: £214,246).

The charity participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its music tutor employees following the transfer of the Bristol Arts and Music Service staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the Charity. As required by FRS102 "Retirement Benefits", and in accordance with FRS102 the charity accounts for this scheme as if it were a defined contribution scheme.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government would be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme – Proposed Final Agreement ("the TPS Agreement"). On 25 April 2013 the Public Service Pensions Act 2013 was enacted and provides the arrangements for managing the future TPS costs, including a requirement for scheme regulations which must set an employer cost cap which will be required to be in accordance with Treasury directions.

The Actuarial Valuation as at 31 March 2012 undertaken by the Government's Actuary's Department and published on 9 June 2014 specifies a total contribution rate of 26% payable from 1 September 2015 for the four year valuation period. This total contribution rate is made up of an employer contribution rate of 16.4% (plus a 0.08% administration levy) and an average employee contribution rate of 9.6% for scheme members. A six tier salary and employee contribution rate structure is applied with employee rates varying between 7.4% and 11.7%. Employer contributions will continue for this valuation period at the current rate 16.4%.

The pension charge for the year includes contributions payable to the TPS of £31,562 (2017: £57,630). The charity has a charge of £20,000 cash deposit, dated 21 August 2013 in favour of NatWest Bank Plc, sufficient to cover three months contributions to the TPS.

21. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018 the charity was committed to make total future lease payments under operating leases for each of the following periods:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
In respect of plant and machinery leases due:				
Within 1 year	9,312	7,938	9,312	7,938
In the second to fifth year	20,891	13,430	20,891	13,430
	<u>30,203</u>	<u>21,368</u>	<u>30,203</u>	<u>21,368</u>

22. RELATED PARTY TRANSACTIONS

Detail of the relationship with Bristol City Council is provided on page 13.

During the year the charity made purchases of:

£5,590 (2017: £453) from Nisbets PLC. Andrew Nisbet is a Director of this company.

£2,989 (2017: £2,099) from Destination Bristol for which Louise Mitchell is a Trustee for this organisation.

During the year the charity made sales of:

£2,500 (2017: £2,500) to Nisbets PLC. Andrew Nisbet is a Director of this company.

£200 (2017: £nil) to Destination Bristol. Louise Mitchell is a Trustee for this organisation.

£900 (2017: £nil) to Lakota. Marti Burgess is a Director of this company.

£14,286 (2017: £nil) to Merchants Academy. Andrew Nisbet is a Trustee for this company.

During the year donations to the Colston Hall Phase 2 – Capital Transformation Project received from Trustees totalled £112,778.

Bristol Music Trust has a wholly owned subsidiary, BMT Enterprises Ltd (see note 3). Bristol Music Trust charged BMT Enterprises Ltd staff costs of £183,601 during the year (2017: £166,893). In 2018 BMT Enterprises Ltd transferred its profits of £288,123 (2017: £221,294) to the Trust as a gift aid payment. The full amount of £288,123 was outstanding as at 31 March 2018 (2017: £221,294).

